

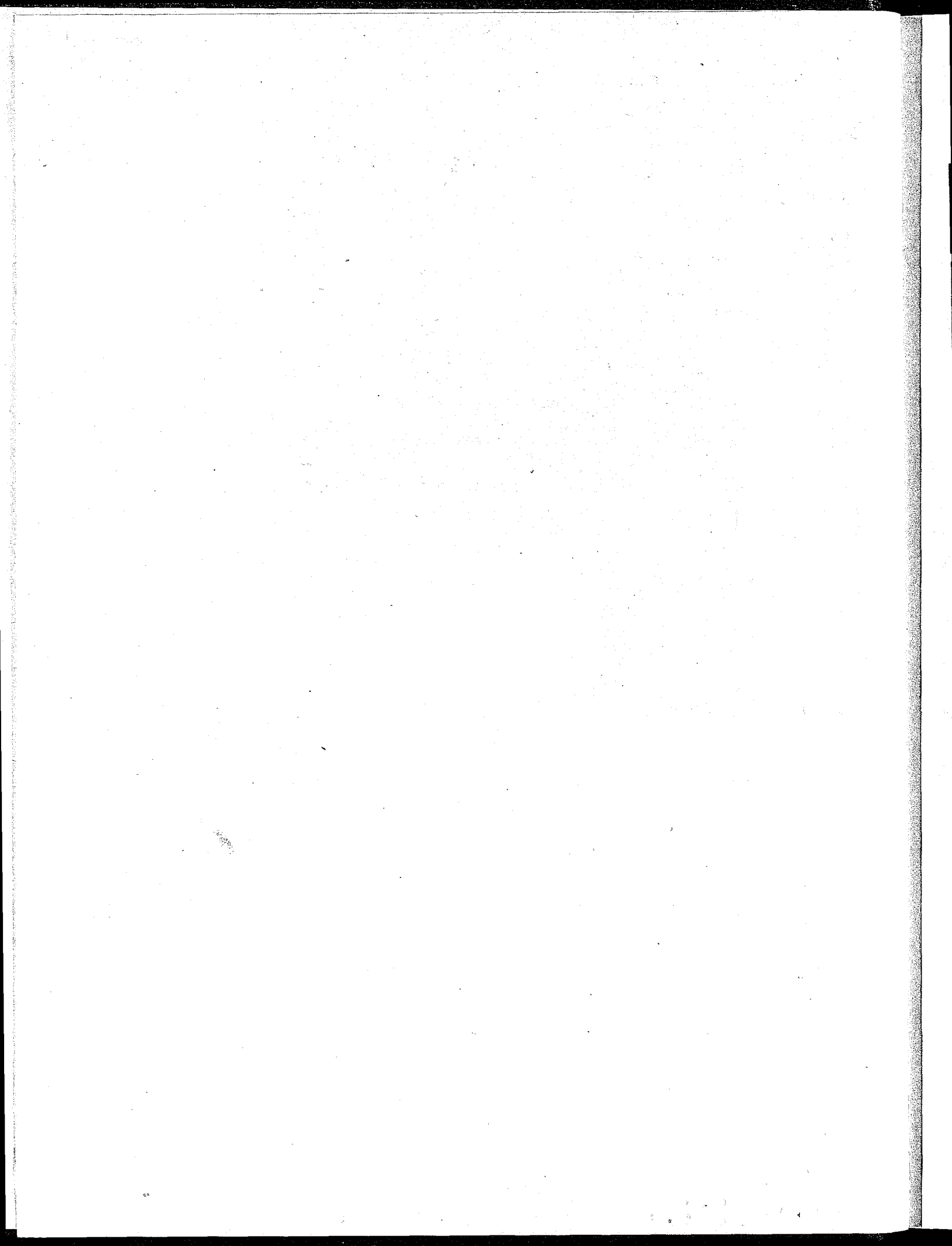
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International Canada

*Centre supplement reference material on Canada's foreign relations
presented by the Department of External Affairs.*

International Perspectives

International Perspectives is published in Canada six times a year by International Perspectives, (95312 Canada Inc.), 302-150 Wellington St., Ottawa, Ontario, K1P 5A4. Telephone: (613) 238-2628

Second Class Mail
Registration Number 4929

Publisher:
Alex Inglis

Editor:
Gordon Cullingham

Editorial Associate:
David MacNeill

Design and Production:
Anita Bergmann,
Jan Soetermans

Managing Director:
John Munro

Subscription rates:

In Canada:

- Single issue — \$3.75
- One year (six issues) — \$21
- Two years (12 issues) — \$39
- Three years (18 issues) — \$57

Other countries:

- Single issue — \$4.25
- One year (six issues) — \$24
- Two years (12 issues) — \$45
- Three years (18 issues) — \$69

Subscription address:

P.O. Box 949,
Station B,
Ottawa, Canada
K1P 5P9

International Perspectives is a journal of opinion on world affairs. It takes no editorial position. The opinions expressed are those of the authors.

International Perspectives is indexed in the *Canadian Periodical Index*, *Current Content* and *PAIS Bulletin*.

ISSN 0381-4874
© 1985

Editor's Note:

Most of the articles in this issue could not have been written six months ago. That is an indication of how fast our world is changing, and if topicality and profundity were incompatible, we'd be in a mess. Fortunately, with contributors as keen as *International Perspectives*, it is possible to be both. We find Mitchell Sharp with a hearty rejoinder to Anthony Westell's rejection of the Third Option in the previous issue. (There are other responses to Westell's article in the Letters to the Editor section.) David Pollock and Grant Manuge note the direction in which Brian Mulroney is leading Canadian foreign policy, and have a suggestion for extending its benefits. Equally new is the arrival of 1985, signalling forty years of the United Nations. That's long enough for any organism to become pretty sick or pretty healthy. Nancy Gordon looks at the record, and considers some proposed treatments. Trade — or worry about trade — is always with us, and now there is another phenomenon worth fretting about. That is the management of trade by governments instead of by private business — all to the increasing discomfort of the weak or the principled.

Sea law goes deeper and deeper, until the new institutions are nearly ready to manage the seabed itself. Elisabeth Mann Borgese of Dalhousie has followed the slow but real achievements of the UNCTAD conferences, and here explains a complex set of developments.

In Geneva real progress is being made in the tortuous route to a treaty banning chemical weapons and providing for verification, as we learn from a member of the West German delegation there. From Washington a student of Latin America offers a bleak view of Canada's record in doing its bit to promote peace and progress in the Western hemisphere, especially in Central America. In our Parliament both foreign policy and Committees have little of the prestige and power that they have in some countries. William Dobell of the University of Western Ontario offers some insights into the House of Commons Committee on External Affairs and National Defence.

The next issue of *International Perspectives* will carry several articles on Canada/US relations.

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Sharp on Westell

by Mitchell Sharp

The previous issue of International Perspectives contained a single item — an article by Anthony Westell of Carleton University, Ottawa, entitled "Economic integration with the USA." The article favored closer ties with the US, especially economic ones, and much of it was concerned in a critical way with the "Third Option" proposed by Mitchell Sharp as Secretary of State for External Affairs in a special issue of International Perspectives in 1972. This is Mr. Sharp's response to Anthony Westell's article.

Given the renewed interest that has been widely expressed in recent years with respect to our economic and other relationships with the United States, it is entirely appropriate that a review should be undertaken of the three options I spelled out in the fall of 1972 — particularly the Third Option that I supported.

Early on in his article, Mr. Westell stated that the "significance of the Third Option has to be found in its context, in the underlying purpose of the strategy." Subsequently, he maintained: "It would be an exaggeration to describe the strategy as outright nationalism, but it certainly inclined the government in that direction." Unfortunately, Mr. Westell has either not understood or was unable to convey to the reader the context in which the Third Option was presented or the underlying purpose of the strategy. In the narrow sense in which he uses the term, to describe the strategy of the Third Option as being "outright nationalism" is to misrepresent not only the fundamental objective of the approach proposed, but also my basic approach to national issues over a lifetime of public service. I am a nationalist only in the sense of supporting those policies that over the long term I consider will best serve Canada's national interests.

I recognize, of course, that the manner in which the Third Option was represented in the media created the impression that the approach I was advocating was highly nationalistic in its narrowest sense. On examination, however, the paper did not alarm the Americans, the provincial governments, or the Canadian business community. It did, however, disappoint the more ardent "economic nationalists" in this country.

What I proposed some twelve years ago was a series of moderate, carefully-crafted policies aimed at stemming the prevailing tide of continentalism, recognizing the growing interdependence of all nations — and particularly the growing interdependence of Canada and the United States. It was, I believe, realistic in its aims and its methods. With some modifications to take account of the passage of time, it still represents a valid basis for Canada-United States relations, although it is admittedly difficult to implement. It is certainly not a prescription for self-defeating policies of excessive economic nationalism. It would be quite out of character for me, as I have already indicated, to have been associated with anything of that kind, which Mr. Westell has every reason to know. I was the one, he may recall, who led the fight against the Canadian economic nationalists at the 1966 Liberal Party Convention.

When the content of the Third Option obviously does not fit the structure of his argument, Mr. Westell gets around the difficulty by talking about "policies implicit in the Third Option," or by referring to the strategy of the Third Option, which is undefined and can encompass anything that Mr. Westell dislikes. The Foreign Investment Review Agency (FIRA) and the National Energy Policy (NEP), according to Mr. Westell, flowed from the Third Option. As one who sat around the Cabinet table for thirteen years and knew my Liberal colleagues well, I can assert confidently that there would have been a FIRA and an NEP if I had never written a word of the Third Option paper. When he discovers apparent contradictions in the Third Option — and, of course, there are some — he marks this down, not as honest recognition of the inevitable conflicts that arise between the objectives of policy, but as confusion.

What Mr. Westell has done tempts me to reply in kind by asserting that the "underlying purpose of the strategy" of economic integration with the United States is really political union, regardless of what he professes the goal to be. The drawing of such an inference would no doubt be rejected by my friend, but no more strongly than I reject his characterization of the Third Option. It would, however, be unfair to Mr. Westell and to the arguments for integration to cast the issue in this light because it deserves to be considered on its merits just as does my Third Option.

Mitchell Sharp is now Commissioner, Northern Pipeline Agency Canada, in Ottawa.

Debating free trade

To a large extent, therefore, the first part of Mr. Westell's essay is an attack on a straw man (of his own construction and as ugly as sin) that he calls the Third Option, which bears very little resemblance to the model I suggested in my 1972 paper. (By the way, I retired from the Cabinet in 1976, not — as stated — in 1978, which was the year I resigned my seat in the House of Commons.)

Mr. Westell's attack on outright and narrow nationalism, with which I can associate myself in some respects, is, however, only a preliminary to the development of the central theme of his essay, which is that Canada should now adopt the Second Option I outlined, i.e., to move deliberately toward close integration with the United States. I rejected that option in 1972. I am still apprehensive about the consequences of such a drastic change in Canadian policy towards the United States. As the author recognizes, the most effective way of bringing about closer integration is to enter into a comprehensive free trade arrangement covering, for example, all secondary or all industrial goods. That would be an exclusive arrangement with the United States, whatever might be said about the willingness of both parties to extend the arrangement to other countries. It is the exclusivity that is at the root of my apprehensions and misgivings. I know that the GATT rules sanction free trade agreements of that kind. I know that the people of Canada and the United States, taken together, would be richer and I think Canadians would get their share of the joint benefits — although there would be losers as well as winners.

It is one thing, however, for tariffs and other impediments to be removed between Canada and the United States in the course of multilateral trade negotiations. We have clearly come a long way in that direction and we might conceivably make further progress in the next round of GATT talks. It is another thing entirely to enter into a bilateral deal which involves us in according better treatment to US goods crossing the border than we do to imports of the same goods from Japan or Europe.

Canada's adoption of the multilateral approach to trade policy was part of our postwar declaration of independence. In its report *Looking Outward*, published in 1975, the Economic Council of Canada made the point this way:

The end of the Second World War was a turning point in Canadian international economic relations. To offset US influence, strong support emerged in Canada for multilateral action to reduce world trade barriers; this was preferred over the narrower concept of a trade relationship focussing on Europe and particularly Britain.

To enter into an exclusive, comprehensive free trade agreement with the United States would represent a fundamen-

tal alteration of direction. We would by that action declare to ourselves and to the world at large that Canada is now more closely attached to the United States than to other countries, not only because of geography, but because we have deliberately decided to enter into a far-reaching, exclusive and binding trading relationship with our powerful neighbor. I have no objection, indeed I favor, continuing to remove trade barriers between our two countries until they are all gone in the course of multilateral negotiations.

Mr. Westell calls his approach continentalism. As he does, I hope the word can regain its respectability because from time to time my approach to policy has been condemned under the same label. I would much prefer, however, to be called a "Canadian internationalist," rather than a "Canadian continentalist."

So far, the multilateral approach to trade policy that we have followed has served us well — economically, politically and culturally. That approach has been consistent with our desire to be as independent as any country can be in this increasingly interdependent world and in the face of the enormous power and influence of our good friend and ally living next door.

I believe we in Canada should continue to do everything in our power to support the multilateral approach and to resist the protectionist tendencies now so evident throughout the world, including here in Canada. This is not the time to weaken our resolve in that respect. Our stake in the preservation of an open trading system is enormous. Canada needs a strengthened GATT and the maintenance of the principle of non-discrimination on as universal a basis as is achievable. Inside a free trade agreement with the United States, our interest in the removal of barriers to trade elsewhere would be diminished by our interest in preserving margins of preference that existed when we entered into the free trade agreement.

There is every reason for our government to cultivate the closest possible working relationship with the United States administration in order to enhance bilateral trade and to make common cause in supporting the GATT in the fight against protectionism at home and abroad. If protectionism nevertheless prevails, we may have no option other than to enter into a comprehensive free trade agreement with the United States.

I admit, however, that my sense of the national interest causes me to look upon this option, not as something to embrace and welcome — as Mr. Westell would have us do — but only as an option that is superior to being left out in the cold in a cruel, cruel world that has abandoned the multilateral approach and retreated into a series of protectionist enclaves. □

The Mulroney Doctrine

by David H. Pollock and Grant W. Manuge

The dramatic changes which have brought a new team to power in Ottawa presage a thorough re-evaluation of Canadian foreign policy. What will Canada's international role be under the new regime? The answer to this question lies in the hands of the new Prime Minister, who like his predecessor appears destined to be the chief architect of Canadian foreign policy. On the domestic front, Mr. Mulroney's political ambition extends beyond victory in the next election to the longer-term role of replacing the Liberals as the "natural governing party" of Canada. He will attempt to do this, it already seems clear, by staking out the moderate middle path so dear to the hearts and minds of Canadian voters, while simultaneously attempting to move that path somewhat to the right. At the heart of this strategy are two economic policies which are likely to have profound implications for the future of Canadian foreign policy: closer Canada-US economic ties, and greater reliance on foreign investment and the private sector generally. Taken together, these may be described as the seeds of a "Mulroney Doctrine" in Canadian foreign policy.

Dependent on US trade

Prime Minister John Diefenbaker's Progressive Conservative government of the early 1960s sought to defend Canadian independence against what it saw as the insidious continentalism of the Liberals and their US friends, the Kennedys in Washington. Today that same party, under a new chieftain who professes great admiration for Diefenbaker, is leading us into closer political and economic ties with the US. Why such a major volte-face in twenty years? The reason is simple: during the past two decades the Canadian government has explored one alternative after another to closer economic ties with the US, including closer links with Western Europe, the Pacific Rim, and Third World countries generally. Each of these has borne fruit and generated foreign trade. However, taken together they have not made the slightest difference to the encroaching reality of greater Canadian economic dependence on the US. In the early 1970s, for instance, we sold two-thirds of our exports to the American market. It is now in excess of three-quarters and climbing.

This experience has had a profound impact on an old Canadian debate. Instead of arguing the pros and cons of closer economic relations with our southern neighbor, the new Mulroney government is beginning to explore the terms of the best deal possible. Whether one is in agree-

ment or not — and the authors of this paper have personal reservations on this matter — there is every reason to believe that the coming years will see the acceleration of Canada-US economic integration.

Hail to the private sector — anywhere

A second, closely related aspect of the new government's economic policy that will bear heavily on Canada's future foreign policy is the intention to promote private sector economic growth as "the engine" of national renewal. One of the first statements of the new government was a declaration that the country was now wide-open for foreign investment ("the welcome mat is out"). The government also has made clear that it will be less interventionist in the future than the Trudeau government had been in the past. Upon taking office its first significant act was to offer for sale to the private sector five of Canada's many crown corporations. Its second was the transformation of the Foreign Investment Review Agency (FIRA) from an investment screening into an investment promoting agency (now called Investment Canada). This policy constitutes the government's basic recipe for economic recovery.

It may be asked whether this represents a truly significant change in direction. Surely Canada has always had an essentially free enterprise economy? The answer is that it has, up to a point. But mixed in with free enterprise has been an important element of government investment and participation in economic development: in the railroads, in telecommunications, and in the utilities, among others. Canadians have been comfortable with this mixed economy blend of the private and public sectors. Of course it may well be that the new government is making only a temporary correction, feeling that state enterprise had gone too far. Or, alternatively, it may be the beginning of a long-range effort to bring the Canadian economy, and economic thinking, into much closer synchronization with the American.

Taken together, these two elements of the Mulroney Doctrine — closer economic integration with the United

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Business and US made respectable

States and more free enterprise, both Canadian and foreign — represent less a clearly specified policy objective than a decision to “go with the flow” — the flow in this case being multinational, primarily American, business.

Loss of independence?

One of the striking features of the Mulroney Doctrine is that it is not, in the first instance, foreign policy at all: it is domestic economic policy with major foreign policy implications. And its success or failure will depend largely on the domestic economic results, measured in terms of rising income, output and employment, and stable or declining prices. If it does not succeed economically, both the new policy and the new government may be short-lived. However it is not the purpose of this paper to evaluate the policy but rather to point out its down-side risk; namely a real or perceived loss of Canadian independence.

Certainly at first glance the Mulroney Doctrine looks like a prescription for Canada's becoming a pale northern shadow of the United States. Canada will adopt the Reagan administration's economic philosophy and move closer into the embrace of the US economy. Can there be any doubt that this will mean progressively greater constraints on Canada's ability to remain an independent country with its own foreign policy?

There is a school of thought in Canada which denies any direct link between economic integration and political dependence. For example, the Canadian Senate's Foreign Affairs Committee, in a 1982 report on Canada-US economic relations, concluded that Canada had no practical choice but to pursue free trade with the US. It argued that fears of loss of Canadian sovereignty were based on “myths.” “Free trade areas do not tend to become customs unions; they do not become politically integrated” it held. The Committee went on to warn that “a far more potent threat to Canada's political and social strength would come from a continued weakening of its industrial performance and a decline of its economic stability in the face of the challenge of the 1980s and 1990s.” This argument has been picked up and amplified by the new Secretary of State for External Affairs, Joe Clark, who said in one of his earlier speeches that “closer economic relations with the United States, if played right, can enhance our voice and influence in international affairs.”

Worth the risk

The arguments that economic integration could actually enhance, and at worst would not diminish, Canadian independence run as follows:

First, a richer Canada is a more influential one and a better trading partner with all other countries than is a poorer Canada. The way to a richer Canada is through increased free trade with the USA.

Second, as economic integration increases, the United States and many US companies acquire important stakes in Canada. The Canadian government can trade on these stakes to exert influence in Washington and yet maintain independence.

Third, there is no necessary link between economic integration and political integration. The

countries of Europe have maintained their independence in the Common Market and EFTA. So can Canada vis-à-vis the USA.

What these arguments boil down to is a single proposition: Canada-US economic ties do not by themselves necessarily entail a loss of Canadian independence. Neither do such ties do anything to maintain our independence. That depends, as it always has, on the skill, energy and political determination of Canadians, not least in fashioning an effective and independent foreign policy. We would argue, however, that it is especially important at this particular moment in history — when Canada is exploring closer economic ties with its neighbor — that the government reaffirm and develop Canada's independent role in the world.

Canada and the world

It goes without saying that the first priority of any government in the nuclear age must be to do whatever it can to minimize the risk of an atomic holocaust. We do not need to be reminded that one of the reasons Canada is so important to the US is that we lie directly in the path of any intercontinental missile exchange between the two super-powers. Nor do we need to be reminded that we are as vulnerable to nuclear war as any country on earth. And, as Joe Clark pointed out in his September 1984 speech to the UN General Assembly, Canadians treat this danger with the utmost seriousness and are committed to efforts at East-West mediation. Progress in arms control and in reducing East-West tension, Mr. Clark said, will be a “constant, consistent, dominant priority of Canadian foreign policy.”

In acknowledging and attempting to deal with the nuclear threat, however, Canada must not ignore the immediate and long-term needs of the poorest two-thirds of the world's population. Unfortunately the North-South dialogue, which sputtered along for a decade, is now virtually dead in the water as a result of the economic turbulence and ideological divisions of the 1980s. It is essential that this dialogue be revived. While our attention is focused elsewhere, economic and social disintegration proceeds in major sections of the Third World. The recent human suffering so graphically depicted and transmitted to us by television from Africa has helped to remind us of this human imperative.

Compelling economic and political arguments underline the importance of North-South development issues for the open and vulnerable Canadian political economy. There is a clear and positive relationship between international economic development and progress in reducing stagflation and unemployment. The contribution of expanded trade to postwar prosperity is fundamental and well established. On political grounds, a genuine willingness to discuss the complex and interrelated social, economic and political problems of the Third World cannot but help but contribute to global harmony. Conversely a failure to incorporate developing country concerns into our foreign policy (and a similar failure by other industrialized countries) will fuel the fires of inward-looking nationalism in the Third World, contribute to another generation of poverty and misery, and increase the likelihood that the festering sores of social injustice will become infected with

violence and East-West conflict. In short, there could be a steady succession of Central Americas.

If the new Progressive Conservative government is right in arguing that a closer relationship with the US will add weight to our opinions in Washington, then we should use some of Canada's new-found influence to bring North-South development issues into sharper focus. Not only would such an effort be faithful to the long-term economic interests of our open economy, but it would also enhance global welfare and go far to assuage domestic concerns that our cherished and hard-won political independence is being eroded. Moreover Prime Minister Mulroney could be well qualified to supply leadership in this area. His brand of progressive conservatism — combining private enterprise with human decency — may be uniquely relevant to reviving the North-South dialogue.

A proposal for Canada

We therefore propose that the Canadian government undertake an initiative to generate consensus on a minimal agenda and a new "forum" to discuss crucial questions of

international development. Canada could help to move the stalled North-South discussions by underlining the importance of progress to every country's self-interest. As a first step, Canada should discuss such an undertaking with other like-minded countries of the North and South. What is sorely needed now — especially since the world economic situation is so volatile — is for "like-minded" countries of both the North and the South to rethink global policies of cooperation for development involving international trade, financial transfers and technology.

For much of the postwar era, the two superpowers have viewed the world as though it was designed on an East-West security-oriented axis. In this conception all countries, developed and developing alike, are spread along the axis in some rank order based on their "closeness" to one or another of the two superpowers. The developing countries, by contrast, have come to view the world on a North-South development axis. And just as it is now necessary to find some areas of agreement on the East-West axis, so too it is essential to map out and strengthen the North-South middle ground.

SIMON ALVES



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Business and US made respectable

Ideological polarization has characterized recent North-South discussions. Those in the "North of the North" (e.g., US, Britain, Japan) have tended to take a very cautious and conservative approach to policies and practices of international cooperation for development. They have stressed economic liberalism as a philosophical underpinning for both international and national policies, and bilateralism as a technique. Those in the "South of the South" (e.g., Libya, Syria) have typically taken a sharply different stance, stressing multilateralism, strongly interventionist policies internationally and equally strong dirigiste policies at home. Each of these two poles typically has sought "unconditional surrender" rather than "peaceful coexistence" as the North-South dialogue evolved.

Mobilize "like-mindedness"

Our proposal is to build links among those countries that are "South of the North" (such as Canada, the Netherlands, Sweden, Norway, Australia and New Zealand — the so-called "like-minded" countries) and those that are "North of the South" (including but not limited to Brazil, Mexico, South Korea, Singapore, Malaysia, Kenya and Yugoslavia), that have moved toward agreement on general approaches to global economic management as well as on certain specific programs. It is among this newly-evolving group of moderate "reformist centrist" countries that issues can be tackled on their practical merits without the encumbrance of sterile ideological debates. Canada, enjoying a reputation as a "bridge builder" within the world community, has the rare opportunity to help in identifying international development issues of common interest among middle powers.

How can this best be initiated? We suggest that the Canadian government begin by utilizing the existing personnel of established international institutions in Washington and New York, rather than considering costly and complicated new institutional mechanisms or other new fora. The government would incur no expense by instruct-

ing its executive directors at the International Monetary Fund, the World Bank and the Inter-American Development Bank in Washington and its UN ambassador in New York to invite their colleagues from "like-minded" countries of the North and South to informal discussions to sound them out on the prospects for such an initiative. Private meetings, far from the glare of media scrutiny, offer the best chance for frank discussions. If the discussions bog down, no public hopes will have been raised and then dashed. But if the discussions succeed and lead to one or more middle power initiatives on international development, this could be an important foreign policy achievement for the Canadian government.

Independence via North-South

The challenge of Canada's new government lies not only in maintaining but in enhancing Canada's traditionally independent foreign policy as we move towards closer economic linkages with the United States. We have been told that a step towards the US does not necessarily imply a step away from other countries. If this is correct, then a step toward like-minded countries on North-South development issues should not imply a deterioration in Canada-US relations.

As a nation heavily dependent on international trade and financial flows, it is clearly in Canada's long-term economic interest to seek progress on the North-South impasse. Moreover, this is absolutely essential to global peace and development. A Canadian-led middle power initiative on international development issues should go hand-in-hand with efforts to improve Canada-US relations and to defuse East-West tensions. It represents a unique opportunity for Prime Minister Mulroney to extend his calls for "civility," "harmony" and "renewal" to the international stage and to consolidate his domestic image and support. Canadian voters will be watching to see whether the new leader fulfills their high expectations for both a buoyant economic policy and an independent foreign policy. □

Foreign policy in Parliament

by W.M. Dobell

Is Parliament the heart of the Parliamentary system? If it is, then Parliamentary committees, as agents of Parliament, are important to that system. Not everyone would agree. It depends on the period of time being considered. Parliament was the heart of the Parliamentary system during the middle decades of the nineteenth century, up to about 1867. As long as Parliament was composed of individuals and factions, or loosely knit groups, a government could not be sure that it would remain in office until the next election. The government's fear that it could be overturned at any moment made it the servant of Parliament. What began to undermine the supremacy of Parliament was the growth of parties, and, more precisely, a two-party system. This occurred in Britain about the time of Confederation in Canada. A collection of individuals and factions which had coalesced sufficiently to constitute a party, and which commanded a majority of seats in Parliament, could keep a government in power for the duration of a Parliament's mandate by voting down every legislative challenge.

This system flourished until the end of the First World War, and for periods thereafter in the 1920s, and at times in the 1950s to the end of the 1970s. Six of the last eleven general elections in Canada have produced minority governments.

Coalitions and minorities

One way of counteracting potential government instability is to form governments composed of more than one party. These are called coalitions, popular in Europe, but with an unhappy record in Canada. The Canadian coalition experiment in the great war left traumatic memories, a Conservative Party alienated from Quebec and a Liberal Party badly divided. So the other way of producing stable government has been more often tried in Canada: minority government buttressed by extra-cabinet Parliamentary support. It worked for the Pearson government because of intra-Parliamentary negotiations over potential legislation. It did not for Joe Clark, who chose to govern as though he enjoyed a majority government. Smaller parties have preferred to secure enactment of parts of their platforms in exchange for giving general voting support, rather than becoming junior partners in formal coalitions.

These governing arrangements have had their effect on the role of committees. Parliamentary committees have existed since Confederation, but they have only begun to

assume importance since the 1960s. This is particularly true of the foreign policy committees. An industrial and international relations committee goes back to Mackenzie King's time, a surprising combination until one remembers that King fancied himself to be both a labor relations specialist and a devotee of international affairs. Until a separate Standing Committee on External Affairs was created in 1945, foreign policy was treated as of little concern to Parliament, except when the country went to war. The new committee did not meet very often, but it did meet. Ministers were treated politely, as guests who might not return if pressed too hard. Most witnesses were senior civil servants, protected by all political parties from the rare partisan zealot.

New committees

National Defence did not acquire a committee until the Pearson years. The Diefenbaker government had fallen apart in Cabinet, in Parliament and before the electorate on the issue of nuclear warheads, yet Pearson had failed to win a majority in Parliament. The new committee had to bone up on a technical and emotional subject, spread the acquired knowledge to the rest of Parliament, and see whether the public was open to a Parliamentary lead. Government representation on a committee proportionally reflects its strength in Parliament, so the governing party lacked a majority on the committee. The chairman had to steer without the ability of control, a task requiring both tact and intelligence.

The Trudeau government united the two committees when it assumed office, forming a Standing Committee on External Affairs and National Defence (SCEAND) of thirty members. There were not that many MPs anxious to maintain a continuous heavy involvement in defence matters, which was one reason for the merger. Some people assumed that an enlarged committee would have enlarged authority, however, which caused some confusion as to where power lay.

In the minority period of the mid-1960s, power lay with Parliament itself. Hypothetically, a combined opposition on a committee could secure passage of a report calling upon the government to do something it was disinclined to do. The same parties that adopted the report in committee

William Dobell is Professor of Political Science at the University of Western Ontario in London.

MPs struggle to count

could then endorse the report in Parliament. That would give greater prominence to the report, but make its adoption by the government no more likely, unless the government opted for the tactic of swallowing the report as a way of concealing its disapproval.

That "if you can't beat them, join them" tactic — unlikely enough in a minority government — is nearly inconceivable for a majority government. The government majority on the committee should ensure that, where the government has made up its mind, the committee report reflects government policy. Where the government has only laid down parameters to what its policy range might be, the committee may bring in a report that conforms to those limits. The minister may clarify this in testimony to the committee, or the parameters may only be clear to government members from caucus discussion.

Expanding the committee's role

At the opening of the Trudeau years, the merged SCEAND and the Foreign Affairs Committee in the Senate began to cut out much fuller roles for themselves than had prevailed in previous Canadian parliamentary experience. This seemed to fit in with the government slogan of the period, "participatory democracy." The foreign policy committees were seldom involved in the review and reporting of draft legislation, but far more involved than other committees in inquiries. Orders of reference were extended by the government through its House Leader for inquiries into various regions of the world and areas of foreign and defence policy.

Mixed motives were at work. The government hoped to increase the level of backbencher awareness and experience, so that Canadian parliamentarians would conduct themselves with credit in the growing number of inter-parliamentary associations. Committee members liked to indulge an interest which was seldom compelling to their constituents, but acceptable provided constituency concerns were not neglected. Occasional travel was rewarding. Invitations were extended by foreign embassies to their parties in Ottawa, an agreeable diversion for members who did not think of Ottawa as home. The government was usually happy to see public attention focused on foreign policy issues, to the extent that hearings and reports were publicized, provided the publicity was not hostile to the government.

By the end of the Trudeau years, the committees had conducted inquiries into Canadian involvement with the United States, the Caribbean, Latin America, the Pacific, Europe, the Middle East, the United Nations, NATO, NORAD, détente, disarmament, military manpower, armed forces reserves, maritime forces and air command. Some of these areas had undergone several inquiries. The more recent military inquiries have been undertaken by a National Defence sub-committee (in 1984 reconstituted as a separate Special Committee) of the Senate, sparked by Senators concerned to strengthen and enlarge the armed forces. It has been most explicit in its recommendations, and criticism of past government performance has been at times more than implicit. But the norm in committee reports has been to encourage the government to move in a particular direction, not to harp disparagingly on what had been done in the past.

Since January 1983 the mechanism for a SCEAND inquiry is easier than it used to be. The annual reports of the Departments of External Affairs and National Defence, the Canadian International Development Agency and the International Development Research Centre are referred automatically to SCEAND. Since the reports touch on all aspects of foreign and defence policy, the committee may talk and ask questions with little restriction. This change involved catching up to the Senate, which could already launch an inquiry more easily. Ministers were not so concerned about Senate inquiries because the media paid less attention to them, and their findings could be gently downplayed as unrepresentative should a minister be confronted with an embarrassing recommendation.

Ministerial attitudes

Some External Affairs ministers were prone to delay authorizing SCEAND inquiries. There was the risk of criticism of past performance and of unacceptable new recommendations. Allan MacEachen, in his last year as Minister, held up potential inquiries on peacekeeping in the Middle East, Grenada and relations with the Pacific Rim. He had done the same as minister in the mid-1970s, as did his successor of the late 1970s, Don Jamieson. The economy was growing little during these periods, and the government was under frequent attack, reason enough for ministerial caution. However, the worst of the recession occurred in the early 1980s when Mark MacGuigan held the portfolio, a minister as sympathetic to inquiries as had been the minister at the turn of the 1970s, Mitchell Sharp. National Defence ministers were reservedly sympathetic to inquiries, in the hope that the latter would improve the image of the armed forces and make the cabinet readier to increase the department's share of federal expenditure. But by 1983 the inquiries were arguably becoming as much an indictment of the defence policies of the Trudeau years as a useful tool of the minister's.

Using annual reports as a means of raising issues is no substitute for a government-supported inquiry. The former may prompt one or two appearances of the minister before SCEAND, plus an array of bureaucratic witnesses. But if witnesses are to be summoned from further away than the Ottawa bureaucracy, if counsel is to be hired, and if the committee is to travel, then expenses can rapidly mount. If the government disapproves of the purpose of the investigation, the requisite additional funds will not be extracted from Parliament and SCEAND will be restricted to a tiny budget. As External Affairs shadow minister, Sinclair Stevens had favored more sub-committees, larger committee staffs, and perhaps free votes (no party discipline) on committee reports. But that was while in opposition.

The 1983 House of Commons procedural reforms included a reduction in SCEAND's membership to a more manageable fifteen, as well as a stipulation that the government must reply to a committee report with a tabled response within 120 days, if so requested. Informal oral responses had sometimes been offered by the responsible minister in the 1970s, usually in reply to a direct question as to whether he accepted specific recommendations. But carefully prepared written responses only became the practice in the last Parliament. Sometimes, owing to higher priorities and other demands on bureaucrats' time, the

replies appeared long after what was to become the new deadline. Since all parties accepted the 120-day response commitment, departments and agencies are enjoined to meet the deadline. But it is bound to be a matter of opinion whether future responses to SCEAND reports are comprehensive and forthcoming or qualified and evasive.

Committees at mercy of government

This article began by asking whether Parliament was really the heart of the Parliamentary system, suggesting that the statement was still true when the government had fewer MPs than the combined opposition parties. In the present Parliament, the Progressive Conservatives possess a huge majority in the House of Commons and in SCEAND. The Liberal majority in the Senate could cause occasional problems, and the Foreign Affairs Committee may be reined in a bit more than it would have been under a Liberal government. But the Cabinet is responsible to the popularly elected chamber, so a Senate with a large Liberal majority is bound to play a limited role or risk severing the already stretched public tolerance of the institution.

During his days in opposition, Prime Minister Mulroney always spoke like a strong supporter of the House of Commons, of the rights of Parliament, and of the duty of its committees to probe into all areas of policy. Such is the rhetoric dictated by expectations placed upon any Leader of the Opposition, and is not a very good indication of how a party leader will behave as Prime Minister. The previous experience of the Progressive Conservatives in office, Joe Clark's government in 1979, is not much of a guide either. Clark was keen to use SCEAND for hearings on foreign and defence policy, and on development assistance. But he was running a minority government, searching for tools to make his party appear accessible and responsive while waiting for an opportunity to seek an increased Parliamentary mandate. It does not follow that he would have adopted the same tactics had he commanded a Parliamentary majority.

When seeking the leadership of the Progressive Conservative Party in 1983, Brian Mulroney charged that Clark had allowed his government to be blown right out of the water. The use of this evocative metaphor had a designedly political, if short-term, campaign purpose. The burden of the criticism, however, was that Clark had been incautious in his handling of Parliament. Mulroney may be inclined towards a very careful handling of Parliament, with ceremonial display of all the traditional forms of Parliamentary

ritual, but no expansion of the real powers of Parliament in relation to the executive.

Mulroney's opportunity

Mulroney's career has marked him as one who is very pro-American in his attitude, but institutionally one who would not move significantly beyond the Parliamentary system in the Congressional direction. He appears to understand power and to enjoy its exercise. There would seem to be no advantage for him in the encouragement of the independence of Parliamentary committees. That would only invite potential conflict with the Cabinet. He would wish to be able to claim over the coming years that SCEAND, like other committees, was playing its full role. During the campaign, he suggested that nominees for such senior bureaucratic positions as the Deputy Minister of Finance and the Under-Secretary of State for External Affairs should be screened by a House of Commons committee. In the latter case this would presumably be SCEAND, unless a new Appointments Committee were to be created. It would be surprising if, in this Parliament, screening amounted to more than a formality, however innovative it might be. Yet it would constitute a precedent that subsequent Parliaments would find difficult to ignore.

Until about ten years ago, the Prime Minister and the External Affairs Minister used to brief Parliament upon travels from which they had just returned, and arrange occasional short debates on major foreign policy issues. This afforded the opposition leaders the chance to offer contrasting views as to what might have been accomplished. Such public exchanges of views have become the victim of the search by the leader of the government in the House of Commons for more of Parliament's time. Foreign policy is sometimes raised in Question Period, but the exchange is perforce brief, and the tone adversarial. Opposition Days may be devoted to foreign policy, but the Official Opposition chose to use on a foreign policy issue only one of the days at its disposal during the last Parliament. General foreign policy debates also rarely occur, as the party leaders in the House of Commons collectively judge foreign policy to have a low priority with the broader public. In his last months as External Affairs minister, Allan MacEachen displayed a willingness to seek the tolerance of the House Leader regarding the restoration of the short foreign policy debates. Such a return to an earlier parliamentary practice would be in keeping with a traditional Progressive Conservative approach to the proper role of Parliament. □

Contadora needs Canada

It's not so far from home

A Canadian role in Central America

by Cecilio J. Morales, Jr.

The European conference on Central America, held in San Jose, Costa Rica, in late September 1984, illustrates the role that Ottawa could have played, but neglected to, throughout the Trudeau era. While the middle rank powers of Western Europe have not produced an all-encompassing solution, their show of concern, and their language of dialogue appears to have revived hopes for the moribund Contadora peace plan and to have altered the diplomatic and political landscape.

To Washington critics of US foreign policy towards the region, Canada's fence-sitting through succeeding crises is not only baffling, but tragic. Certainly, Ottawa has generally tried to avoid Washington's spiral of intervention, but always at the cost of downgrading Canada-Latin American relations. Admittedly, the problem is old, yet several developments, including Canadian and US elections, and the virtual resurrection of Contadora from its comatose state, suggest that the time is ripe for Canada's self-projection as "top-tier" player, even in a morass as deep as Central America. But several changes are needed first, before Canada can make a life-saving difference in the Central American maelstrom.

Canadian policy schizophrenic

Unfortunately, Ottawa has not made a whole-hearted effort to become involved in Central America, despite the recommendations of two major reports within the past three years by the Parliamentary Sub-Committee on relations with Latin America and the Caribbean, which urged that the External Affairs department pay more attention to the developing crisis. The result has been a schizophrenic policy in which good sentiments have not been matched by deeds.

Rather than joining the mediation of Colombia, Mexico, Panama and Venezuela — which sponsored the Contadora Group — two recent External Affairs ministers have merely offered lame rhetorical support. The 21-point peace plan, which has been accepted for signature by Nicaragua, is a model of evenhanded de-escalation: it calls for the withdrawal of *all* foreign military personnel and arms from Central America, and sets the framework for negotia-

tion between the region's belligerents. Arguably, it combines gradualism and activism in a way that the Canadian foreign policy establishment could find most appealing.

Former External Affairs Minister Allan MacEachen praised Contadora, but he did not back his words with action. The Pentagon was gearing up to establish a multi-lateral military ring around Nicaragua, and a regional base for counterinsurgency forces in Honduras, at the very time President Reagan was purportedly offering Contadora support. Yet Ottawa neither unmasked nor criticized the peace plan's effective rejection by Washington. Silence on the part of US allies such as Canada has allowed the State Department to maintain that the Contadora document "is not final," and therefore unworthy of consideration.

Canadian aid unwholesome

Canada could also have been more judicious in its sales of hardware with military applications and more evenhanded in its offers of economic aid. For example, in March 1983, the same month Ottawa co-sponsored a United Nations resolution condemning human rights violations by the Guatemalan military regime, Canadian embassy officials in Guatemala City were discussing the sale of de Havilland aircraft to that country's air force, which among other things was known to use its equipment to strafe Indian villages.

Similar overtures were made to Honduras, which has received the lion's share — 43 percent — of Canada's official development assistance to Central America, despite opposition within Canada. Church and labor organizations in Canada have cited Honduras' undisputed role as a base of operations for the US-sponsored Regional Military Training Center in Puerto Castilla, the port which incidentally is also the debarkation point for CIA supplies to the anti-Sandinista rebels.

Mr. MacEachen responded to critics by noting that Canadian economic aid "is not designed as a tool to reward or punish foreign governments." Curiously, in the case of Nicaragua, where, despite serious political problems, dissent is not paid with life and limb, MacEachen's principle did not stand up to scrutiny. During a visit last April, the Minister dangled Canadian assistance before the Sandinista government as an inducement to meet what he termed the original goals of the revolution. In view of Managua's efforts to raise health and income standards, despite struggling out of a civil war devastation estimated at \$1.8 billion by the UN Economic Commission for Latin

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America in 1979, MacEachen's move would suggest as dim a political view of the Nicaraguan situation as that held by Washington.

Canadian neutrality?

Several other questions were raised regarding the purported neutrality of Canada within the year-and-a-half. As Washington moved to establish a mini-Pentagon in Palmerola Air Force Base in Honduras, journalists began to uncover the presence of Canadian-made ammunition in the stores of several belligerents. In one widely-publicized case the *The New York Times* found Quebec-made 7.6-millimeter rifle ammunition at a camp of the anti-Sandinista Nicaraguan Democratic Force (FDN), the CIA-sponsored group based in Honduras. Although Ottawa defended itself by recourse to the technicality that the export was "not-licensed," Canada failed to use the occasion to condemn US "contra" operations.

Central America



Similarly, despite its avowed commitment to human rights, Canadian immigration officials have been tangling Central American seekers of asylum in a morass of red tape. The issue of accepting Central Americans as refugees is controversial in Washington, where the State Department refuses to accord individuals fleeing from certain death in allied states the entitlements of asylum on grounds that, as one official put it, "it might offend" the governments involved.

An agenda

The Canadian parliamentary report of 1982, heavily influenced by Sinclair Stevens, has unfortunately remained

unread and unheeded, unlike the smokescreen legitimation obtained by the Reagan administration from the Kissinger Commission. Still, one would hope for Ottawa to consider a vast revision of policy. From a Washington perspective critical of the Reagan administration the key issues are the following.

Contadora. Canada should join. Ottawa's offers to "observe," while well-intentioned, have failed to quell suspicions that without a commitment to carry the responsibility for the peace effort, as membership would imply, the Canadians might well be acting at Washington's bidding. Canada certainly does not want to see US power grow unchecked, for it could easily prompt Washington to push further on the commercial issues that have cooled the North American relationship. It should also be noted that, prior to the Nicaragua declaration that Managua was ready to sign the pact, Central American neighbors were equally eager to engage in the process. According to diplomatic sources, the latest US effort at pressuring Costa Rica, El Salvador, Guatemala and Honduras into throttling the peace plan took place at the UN General Assembly in October, when Secretary of State George Shultz met with the respective foreign ministers.

Closely related to the fate of Contadora is the Washington-sponsored re-emergence of the Central American Defense Council (CONDECA), an anti-communist military pact begun in 1963 at the behest of then-dictator of Nicaragua Anastasio Somoza, which later collapsed following the 1969 "Soccer War" between Honduras and El Salvador. Meetings of Central American high military officers, who are politically on the rise, with personnel from the US Southern Command, based in Panama, have been linked by several well-placed sources to the hasty reversal of enthusiastic diplomatic responses to Contadora from several Central American capitals. CONDECA is clearly meant by Washington to substitute a military ring around Nicaragua for the Contadora initiative.

Common Market. Also in the multilateral front, and going beyond the short-term political goals, Canadian policy should be oriented towards seeking a role in the revival of the Central American Common Market (CACM). Here Ottawa could bring its experience as a sponsor of the Caribbean Community's scheme and CARIBANK. The CACM, another casualty of the Soccer War, is held hostage to the regional crisis, much like Contadora. Unlike the peace initiative, however, the CACM has an established, if modest, track record as what many economists view to be the best framework for developing countries which individually would be unlikely to succeed.

If the Common Market failed, say the same sources, it was largely due to two constraints. First, all its members, save Costa Rica, were under military-dominated and semi-feudal regimes, whose sense of development translated into enlarging economies essentially at the service of oligarchic minorities. Under such conditions, even the imperatives of a free-market economy were disregarded whenever they collided with privilege. Secondly, of course, tensions between the governments and the governed — the origins of today's extreme politico-military polarization — stood in the way of developing the political will necessary to make and implement economic decisions on a regional basis.

Contadora needs Canada

Nicaragua. Canada condemned the mining of Nicaraguan ports, which put at peril at least one Canadian vessel. Yet Ottawa has yet to establish a diplomatic presence that could be effective in helping to channel dialogue between Managua and Washington. Disillusionment after a spring 1984 trip by several members of Parliament should not stand in the way; certainly, Canada has helped Third World members of the Commonwealth whose politics were not always pleasing.

El Salvador. As pointed out in several major editorials in Canada, the Canadian observer status during last year's election — which served to legitimate Washington policy — was less than helpful. President Jose Napoleon Duarte's electoral campaign was later found to have been funded with CIA monies laundered via the West German Christian Democratic Party — hardly a surprise given the long history of CIA-CD links in Latin America. Duarte, purportedly the healer of a country suffering an on-going civil war, also has less than a pristine record when it comes to human rights — witness several well-publicized assassinations of North Americans.

Costa Rica. Ottawa has no closer parallel in the region than the government of San Jose, neutral and demilitarized since 1948. It would serve the cause of both to seek a common front. Costa Rica has been besieged by unasked-for offers of military aid from Washington, and has been saved from yielding to those inducements by a hair's breadth.

Honduras and Guatemala. Both seek to remain uninvolved, yet their governments are both pliable and weak. Canada should exercise extreme caution towards Guatemala, which since 1954 has been experiencing rebellion. The Honduran armed forces are already unsettled by non-stop US military "exercises," and a friendly voice could help Tegucigalpa reconsider its current position as base of operations for an expanding US presence.

Overcoming history

Towards the end of the Trudeau era, Ottawa seemed to espouse a two-track policy towards Central America that even its exponents found hard to explain. Partly, the shapers of policy were caught in the bleak history of tenuous relations with Central America and, beyond that specific area, the hemisphere as a whole. It is, of course, a truism to say that Canada does not think of itself as part of the Americas. Canadian journalist Knowlton Nash more than a decade ago offered the most memorable appraisal of this state of affairs when he wrote that "Canada acts like a reluctant virgin fearful of losing her purity to the seductive Latins."

Little has changed from Van Horne's modest trading with Guatemala in the 19th century to the days of Canadian nuclear technology transfers to Argentina. Latin Americanists such as John Harbron have persistently noted that Canada shares with many Latin nations the challenge of exploring and developing vast untapped natural resources. Also, if Canadians have had to cope with the mammoth to their south, Latin Americans have had to learn to live with the power to their north.

Yet in its behavior towards Latin America, Canada has often acted as little more than a mercantile appendage of the United States. Canada-Latin America relations never

acquired the bitterness brought about by US hegemony, but even up to recent times Ottawa has acted as if it saw the region merely as a market for surplus goods, unconnected to the policy implications of a trading relationship. (The exception to the pattern was provided by the then-romantic, proto-Québécois movement in the 1930s, in which figures such as the *patriote* Henri Bourassa went so far as to suggest a cultural and political alliance between the Latin people of his province and those south of the Rio Grande.)

On the whole the motivation for relations was purely commercial. Economist Jean-Michel Houde had estimated that toward the early 1970s, before policy links began to diversify, even Canadian aid was directed more by the goal of export promotion than by a concern for development — as witnessed by requirements that as much as two-thirds of purchases made with such funds be Canadian products, a policy that did change, but that underscores the early impetus of the Canadian outlook.

Trudeau takes first steps

Oddly, in view of later events, it was Pierre Trudeau who first attempted to enlarge the vistas of Canadian development assistance and trade, qualitatively as well as quantitatively. Canada stepped beyond the Commonwealth relation with the Caribbean and in 1971 took the quantum leap of joining the Inter-American Development Bank (IDB). Within a few years European nations and Japan followed Canada's lead. In the first two years of Canadian membership in the IDB, Ottawa's aid to the region doubled to \$13.07 million.

Despite movement in a new direction, the old quandary resurfaced forcibly in July 1981, when Canada announced the sale of 1,000 fuel-rods to Argentina for use in the Canadian-built CANDU nuclear facility — a lucrative but questionable deal. Argentina was then under a military regime whose human rights abuses had claimed many thousands of civilian lives. Argentine Vice Admiral Carlos Castro Madero, then-head of the country's nuclear program stated that his country would begin nuclear research. As in the more recent cases of Honduras and Guatemala, Mr. Trudeau had authorized the shipment over the objections of labor unions and opposition, which opposed the move on human rights grounds.

The Mulroney era?

Clearly, to go beyond repeats of the past a new awareness of the issues must emerge in Canada, and new means of carrying out policy as well. The end of an era, and the beginning of another, seems a propitious moment for change. During the last Canadian parliamentary election, Central America was practically a non-issue, an inherited situation the Turner caretaker government had done little to alter. The External Affairs Minister, Jean Chrétien, seemed to opt for increasing development aid — in itself a worthy cause — while making public pledges of support for Contadora that were never followed up with concrete steps.

Tory Brian Mulroney had next to nothing to say on the subject, although his party had in its ranks activist Sinclair Stevens, who served on the parliamentary subcommittee on Latin America and the Caribbean. Mr. Stevens has travelled throughout the region and favored Canadian full-

membership in the Organization of American States (OAS), where Ottawa's symbolic "empty chair" has been much talked about but never used.

True, the OAS was aptly described by former Secretary General Alejandro Orfila as a "pachyderm," given its slow-moving and patronage-ridden bureaucracy; yet its role as a hemispheric forum is nowhere near dead, especially since the emergence of Caribbean nations as a "third bloc." Stevens's view remains sound nonetheless, particularly as Canadian membership could well provide Ottawa with the public springboard and the private channels to voice a North American policy perspective that is distinct from and far more conciliatory than that of the United States. In its best tradition, Ottawa could play honest broker in the backroom discussions that affect a crisis such as that of Central America.

The problem may well be that the Progressive Conservatives may not be able to disentangle themselves from the Reagan-Thatcher Tory axis. After the spring visit by Members of Parliament to Managua, the delegation seemed to bring back precisely the sort of gloom that would

encourage at least a rhetorical reversal, from the ambiguous concern of the Trudeau era for the Central American power keg to an explicit support for the Pentagon's designs.

The New Democratic Party's emergence by default as the leading opposition, if a development that by numbers alone remains pro forma, may bode well for the development of coherent, principled and concrete initiatives. When it comes to substance, the NDP has shown itself capable of rising above the dreary laissez-faire of the past. Ed Broadbent repeatedly pressed the Liberals to voice consternation in the face of US-sponsored militarization of the region. His colleagues can be expected to make their human rights concerns heard, if not always followed.

Canadians, in any case, are daily becoming more sensitized to the issues and the stakes involved, as the wave of protests following the US-led invasion of Grenada demonstrated. Canadians do not want to be merely spectators of horrors in a difficult world, even if they realize they are unlikely to shape its ultimate destiny. Canada, with its reputation untarnished by interventionism, could make a decisive contribution as a broker and as a retardant of new US military adventures. □

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To make a treaty
Slow but real progress

Banning chemical weapons

by Frank Elbe

Work on a convention banning chemical weapons has been in progress for the past decade. The future agreement is aiming at the complete elimination of an entire category of weapons which are particularly cruel and insidious, but which are not important for the strategical balance. This agreement is meant to go far beyond the legal situation to date, as characterized by the Geneva Protocol of 1925. The Geneva Protocol prohibits the use in war of asphyxiating, poisonous or other gases, and of all analogous liquids, materials or devices. As a result of the many reservations on the part of the contracting parties, releasing a contracting party from its obligations under the Geneva Protocol should it be attacked with chemical weapons, the prohibition on chemical weapons has virtually degenerated into a prohibition on being the first to strike with chemical weapons. The Geneva Protocol has not been able to prevent, in particular, the development, production and stockpiling of chemical weapons to be used in reprisals.

The Biological Weapons Convention of April 1972 was the first treaty to deal with the destruction of an entire category of weapons, but it contained no procedures for verifying compliance with the convention. Adequate provisions for verification must be included in any future chemical weapons treaty, because of the much greater military significance that such weapons have.

Negotiations are taking place at the Geneva Conference on Disarmament, an autonomous negotiating conference which has developed from earlier disarmament committees and to which at present forty states belong. The negotiations have already achieved much. A considerable amount of material of a technical and legal nature has already been dealt with in depth by the Conference on Disarmament. For the 1985 session it will be important for the negotiating delegations to continue to develop this positive momentum. It is not so much the further legal and technical working and reworking of the material which will help arrive at a chemical weapons convention, however. Rather, it is goal-oriented bargaining which is aimed at securing a treaty in the near future and whose primary purpose will be to encourage the political will to pay the

price of concessions for an adequate international verification system, in order to free mankind from the scourge of particularly loathsome weapon.

Threats to the treaty

We must be aware that a number of ominous developments outside the actual negotiating process could jeopardize the work on the treaty:

First, the use of chemical weapons in the Iran-Iraq conflict has provided grim confirmation of fears about proliferation of chemical weapons in the Third World. A chemical weapons convention must be signed quickly to counteract the danger that other nations in the centres of conflict in the Third World will make use of the "poor man's nuclear system" — chemical weapons being relatively easy and inexpensive to produce.

Second, already imaginable future developments in chemical weapons, for example, new agents of war of substantially higher toxicity able to neutralize protective equipment, improved military opportunities for using substances which would merely incapacitate the enemy for fighting, binary weapons and new delivery vehicles with deep penetrating ability, all these could create new realities which would put in question our present ideas about the necessity of banning chemical weapons or which would lead to dilatory negotiations in Geneva, allowing the nations to preserve options which might be militarily interesting for the future.

Finally, the alarming imbalance in chemical weapons arsenals, a circumstance created by the Soviet Union's excessive buildup of armaments, is a menacing development for the securing of a chemical weapons convention. Whereas the USA is continuing to observe the halt in production which it announced in 1969, the Soviet Union has in the same time period dynamically expanded its chemical weapons potential and now has the best equipped and trained chemical weapons troops in the world. It has in particular developed the so far exclusive ability to deliver strikes deep behind opposing lines, against logistical targets, military bases and troop concentrations. Should the Soviet Union continue to develop its chemical weapons capabilities, its willingness to enter into a chemical weapons agreement could decline proportionately to the unreasonable demands that it would feel the agreement was making of it. In the same way, a modernization of the US

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chemical weapons potential, as desired by the administration but rejected by Congress in 1982, 1983 and 1984, could have negative effects on the Geneva negotiations.

Context of treaty

Here are some ideas that have emerged at the Geneva Conference on Disarmament concerning the content and structure of a convention banning chemical weapons. In order to preclude completely the possibility of toxic chemicals being used as weapons, the scope of prohibitions for a future chemical weapons convention is relatively comprehensive. The draft convention requires contracting parties not to develop, produce, otherwise acquire, stockpile or retain or transfer chemical weapons. There is basic agreement on the definition of a chemical weapon. Chemical weapons include super-toxic lethal, other lethal or harmful chemicals, as well as munitions and means of delivery.

The main sign of positive action demanded by the convention is the elimination, as soon as possible, of all chemical weapons and all production facilities. All contracting parties are first obligated to declare existing chemical weapons stocks and production facilities. Destruction itself should be complete within ten years.

The provisions governing verification which are planned for inclusion in the future chemical weapons treaty cover the systematic inspection of the destruction of current chemical weapons stocks; the elimination of production facilities for chemical weapons; the very small-scale production of chemical agents of war in a production facility permitted to operate for "protective purposes" (e.g., in the context of defensive measures). In addition to systematic verification, a safety net is provided in the form of checking suspicious cases, for example, when a contracting party is suspected of contravening the obligations arising from the convention by secretly developing, producing, acquiring, stockpiling, retaining, transferring or using chemical weapons. International on-site inspections are planned for both types of verification — systematic verification and "on-challenge" verification.

Problems of verification

In working out an adequate verification system, which is indeed the most crucial problem facing the negotiators in Geneva, the Conference on Disarmament is breaking new ground. To date, none of the existing arms control instruments has contained a verification mechanism for checking compliance with a convention banning an entire category of weapons. The attempts at verification which play a role in strategic arms control provide no model here since the "national technical means" spoken of in the SALT agreement are not an adequate means of surveillance for purposes of checking compliance with a chemical weapons convention. Unlike rockets, whose deployment is largely visible using satellite reconnaissance, a chemical weapons arsenal can be maintained or built up over a long period without being detected. Chemical weapons are indistinguishable from conventional weapons — the same canister grenade can be filled with explosive or with nerve gas — and it is not immediately obvious whether a production

facility is being used to make chemical weapons or pesticides, pharmaceuticals or paints.

The possibilities for circumventing the terms of a chemical weapons convention — simply by camouflaging chemical weapons — and the special dangers posed by these insidious, cruel weapons, necessitate a system of verification which is to date unprecedented in arms control agreements because it forces the contracting parties to tolerate far-reaching on-site inspections, including inspections of sensitive military and industrial sites. This implies a difficult tightrope walk for all the various parties — a tightrope walk between interest in banning chemical weapons and the need to protect against inappropriately intrusive verification measures which touch on questions of military security and protection against industrial espionage.

Against the background of this kind of complex basic conflict, the tenacious objectivity of the delegations to the Geneva Conference on Disarmament is a surprising but at the same time encouraging sign as they continue their efforts to develop adequate verification mechanisms both for systematic inspections and also for on-challenge verification.

The process of deciding these matters reveals differing conceptual viewpoints which, the one hand, concern the voluntary or mandatory nature of international inspections and, on the other hand, concern the question whether international inspections have priority over national inspections or vice versa. The USA believes that there should be rigorous mandatory international verification, as described in particular by US Vice-President George Bush on April 18, 1983, before the Geneva Conference on Disarmament as a new philosophy of verification, the so-called "open invitation." In contrast, the Soviets feel that the inspection of suspect cases especially should be totally voluntary. Whereas Western nations and Third World countries, including China, give international monitoring priority over domestic monitoring, socialist states have put the emphasis squarely on the measures for domestic implementation of the chemical weapons convention.

Verification of destruction of weapons

In the question of the destruction of chemical arsenals and the verification of such destruction, the Conference on Disarmament has achieved astonishing success, so that this realm seems to have been fundamentally resolved. All the negotiating parties at the Geneva Conference on Disarmament believe that the elimination of stocks of chemical weapons should be subject to systematic international inspection, as performed both by constant monitoring with instruments and by constant systematic international on-site inspections. The Soviet delegation agreed in February 1984 to the principle of inspectors being present continually during the phase of the destruction of chemical arsenals. In so doing, the Soviet delegation abandoned the "agreed quota" proposal which it had previously advocated and which would have had only periodic on-site inspections, with the frequency of such inspections determined by the quantity of the chemical weapons to be destroyed, their toxicity and their degree of hazard, as well as by the technological parameters of the destruction facility.

To make a treaty

Verification of destruction of production facilities

It is obvious that the simple destruction of chemical weapons stockpiles will not suffice to achieve the contractual purpose being sought after — which is the total banning of chemical weapons — if the plants which have manufactured chemical weapons to date remain operational. In accordance with the future chemical weapons convention, a contracting party should therefore agree to destroy all its facilities for producing chemical weapons within ten years of the date on which the treaty came into force. Here, too, the negotiating parties at the Geneva Conference on Disarmament are fundamentally agreed that international verification should be a combination of monitoring by means of instruments and international inspections. Over the entire course of the destruction process, on-site inspections are to be performed only periodically.

Surveillance of legal production

Every nation must have the right to have a certain quantity of chemical weapons in order to be able to develop protective measures against a possible attack made against it using chemical weapons. This involves experimental work of a very limited scope, e.g., the testing of protective materials (gas masks, NBC protective clothing, vehicles and equipment) against super-toxic lethal chemicals. The total amount in the possession of a state should at no time exceed one metric ton. A contracting party which manufactures super-toxic lethal chemicals — to be used for protective purposes — must do so at a single specialized facility and subject this facility to a systematic international inspection by an annual data report, on-site instruments and systematic international on-site inspections.

Verification of non-production

Each contracting party to the chemical weapons treaty is to agree to subject the industrial manufacture of key precursors, which are suitable for the production of chemical weapons, to systematic international verification through on-site inspections on a random basis. Checks can be run on non-production if a list of certain substances is agreed upon — the production of which affects the objective of a future chemical weapons convention — and if the plants producing these substances are then subjected to inspection. The dispute within the Conference on Disarmament presently concerns the very difficult question of how far-reaching the list of the affected key precursors should be and what the scope of the planned checks should be. The interests of the chemical industry conflict here with the preventive measures necessary to prevent circumvention of the future chemical weapons convention. The most

well-known chemical agents of war — VX, soman, tabun, sarin, mustard gas — are produced from key precursors which are also used for civilian purposes: for manufacturing pesticides, dyes, pharmaceuticals, hardening agents and synthetic resins.

Viewed realistically, it is clear that total monitoring of the chemical industry is not feasible. The so-called monitoring of non-production is in the nature of a confidence-building measure, however, suitable for supporting the objective of a future chemical weapons convention. In this respect, a certain amount of monitoring is inevitable. The type and scope of such monitoring of the chemical industry must then be the result of having weighed the objective of a future chemical industry in developing its economic and technological activity unhindered.

"On-challenge" verification

The greatest difficulties in the negotiations at the Geneva Conference on Disarmament are caused by the problem of how to proceed if a contracting state is suspected of having contravened obligations incurred under the chemical weapons convention. Article X of the U.S. draft provides for lightning-quick mandatory inspection of suspicious cases and represents, in fact, the most far-reaching interpretation of the principle of mandatory control. Article X grants each contracting state the right to demand a special inspection at any time in order to resolve suspicion.

The Soviet Union proposal for inspecting suspicious cases adheres rigorously to the principle of the voluntary nature of such inspections. In accordance with this, a contracting party which is to be inspected can receive the request for an inspection favorably or can decide otherwise. A further critical point in the Soviet idea is that the actual inspection of a suspicious case is to be preceded by a bilateral procedure of mutual consultation which must be exhausted before an application can be made for an inspection of a suspect case to be performed. This means that a contracting party which is suspected of contravening the chemical weapons treaty can delay the bilateral procedure of mutual consultation and thus prevent international monitoring.

Of the five fields which are treated with regard to verification in a future chemical weapons treaty, working out the procedures for the on-challenge verification will probably long continue to be the most difficult problem in the negotiations at the Conference on Disarmament and remain the real measure of the political will to make progress in the negotiations.

The events of October and November 1984

international canada

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"International Canada" is a paid supplement to *International Perspectives* sponsored by External Affairs Canada. Each supplement covers two months and provides a comprehensive summary of Canadian government statements and of political discussion on Canada's position in international affairs. It also records Canadian adherence to international agreements and participation in international programs. The text is prepared by *International Perspectives*.

Bilateral Relations

USA

Clark-Shultz Meeting

A mid-October meeting in Toronto between External Affairs Minister Joe Clark and US Secretary of State George Shultz covered a wide range of bilateral and multi-lateral issues, but ended without any outline of concrete action to be taken by either country. The two-day talks included discussions on the global economy, trade negotiations, and international debt. However, both representatives agreed to seek "pragmatic solutions" to cross-border problems. Mr. Clark indicated that the new Conservative government was searching for an end to the "confrontational style" in Canada-US bilateral relations (*Globe and Mail*, October 15 and 16). On contentious issues such as the problem of acid rain there was less harmony in the discussions, but Mr. Clark assured Mr. Shultz that Canada would maintain a pragmatic approach to resolving irritant bilateral issues. Mr. Shultz, having mentioned the Reagan administration's strong resistance to protectionist trends, was told by Mr. Clark about future Canadian plans to revamp FIRA and the NEP.

The issue of acid rain proved the most contentious topic raised during the meetings, with Mr. Shultz offering only continued commitment to contact between Canadian and US officials and scientific experts on pollution control (*Globe and Mail*, October 17). The Canadian Environment Minister and the US EPA head will hold regular consultations in future on the subject. While Canada has consistently pressed the US for immediate action on the acid rain problem, Mr. Shultz reiterated President Reagan's stand that further research was necessary to determine the degree to which action was needed. He told reporters following the meeting that before large sums of money were invested in pollution control, it was important "to really understand this phenomenon better." However, Mr. Clark made it clear that acid rain would remain a "top priority" with the Conservative government.

A more positive note was sounded in the talks on avoiding protectionist trends in the world trading community, with Mr. Clark stressing the importance to Cana-

dian economic strength of open access to world markets. As well, Mr. Clark stressed Canada's support for the Contadora initiative for peace in Central America, avoiding, however, specific reference to US policy on Nicaragua. Agreement was reached on further study of the World Court's decision on the Maritime Boundary dispute before proceeding to implementation (see this issue—US—Gulf of Maine).

Gulf of Maine Dispute

The International Court of Justice in The Hague rendered its decision on the dispute between Canada and the US over the territorial boundaries in the Gulf of Maine (an undersea area rich in both fishery resources and potential hydrocarbon resources). In the first official comment on the decision, the Ministers for External Affairs, Justice, and Energy, Mines and Resources, noted that Canada had been awarded by the Court with "jurisdiction over a substantial part of Georges Bank." In a Government of Canada news release of October 12, the Ministers stated that the decision assured the continuance of Canadian fisheries in the region. (Both the US and Canada had agreed to accept the International Court's decision as final and binding.) Notification of the newly-established boundary was given to fisheries operating in the previously disputed territories. In making their announcement, the Ministers noted that the decision was the "culmination of several years of intensive work" by both Canada and the US.

While the World Court decision awarded Canada roughly half of what it had claimed during the hearings, it was acknowledged that the share was rich in potential resources. At the same time, the US only received half of its pleaded claim, with an official US statement noting that the decision would most likely be implemented in "the atmosphere of cooperation that generally characterizes US-Canadian relations" (*The Citizen*, October 13). The five-member Court Chamber rendering the decision was reported to have arrived at its ruling by relying on geo-

graphical considerations. By moderating the extensions of coastlines (according to the 200-mile limits), the Chamber endeavored to reach a finding politically acceptable to both Canada and the US. Reaction from Nova Scotian fisheries representatives was mixed, but the majority found the ruling to be to Canada's disadvantage, particularly in the area of the rich scallop harvest. The decision means that Canadian and US fishing concerns must remain in their respective areas, unable to follow fish movements (*The Citizen*, October 15).

The ruling was hailed by Fisheries and Oceans Minister John Fraser as a "solid basis on which to develop sound fishery management plans." With Canadian boundaries established, said the Minister, the time was propitious to consult with industry to determine effective management of resources under Canadian control. Stable solutions on issues arising from the decision were to be developed between Canada and the US. To "maximize" the benefits of the decision, Canada would cooperate with the US in an atmosphere of "mutual understanding," said the Minister (Fisheries and Oceans communiqué, October 16).

Late in November the US administration, at the request of a Maine congressional delegation, asked for a one-year delay in an implementation of the World Court ruling. However, the Canadian government did not provide a favorable response, and remained committed to an immediate implementation of the decision (*Globe and Mail*, November 30).

Steel Markings

The Canadian government lodged protests with the US administration following the passage into law of a bill requiring foreign steel producers to stamp exports with an indication of the country of origin. This included steel piping, tubes, gas cylinders and manhole covers (*The Citizen*, November 1). The Canadian steel industry had stressed that the requirement would disrupt the export of such Canadian steel products to the US market. Producers had stated that the marking would unnecessarily delay exports as well as increase costs. The Canadian steel industry had lobbied for exemption from the US restrictions, and had called upon the federal government to intervene with the Reagan administration.

In a scrum November 1, International Trade Minister James Kelleher stated that the government had already taken action on the issue. Four diplomatic Notes, he said, had been sent to the US departments of Treasury, Commerce, State, and to the Trade Ambassador. Mr. Kelleher also mentioned that he had personally contacted Mr. Bruck (Trade Ambassador) for his intercession in discussions with the US Customs Department, in an effort to achieve for Canada a beneficial exemption. Negotiations, said Mr. Kelleher, would continue (External Affairs transcript, November 5).

In an official statement issued November 2, Mr. Kelleher announced that the Canadian government was "very concerned about the potentially harmful effect on our steel exports" from the recent US legislation. He pointed out that compliance with the marking requirement might jeopardize export sales by altering the steel products to the point where they no longer met industry and customer specifica-

tions. Mr. Kelleher stated that the government viewed the requirement as a "non-tariff barrier," inconsistent with US obligations under GATT. Canada had and would continue to press for "the narrowest possible coverage and most flexible application of the new law," he added. Mr. Kelleher expressed hope that the US administration would "recognize" the "disruptive" aspect of the legislation and "eventually remove it entirely" (External Affairs communiqué, November 2).

Making a statement in the Commons November 8, Sheila Copps (Lib., Hamilton East) called upon both the Prime Minister and the Minister for International Trade to intervene directly with the US government to "ensure that Canadians would be exempted from the trade and tariff changes that will adversely affect our industry."

Niagara River Dump

Canada expressed its concern over a proposal by the US government to have hearings on cleanup measures for a Niagara River chemical dump (Hyde Park) closed and restrict information emanating from the consultations. A spokesman for Environment Canada criticized the proposed closure as counterproductive in an era of "more open communication" between the US and Canada on Niagara River problems (see "International Canada" for April and May 1984). Canada has consistently maintained that toxic chemical leakage from the dump has been adversely affecting Lake Ontario drinking water (*Globe and Mail*, October 5). Canada notified the presiding judge of its concern over the confidentiality issue. The US government had called for closed hearings, in agreement with Occidental Chemical Corp. (dump owner), in order for negotiators to discuss cleanup proposals "candidly" — primarily because of the "controversial nature" of the case.

Later in the month, it was reported that the government of Ontario was acting in concert with the state government of New York to have the closure application defeated. Environment Minister Andy Brandt argued that the sessions should be public, in order to enable "citizens of both countries to follow the progress of the negotiations, to see if the information presented was correct and sufficient and to comment before a final cleanup program" was formulated (*The Citizen*, October 20).

Garrison Diversion

A US commission studying the Garrison Diversion Project, a project long objected to by Canada for environmental reasons, released an interim report on possible affects in mid-November (see "International Canada" for June and July 1984 — USA — Garrison). The report found that no guarantees existed that harmful pollutants and unwanted fauna would be prevented from entering Manitoban waters, should the Garrison be completed linking the Missouri and Hudson Bay drainage systems (*Globe and Mail*, November 14). While not making specific recommendations, the commission's report established criteria to be incorporated into the project in order to prevent unwanted transfers. Despite a call for water treatment, no plan could be formulated to cope with the massive water flows involved.

Remarks made by US Ambassador to Canada Paul Robinson November 21 to a business group in Winnipeg about the Garrison Diversion were met by consternation in Canada. Ambassador Robinson had commented that the project would never achieve completion because of the enormous costs involved. However, it was unclear whether he was speaking in his official capacity and whether the remarks indicated a shift in policy for the US administration (CBC radio, External Affairs transcript, November 26).

In the Commons November 22, Lloyd Axworthy (Lib., Winnipeg-Fort Garry) took exception with Mr. Robinson's contention that the Garrison project was "not much of an issue." Mr. Axworthy stated that Garrison was "very much an issue with Manitobans and, indeed, with all Canadians." He called upon the External Affairs Minister to indicate to the US administration (through Ambassador Robinson and the US Secretary of State), the vital concern of Canada with regard to the project. Mr. Clark responded that on November 21, representatives of both the federal and Manitoban governments had met with "United States officials in Washington to present, in a diplomatic note, Canada's concerns about the Garrison plan." He added that assurances had been received from the US government on the concerns expressed in the note. Mr. Clark stated that there would be "no action taken on any commission hearings which are undertaken in the United States without full prior consultation with Canada."

Canadian lobbyists against Garrison expressed pleasure with the release of the US Garrison study commission's draft final report in late November. The report recommended, unlike the original concept developed in 1965, that south-flowing Missouri waters not be transferred to the north-flowing waters of Manitoba (*Globe and Mail, The Citizen*, November 30). A spokesman for Manitoba's Garrison Focus Office noted that while several loopholes remained to be negotiated, the report indicated a US acknowledgement of Canadian expressions of concern over possible harmful affects. He noted that the commission voted against construction of the Lonetree Reservoir, a particularly contentious issue with Canada. Funding for Garrison has been blocked until presentation of the committee's final report to the US Secretary of State in December. The draft report endorsed the scaled down version of Garrison, with less costs, less irrigated acreage, and the channelling of only treated water in an attempt to minimize potential threats to the environment.

AFGHANISTAN

Soviet Prisoners

Six Soviet soldiers being held prisoner by rebel forces in Afghanistan had expressed earlier this year a desire to be admitted to Canada, and representations had been made to the Government by groups within Canada willing to sponsor the six. While indications were that a favorable Canadian government response would be forthcoming, it was later announced that asylum had been denied. A Toronto lawyer representing the six Soviets, Serge Jessop, was interviewed by CBC radio November 12 and stated

that he did not feel that granting asylum was an "unusual step" for Canada. Commending the Afghan rebel forces for their treatment of the Soviet prisoners, "often under very difficult conditions," Mr. Jessop stressed that the six Soviets under discussion were "all excellent candidates for Canada." Their predicament arose from their inability to return home, and an unwillingness on the part of foreign governments to offer them asylum, he added. Without Western sponsors, said Mr. Jessop, the Soviet prisoners faced execution. He added that the International Red Cross had disclaimed responsibility since the prisoners were not asking for repatriation. What was required, he said, was a "bending" of immigration rules to allow the immediate processing of the Soviets. Mr. Jessop issued a harsh criticism of the government's decision not to immediately accept the six, calling it "abominable, inhuman and gutless" (External Affairs transcript, November 16).

An inquiry regarding the current status of their application was made in the Commons November 14 by Lucie Pépin (Lib., Outremont), who asked Employment and Immigration Minister Flora MacDonald why the Government had "reversed its decision" to grant the Soviets asylum. While Ms. MacDonald at that time responded that no application had ever been made on their behalf, she next day issued an apology to Ms. Pépin over the confusion surrounding the issue. The Minister then stated that applications had, in fact, been made for the Soviet soldiers, and added that the government was working to secure their admittance. Regulations established by the previous Minister made the fulfillment of medical requirements mandatory for immigration clearance, said Ms. MacDonald. This, however, had been delayed since Canada had been unable to get "the local authorities in a very inaccessible border area to allow medical examinations to take place," examinations which would require the presence of a medical team. Ms. MacDonald added that the government was working in tandem with the International Red Cross to secure the eventual release of the six Soviets and their transfer to Canada. An Immigration department official responsible for refugees, Raphael Girard, noted that there existed a distinction between prisoners of war and political refugees, a distinction which would have to be taken into consideration in determining the eligibility of the six Soviets to enter Canada (*Globe and Mail*, November 16, *La Presse*, November 18).

Canadian Statement at UN

Deputy Permanent Representative to the UN, David Lee, made a statement with regard to the situation in Afghanistan to the 39th Session of the UN General Assembly November 13. Outlining the ongoing strife resulting from the Soviet occupation, Mr. Lee recalled the numerous UN resolutions condemning the invasion and once again reiterated Canada's "strong objections" to the Soviet military presence. Without "political legitimacy," the regime of Babrak Karmal continues to lose popular support, while at the same time bringing "devastation and misery" to the people of Afghanistan, Mr. Lee said. In addition, repercussions have extended beyond the borders of Afghanistan and threaten the further destabilization of the area as a whole. Applauding the work of the international community to "alleviate the situation," Canada supports the continued

efforts to secure an "internationally acceptable" political settlement. Canada once again called for the re-establishment of Afghanistan's "independence, sovereignty and non-alignment" (Canadian Delegation to the UN press release, November 13).

BRAZIL

Canadian Diplomat Charged

On October 2, a Canadian diplomat, William Johnston, was charged by Brazilian authorities in São Paulo with possession of cocaine. Just ending a three-year assignment as consul and senior trade commissioner in São Paulo, Mr. Johnston was released after posting bond. Following the arrest and detention, Canadian officials endeavored to have the charges dropped by the Brazilian Ministry of Justice. While there was some question as to whether diplomatic immunity might be invoked by a foreign representative whose term had expired in a host country, External Affairs spokesman Sean Brady noted that the Vienna Convention afforded protection in the country of posting until departure. Mr. Brady also stated that the Canadian Criminal Code contained provisions covering diplomatic personnel charged with offences while abroad. Upon his return to Canada, Mr. Johnston was suspended by the External Affairs Department pending both an internal investigation and separate action by the RCMP (*Globe and Mail*, October 4, *The Citizen*, October 5, 18).

CHINA

Line of Credit

In early October, Canada's Export Development Corporation extended a line of credit, originally established in 1979, for two billion US dollars to the Bank of China. It was hoped that this would lead to an increase in the sale of Canadian goods and services to China. While only a small portion of the first credit line was ever used, External Affairs Minister Joe Clark stated that recent economic developments within China had spurred a "heightened interest" and created a more favorable atmosphere for increased trade and development between the two countries. In future, Canada would seek to expand its share of the growing Chinese market. On the topic of China's opening of its economy, EDC spokesman Michael Carmichael said that a fairly "high level of commercial activity" had arisen — a significant portion of which Canada would strive to secure. Under the extended agreement, the Bank of China would lend money from the credit line to Chinese importers for the purchase of Canadian capital goods and services (including buildings, machinery and technology) according to news reports (*Globe and Mail*, October 3).

Provincial Trade Mission

In a further instance of Canadian efforts to penetrate the Chinese economy, Manitoba Premier Howard Pawley

led a delegation (including his Energy and Mines Minister) on a five-day mission to China. Acknowledging the "enormous potential" for economic growth in that country, Mr. Pawley stated that both the hydro-electric and potash industries were prime considerations in his trade talks with Chinese officials. With China under Premier Xiaoping encouraging the importation of foreign technology and capital, the Manitoba Premier saw an opportunity to forward his province's interests in the two fields. Mr. Pawley mentioned the establishment of an internship program in Manitoba's hydro industry for Chinese technicians, as well as the possibility that China might consider the purchase of Manitoban potash as chemical fertilizer in its agricultural modernization program. Said Mr. Pawley, "We have an objective in mind [and] our product is one they need, so we approach it on a business basis" (*Globe and Mail*, October 23).

EGYPT

De Havilland Sale

The possibility of a \$12 million repayment on a 1981 Egyptian government purchase of ten Buffalo transport aircraft (worth \$128 million) from Canada's De Havilland Aircraft surfaced when the firm's annual report for 1983 was released. Receiving coverage on the CBC television program "The Fifth Estate" of November 13, the De Havilland report contained a footnote indicating that "a customer may be in a position to justify a claim against the company" for misrepresenting the way business was transacted. It was noted that the Egyptian government had been promised that no agents would be involved in the sale and no commissions would be paid, and this received a clause in the final agreement. However, De Havilland utilized and paid for the services of a Nassau-based consulting firm, Scientific and Aviation Systems (SAS), in concluding the contract with Egypt. Reporter for The Fifth Estate, Eric Malling stated that while the De Havilland board of directors approved the deal, officials remained unsure with whom they were dealing (SAS). "De Havilland doesn't really know. And perhaps it doesn't want to," he added. The amount paid to SAS (over four years and in varying amounts) was the numerical equivalent of a 10 percent commission on the sale to the Egyptian government. This appearance of paying a commission was the reason for the inclusion of the footnote in the De Havilland annual report, since Egypt was in a position to sue for the return of the \$12 million. News reports added that the RCMP was completing an investigation of the sale (*Globe and Mail*, November 14).

ETHIOPIA

Famine Relief

While numerous African nations endured the intense hardships produced by drought and inadequate food supplies, it was Ethiopia's plight which attracted the major part

of international media interest during October and November. Intense news coverage of starving Ethiopians produced an outpouring of Western expressions of concern and increased efforts at providing food assistance. Canada was among the leaders of those countries offering food and financial aid to Ethiopia. In a press conference November 1, External Affairs Minister Joe Clark outlined the methods by which Canada might contribute to alleviating the suffering from the effects of widespread famine (External Affairs transcript, November 5). Canadian concern, said Mr. Clark, was "deep, widespread and genuine," and the country would endeavor to play an effective role in relief efforts. In order to combine the efforts of individuals, NGOs and the government into a more cohesive and effective program, the federal government appointed an Emergency Coordinator for African Relief, David MacDonald, a former Conservative Cabinet Minister. At the press conference, Mr. Clark announced that because of the urgency of the situation, he and International Relations Minister Monique Vézina would visit Ethiopia upon their return from the Gandhi funeral in India.

The trip was designed as an opportunity to meet with officials and relief organizations in order to determine whether Canadian aid to Ethiopia was "being delivered as effectively as possible to the people who are suffering." The purpose for the visit was threefold, said Mr. Clark: to gain "direct personal understanding" of the problems of effective aid delivery; to demonstrate to the Ethiopian government the determination of Canada that its assistance reached those in need; and to provide Canadians, through Mr. MacDonald, with a centre for the "coordination and thrust" of relief activities.

During a CTV television interview November 4, Mr. Clark stated that the NGOs operating in Ethiopia had indicated an appreciation of the "seriousness" with which Ethiopian authorities were treating delivery problems. While discussions had centred primarily on the "immediate problem of famine," they had also taken into consideration the underlying "roots of the problem." Mr. Clark said that his experience in Ethiopia had given him increased "personal" confidence in the ability of in-place mechanisms (both governmental and NGO) to coordinate and deliver supplies. Mr. Clark anticipated more food (and other) aid, and the creation of longer-term programs for the prevention of similar crises in future. While admitting that the Ethiopian authorities were experiencing difficulties in distributing accumulated food donations, Mr. Clark added that the "will of the government" was directed toward resolving the problems of maintaining a workable system of delivery (External Affairs transcript, November 6).

Former Agriculture Minister Eugene Whelan criticized the Liberal Government for failing to act on his recommendations for greater food aid efforts on the part of Canada, after he returned from a fact-finding mission to Ethiopia last year in his capacity as World Food Council President. Mr. Whelan told reporters that his observations had led him to believe that Canada should spearhead an international effort by the developed countries to avert such a famine crisis as was now affecting Ethiopia. He had proposed a \$20 million assistance scheme which, he said, might have diminished the number of Ethiopians suffering

from malnutrition and starvation. "It should have been done months ago," he added (*Globe and Mail, The Citizen*, November 5). While his proposals for assisting Ethiopia to improve its farming methods to the point of self-sufficiency had been rejected at the time, Mr. Whelan stressed that Canada was among the forefront of those nations contributing aid. "If all the other developed countries participated as much as Canada has, we wouldn't see the starvation . . . happening in Ethiopia today," he said. Mr. Whelan contacted External Affairs Minister Joe Clark to discuss the possibility of resurrecting the emergency aid plan, or something of a similar magnitude. Mr. Whelan suggested the possibility of utilizing Canadian troops stationed in Europe for the transportation of food and medical supplies to the more remote sections of the Ethiopian interior.

Interviewed on CBC radio November 5, Oxfam spokesman David Gallagher agreed with Mr. Whelan's assessment that getting the emergency nature of the problem across to the "official parts of the Canadian structure" had been difficult. Mr. Gallagher stated that despite European reports of non-deliverance of food supplies and the possibility of the Ethiopian army's being fed with donated food, Ethiopian government reassurances and a lack of clearly documented proof had led the western governments (including that of Canada) to conclude that efforts were being handled effectively. He added that recently, great strides had been made in raising the consciousness of both the public and government and NGO officials as to the magnitude of the crisis. Mr. Gallagher pointed out the dichotomy of Ethiopia, wherein food supplies were being delivered in government controlled areas with constructive "activity," while the rebel-controlled areas (Tigre and Eritrea) presented problems for delivering more than "a trickle." Admitting that Canadians "responded very well over the long haul," Mr. Gallagher called upon Canada to respond in an "informed" and active way. Emergency relief, he added, must reach the relatively neglected rebel-held areas, and for this reason an "international commission" under the direction of Willy Brandt (Socialist International head) might provide a possible means of developing a cease-fire between the warring factions (External Affairs transcript, November 5).

In a scrum November 5 External Affairs Minister Joe Clark reviewed some of his observations gathered in Ethiopia. He stated that his purpose had been to ascertain the ability of the "Ethiopian government and the non-governmental organizations there to deliver Canadian aid." Finding that the distribution system was "relatively effective given the circumstances," Mr. Clark said that the next step would be to determine what steps should be taken by the Canadian government, NGOs and individuals. After consultations with NGO representatives, the Ethiopian head of government Mengistu Haile Mariam, and various ministers, Mr. Clark said he was convinced that "aid was reaching its destination." With the catalyst of media coverage, especially television, said Mr. Clark, the world had been made aware of the dimensions of the "human tragedy," and he felt justified in calling for Canadians to contribute to aid projects (External Affairs transcript, November 6). Mr. Clark also noted that Ethiopian officials had requested that Canada act as "a bridge to the prosperous countries" to

lobby for increased food assistance. However, he added, "I think that the immediate priority of Canada has to relate to our own contribution," but the request to act as mediator would be taken "very seriously" (*The Citizen*, November 5).

External Affairs Minister Joe Clark made the announcement of Canada's assistance program to the African regions experiencing famine in the Commons November 16. Mr. Clark stated that the government "was taking its lead" from the "concern demonstrated" by Canadians. Recognizing that famine was not restricted to Ethiopia (where the majority of media attention had been directed), the government established "a \$50 million special fund for Africa." Mr. Clark noted that while parts of the fund would be used to match funds raised by Canadians, "specific matching formulas [would] be worked out in consultations between the voluntary sector" and the Emergency Coordinator. Immediate measures included an additional CIDA grant of \$3.5 million in humanitarian aid to Ethiopia, as well as an additional ten to fifteen tons of grain. In long-term development assistance, said Mr. Clark, the government would also be extending a water supply program. Two further projects, approved by CIDA and administered in conjunction with "international agricultural research institutes," would involve bean and wheat production improvement (valued at \$6.9 million over five years). Mr. Clark stated that Canada "should encourage better coordination among donor countries" in the distribution of aid in the form of "goods, humanitarian aid and logistical support." Canada would work closely, said Mr. Clark, with agencies and organizations both at home and abroad both to "monitor the African situation and maximize relief efforts."

When questioned by Jean Lapierre (Lib., Shefford) as to sources of funding for the \$50 million, Mr. Clark responded that \$28 million had come from the cancellation of cuts previously announced by the former Liberal government (from monies earmarked for Overseas Development Assistance). As well, roughly \$13 million derived from "savings flowing from the cuts announced recently by the Minister of Finance" (the majority of which had been directed toward the External Affairs envelope). The remainder came from money committed to international financial institutions, but which would be unused and surplus for the present year.

FRANCE

Visit of Prime Minister

Preceding French Prime Minister Laurent Fabius's visit to Canada November 7-10, Prime Minister Brian Mulroney was interviewed by Agence France-Presse and spoke about an improvement in Canada-France relations, especially with regard to the province of Quebec. Bilateral relations in the past had often been colored by diplomatic conflicts over the status of Quebec — reaching their worst point with President Charles de Gaulle's 1967 comment "Vive le Québec libre." Mr. Mulroney stated that the Conservative federal government, while seeking a "national reconciliation" with Quebec, would at the same time endeavor to establish with France a more "fraternal spirit."

Acknowledging previous "parish quarrels" with France, the Prime Minister stated that Canada had attained a greater degree of "understanding and maturity with regard to France and with regard to La Francophonie in general." The meeting with Mr. Fabius would be utilized to enrich the cultural and commercial ties between the two countries, added Mr. Mulroney. "It's a question of attitude," he said, "and I have the intention of eliminating to the greatest extent possible the impediments to normal and reasoned communication" (*Le Devoir*, November 5).

While in Ottawa, Mr. Fabius met with the leaders of the three political parties, External Affairs Minister Joe Clark, Parliamentarians, and the Canada-France Businessmen's Committee. At an official dinner hosted by the Mulroneys, Mr. Fabius was told by the Prime Minister that Canada welcomed overtures by France to "undertake initiatives" with groups both within and outside of Quebec. Mr. Mulroney added that Canadian federalism, "far from being an obstacle to the legitimate Quebec-Paris dialogue, will enhance and strengthen it." Mr. Fabius responded that while Quebec remained the first concern of France-Canada relations, his nation's ambition "is more vast and is aimed at all Canadians." His "Vive le Canada" may have been a gesture to the new Government, an attempt to erase the memory of de Gaulle's earlier words. Both leaders cited several areas for the possible strengthening of economic ties, including space and oceanography (mentioned by Mr. Fabius), as well as science and technology, and communications (noted by Mr. Mulroney) (*La Presse, Globe and Mail*, November 8).

Prior to the departure of Mr. Fabius for Quebec City, Prime Minister Mulroney expressed his satisfaction with the progress achieved in the talks with his counterpart. He noted opportunities for closer economic and industrial cooperation, particularly in the fields of "technological change, structural adjustments, increased productivity and job creation." Along with the new Canadian government's commitment to the "expansion of bilingualism and the promotion of the French fact," Mr. Mulroney indicated his intention to pursue with France an expansion of cultural exchanges. Mention was also made of the creation of a joint France-Canada award, to be first presented in 1985, for the recognition of cultural co-productions. Science and technology, including the sectors of aerospace, information processing and biotechnology, had received the attention of the two Prime Ministers, and Mr. Mulroney announced the signing of an agreement between Petro-Canada and the Institut français du pétrole. The agreement provides for scientific and technical cooperation, he said, and would secure for the Canadian company "access to an important French research and development capacity which will have significant application to oil and gas production in the Canadian frontier." Mr. Fabius spoke of his certainty with regard to Canada's continued support for NATO, its commitment to non-interference in Latin America, and its support for international efforts to convince the US administration to lower its deficit in the face of continued high interest rates (PMO press release, November 8, *Le Devoir*, November 9).

While in Quebec, Mr. Fabius called for stronger technological, cultural and economic ties between that

province and France. However the emphasis was placed on moving into "future technologies," rather than the traditional cultural and linguistic ties of the past. Mr. Fabius noted that the "cultural proximity has had its counterweight — a great distance between us commercially," adding that France had tended to view Quebec "in a North American context, dominated by the United States." For its part, Quebec repeated earlier representations to France for greater investment in provincial industry, with particular mention made of French state-owned automaker Renault (*The Citizen*, November 10).

Inmate Transfer Treaty

An agreement between Canada and France for the transfer of inmates of one country serving sentences in the other, originally signed in 1979, entered into force October 1. Announced by External Affairs Minister Joe Clark and Solicitor General Elmer MacKay, whose Ministry is responsible for the implementation of the agreement, the treaty facilitates, "on humanitarian grounds, the rehabilitation of inmates by enabling them to serve the remainder of their sentences in their home countries," according to a Government of Canada press release of October 1. Application may be made by the inmate following the exhaustion of all rights of appeal in the sentencing country, and approval by both countries is required. It was noted in the announcement that at present, ten Canadians were incarcerated in French prisons (with eight French in Canada). Procedures for transfers were to be established by Canada and France in the near future.

GRENADA

Police Assistance

Answering a call from the Interim Government of Grenada for assistance in the restructuring of its police force following the political events and US-backed invasion of late 1983 (see "International Canada" for October and November 1983), the Canadian government announced October 11 its intention to contribute both equipment and training to the Royal Grenada Police Force. The assistance, to the value of approximately \$800,000, is to be directed toward the installation of a Grenadan telecommunications system linking police stations, police vessels and vehicles (including the Grenadan island of Carriacou). Aid in reestablishing a Central Records Registry is to form another part of the assistance package, according to a Government of Canada press release of October 11, through the provision (by the RCMP) of photographic equipment and related technical expertise. Mention was also made of an advisory service in training and curriculum-planning. In making the announcement, External Affairs Minister Joe Clark stated that the "maintenance of law and order by a trained, disciplined and apolitical" police force was a "necessary prerequisite" for the orderly economic and social development of Grenada. He also noted that the rebuilding of the Grenadan force would contribute

in an "essential" manner to the effectiveness of the December 3 general elections.

INDIA

Funeral of Indira Gandhi

The October 31 assassination of Indian Prime Minister Indira Gandhi in New Delhi by her Sikh bodyguards was received by the world's leaders with expressions of stunned regret. Speaking for Canada, Prime Minister Brian Mulroney expressed his "deepest sympathies" and "profound shock." He noted that both India and the international community had suffered a "grievous loss." Mr. Mulroney on November 1 sent a message of condolence and support to India's new Prime Minister, Rajiv Gandhi, son of Indira Gandhi. Mr. Mulroney stated his "deep admiration for the courage and unselfish commitment" demonstrated by Mr. Gandhi upon his assumption of the Prime Ministry at a time of "anguish and loss." This continuation of a family tradition of service to India, he continued, would receive the support and "great vigor and talent of the Indian people." Canada, added Mr. Mulroney, reaffirmed its intention to pursue a "strong and growing bilateral relationship" (PMO press releases, October 31 and November 1). At the Indian High Commission in Ottawa November 1, Mr. Mulroney, after signing a book of condolence, spoke to the Acting High Commissioner of his "special sympathy" for the problems faced by Rajiv Gandhi, noting that the problems to be confronted in Canada "paled quickly when compared with some of the enormous burdens on [the] new Prime Minister" (CTV News, November 1).

Speaking in a scrum November 1, External Affairs Minister Joe Clark, leader of the Canadian delegation to the funeral of Mrs. Gandhi, noted that while the situation in New Delhi remained confused, the problem of possible violence had not played a part in deciding the composition of the delegation. (It was because of timetable considerations, rather than questions of security, that Mr. Mulroney was unable to attend, added Mr. Clark.) The External Affairs Minister stated that Canada had extended to Caribbean Commonwealth governments an invitation to share the Canadian airplane travelling to India. Mr. Clark said that, in his opinion, circumstances surrounding the funeral would "allow nations that want to pay tribute to her contributions and to her memory" to do so. The relatively high level of the government officials selected to act as Canada's representatives reflected the "great respect" for Mrs. Gandhi — a leader of "great force and foresight" — held by Canadians, Mr. Clark stated. Hearing that some members of the Canadian Sikh community had expressed satisfaction upon the assassination of Mrs. Gandhi, Mr. Clark stressed that he "regretted" such conduct. With the late Prime Minister deserving the "respect in death" due her in life, Mr. Clark concluded by saying that he hoped that Canadians "would reflect that reality" (External Affairs transcript, November 6).

Following demonstrations by segments of the Canadian Sikh community, Mohinder Singh Gosal, President of the Federation of Sikh Societies of Canada, stated that the time was for "reflection, not demonstration." Mr. Gosal viewed the political assassination of Mrs. Gandhi as "deplorable . . . Violence is hardly a tool to be used in the settlement of political differences. Its use should therefore be condemned at all times and all places." However, the demonstrations did stimulate an official complaint to Canada November 5 by the Indian government to Canada's High Commissioner, William Warden, in New Delhi. Mr. Warden responded that the demonstrations did not reflect the view of Canadians, the majority of whom had experienced "shock and grief" over the killing (*The Citizen*, November 8).

The Canadian delegation attending the November 3 funeral was composed of Mr. Clark, Chief Justice of Canada R.G.B. Dickson, External Relations Minister Monique Vézina, PEI Fisheries and Labor Minister R.B. Pratt, Quebec Immigration Minister Louise Harel, BC Intergovernmental Affairs Minister Garde Gardom, Parliamentarians R.J. Skelly and Thérèse Killens, African Famine Coordinator David MacDonald, and External Affairs official de Montigny Marchand. In New Delhi, Mr. Clark spoke for the delegation after laying a wreath on the bier of Mrs. Gandhi, praising both her "determined" domestic leadership and her "leading" and "vital" international role. Reiterating Prime Minister Mulroney's earlier reaffirmation of a strengthened bilateral relationship between Canada and India, Mr. Clark expressed the hope that Rajiv Gandhi's call for an end to India's communal violence would be heeded by both the Sikh and Hindi communities. Added Mr. Clark, the "continued stability and creative vitality" of India were of great importance to Canada (External Affairs communiqué, November 3).

Detention of Canadian Journalist

A Canadian freelance journalist based in New Delhi, Jonathan Mann of Montreal, was taken into custody November 10 by Indian authorities in Amritsar, Punjab state — off-limits to foreigners without government permission since last June following a bloody confrontation between Sikhs and the Indian army during a crackdown on Sikh militants. Mr. Mann was charged under the Indian Passport Act and Foreigners Act with entering the state illegally, having failed to secure the necessary federal permit. While reports indicated that a jail term of up to three years was possible should the charges be proved, there existed the possibility of either deportation or a reprimand. News of the arrest was first made by two foreign journalists — one French, one Canadian — accompanying Mr. Mann to the Golden Temple in Amritsar, both of whom had evaded arrest (*La Presse*, *The Citizen*, November 12).

Several organizations of Canadian journalists, including the Fédération professionnelle des journalistes du Québec, the Tribune de la presse du parlement du Québec, and the Centre for Investigative Journalism of Carleton University (CIJ), made appeals to the federal government November 13 for action in the case of Mr. Mann. The Fédération called on External Affairs Minister Joe Clark for direct intervention with Indian authorities. The

Tribune contacted the Indian High Commissioner in Ottawa to protest the arrest of Mr. Mann and to call for his release in the spirit of journalistic liberty. The Centre directed their appeal to Prime Minister Mulroney, stating that Mr. Mann had been engaged in work "within the bounds of a free press and current Canadian journalistic practices, and called for Mr. Mulroney's personal intercession (*Le Droit*, CIJ press release, November 13).

However, in a Radio Canada interview that same day, Indian High Commissioner K.P. Fabian noted that Mr. Mann had been arrested not because of his behavior as a journalist, but because of his presence in Punjab as a foreigner. Mr. Fabian stated that while India as a democracy advocated free circulation, such movement had in a particular instance (Punjab) been restricted by the Indian government. He said that rather than being completely cut off from the outside world, Punjab was experiencing difficulties in telephone communication because of the great demand for such contact. Mr. Fabian pointed out the problems involved in controlling movement within a democratic country, and for this reason Mr. Mann had been arrested while other foreign journalists had successfully managed to both enter and leave the area under restriction. Rather than setting an example with Mr. Mann, the Indian authorities were allowing the law "to follow its course." While Mr. Mann was being detained as "a foreigner who had violated [Indian] laws," no reason for anxiety existed, concluded the High Commissioner (External Affairs transcript, November 14).

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External Affairs Minister Joe Clark indicated to reporters November 13 that the Canadian government would not "press Indian authorities" for the release of the journalist. Mr. Clark added that Mr. Mann had broken Indian law, and "must be treated like all the people who break the law." While Canadian officials from the High Commission in New Delhi had not been permitted to meet with Mr. Mann at that point, telephone contact had been made and approval for a meeting was expected imminently (*The Citizen*, November 14). Mr. Clark's remarks with regard to Mr. Mann's actions were criticized by Jean Chrétien (Lib., Saint-Maurice), the

previous External Affairs Minister in the Turner government, both in a letter to Mr. Clark and in the House of Commons November 14. In his letter, Mr. Chrétien stated that Mr. Mann had been denied "proper assistance and guidance from the Government." He continued with a protest against the Government's attitude in handling the matter, especially its refusal to "press" Indian authorities. The letter called for Mr. Clark's personal involvement in according Mr. Mann his "rightful services" by the Government. Speaking in the Commons, Mr. Chrétien again raised the question of government assistance. He was answered by External Relations Minister Monique Vézina, who stated that the case was being followed closely by the Canadian High Commission, and that representations had been made "at the highest level" for expedition in consideration of the case and on the issue of visitation.

On November 15, External Affairs Minister Joe Clark apologized to the House of Commons for his earlier remark with regard to the guilt of Mr. Mann in having violated Indian law. He stated that his comments to reporters in a scrum had been incorrect, since the journalist had, in fact, been "charged with breaking the law of India." Mr. Clark added that representations continued, being both "extensive and made on a regular basis," and were considered "very seriously" by the Indian government. According to the Minister, Mr. Mann had expressed himself as being "highly pleased with the way in which the Government . . . has responded to his situation."

Pleading guilty to the charge November 16, Mr. Mann received both a minimal fine and a jail sentence running concurrently with time already spent in detention.

Air Agreement

Announcement was made October 19 by Transport Canada that Canada and India had negotiated modifications to an existing air services agreement designed to expand the services provided by both countries. Transport Minister Don Mazankowski stated that the new agreement represented a further growth in bilateral economic relations. He added that improved service would facilitate an expansion of trade and tourism. While Air India received the right to initiate new services to Toronto (already flying to Montreal), Air Canada was permitted to introduce service to Delhi (in addition to Bombay), and was allowed "greater flexibility for all-cargo services" (Transport Canada press release, October 19).

INDONESIA

Joint Environment Conference

A conference on the environment among specialists from both Canada and Indonesia was financed by the Canadian International Development Agency (CIDA) and held October 11-12. Organized in Canada by Dalhousie University's Institute for Resource and Environmental Studies and in Indonesia by Environmental Manpower Development, the conference focused on common con-

cerns. Issues covered ranged from marine and coastal management to industrial growth and natural resource conservation, according to a CIDA press release of October 10. The Indonesian delegation was led by Foreign Affairs Minister Dr. M. Kusumaatmadja, and Population and Environment Minister Dr. E. Salim. The conference was one aspect of Canada's larger commitment (through CIDA and to a level of \$2,500,000) to contribute jointly with the government of Indonesia to expand that country's "number and capabilities" of the manpower required for environmental management.

ISRAEL

Visit of Deputy Prime Minister

Yitzhak Navon, Deputy Prime Minister and Minister of Education and Culture of Israel, paid a two-day visit to Ottawa November 14 and 15 while in Canada in a private capacity. The former Israeli President met with External Affairs Minister Joe Clark while in Ottawa, as well as Governor General Jeanne Sauv , Deputy Prime Minister Erik Nielsen, and Communications Minister Marcel Masse (External Affairs communiqué, November 13).

JAPAN

Tokyo Symposium

An economic and trade symposium held in Tokyo in early November (one in an ongoing series) featured speakers from both the Canadian and Japanese business worlds. The consensus arising out of the meeting, sponsored jointly by the *Globe and Mail* and Japan's *Nihon Keizai Shimbun*, was that Canada required continued foreign investment and that much of it might come from Japan — and to the advantage of both countries. Increased foreign investment would reduce Canada's dependence on the export of bulk commodities, the conference was told. As well, further technical cooperation would be productive (*Globe and Mail*, November 7).

Several speakers noted that Japanese industries had confronted many of the same difficulties facing Canada, especially competition from developing countries (with their lower production costs). Yoh Kurosawa of the Industrial Bank of Japan Ltd. pointed out that with many Japanese concerns investing offshore as well as moving toward the production of "sophisticated goods and services," Canada had the opportunity for increased sales of industrialized products. The ultimate aim should be a more balanced bilateral trade relationship, he added. Canada might become more competitive internationally through the use of Japanese capital in expanding its range of exports.

While David Slater, Economic Council of Canada Chairman, stated that Canada had already moved toward placing an emphasis on "innovation, diffusion of technol-

ogy, specialization and export marketing," Stuart Smith, Science Council of Canada Chairman, noted that Japanese investment might offer Canada a "counterweight" to present US dominance. Dr. Smith stated that Canada may in future be required to concentrate on marketing for export its knowledge, rather than bulk commodities. While some industries might be lost to competition from developing countries, Canada would be able to use to advantage its "advanced skills." He also pointed out to the symposium that nations such as Japan, with their advanced research into manmade replacements for resource-based materials, were making a continued dependence on an exploitation of natural resources impossible (such as Canada had done in the past). Thus, Canadian industries would be better advised to campaign for an increased acceptance of domestic advanced products in Japan — our knowledge coupled with Japanese investment.

LNG Project

The troubled joint Canada-Japan project for the export of Canadian liquified gas (LNG) to Japan received a reprieve this fall when the five Japanese utilities involved requested that a large Canadian concern such as Petrocan join the project in order to salvage the scheme (see "International Canada" for February and March 1984). Leader for the Japanese group, Chubu Electric Power Co., had stated in April that a decision on whether to scrap the plan would be made by year-end. While several Canadian concerns have indicated an interest in committing themselves to the plan, Petrocan has presented no formal interest. The project, now under the direction of Canada LNG Corp. since the June withdrawal of Dome Petroleum (original majority interest holder), would most likely be cancelled should further significant backing not be forthcoming. Contract renewals have been consistently extended by the Japanese in the hope that the Canadian investors would manage to achieve a workable coalition (*Globe and Mail*, November 7).

Automotive Industry

The issue of securing increased Japanese investment in the Canadian automotive and automotive parts manufacturing sector, subject of many government and industry lobbying efforts in the past, experienced a favorable outcome to ongoing bilateral negotiations in mid-November. Pacific Automotive Co-operation Inc. (PAC) announced November 15 the successful conclusion of an agreement for the purchase by subsidiaries of Nissan Motor Co. Ltd. (a shareholder of PAC) of Canadian-manufactured automotive parts, which would, said the announcement, "materially assist the growth of the Canadian parts industry." Two separate agreements were announced by PAC. One called for a joint venture between Marui Industrial (Japan) and G.S. Wooley (Canada) for the manufacture of acrylic resin products for the North American market (with the technology supplied by Japan). The other involved the production and installation of plastic cooling fans to be installed on Nissan products manufactured in the US. The parties involved were Usui Kokusai Sangyo (Japan) and Progressive Moulded Products Ltd. (Canada), with technical assistance and some materials supplied by Usui (PAC news release, November 15).

PAC spokesman Noboru Takahashi stated that additional negotiations were underway, with PAC acting as intermediary. (The firm was developed by members of Japanese auto and parts manufacturers associations to both assist the growth of the Canadian auto parts sector and to expand Japan-Canada automotive business relationships.) Speaking for the Automotive Parts Manufacturers Association of Canada (APMAC), President Patrick Lavelle hailed the agreements as an indication that Japan had "recognized the value of dealing with the Canadian auto industry." He added that this was "in the best interests of the Canadian industry and the Japanese" (*Globe and Mail*, November 16).

KAMPUCHEA

Canadian Position

Speaking before the Plenary of the UN General Assembly October 30, Deputy Permanent Representative David Lee stated Canada's support for the draft resolution with regard to Kampuchea put forward by the ASEAN nations. While the international community had expended much energy on advancing peace initiatives, said Mr. Lee, "such activities have not led to substantive progress in resolving the issue" of the Vietnamese occupation of Kampuchea. To date, efforts had proved unsuccessful in attempting to "force a regionally powerful and recalcitrant nation to change its course." Mr. Lee reiterated Canada's support for the ASEAN draft resolution (first presented 1983) as providing a "realistic basis for future work." While Canada has taken into consideration the "legitimate interests of the parties to the conflict," it remained firm in its "distaste" for the "abhorrent policies" of the former Pol Pot regime of Kampuchea, and strongly opposed its "attempted resuscitation."

At the same time, said Mr. Lee, Canada has and would continue to provide humanitarian assistance to the Kampuchean people displaced by the ongoing conflict. Canada remained "a major centre for resettlement of Indochinese refugees," he added. Mr. Lee concluded by advocating the draft resolution as a "balanced" proposal containing "all the essential elements for a permanent settlement." (Canada had co-sponsored the ASEAN resolution.) (UN Canadian Delegation press release, October 19.)

LEBANON

Visit of Camille Chamoun

Former President of Lebanon Camille Chamoun (Finance and Housing Minister in the present government) visited Canada in early October to speak with officials of the Department of External Affairs. Accompanied by his son Dani Chamoun (secretary of Al Ahrar, the Lebanese National Liberal Party), Mr. Chamoun asked for Canada's support in encouraging the UN both to sponsor free elections in Lebanon and to expand its peacekeeping role there

to encompass the monitoring of foreign troop withdrawal. In addition, Mr. Chamoun called for Canada's assistance in having the UN convene a special conference on Lebanon with the intention of having Lebanon declared neutral (*The Citizen*, October 2).

Dani Chamoun stated that Canada had been selected for the proposal of Mr. Chamoun because of its reputation for neutrality and its experience in peacekeeping efforts. Unlike the superpowers, "nations like Canada and the European Parliament can achieve much more on issues like [this] because they're seen as a neutral entity," he said. He continued that the international cooperation of countries such as Canada was a necessity for securing a lasting peace in Lebanon. The Chamouns issued a call for an expansion of the UN's mandate in Lebanon in order to oversee the withdrawal of Israeli and Syrian troops as well as elections. They also called upon Lebanese-Canadians to urge the government to support a more active role in achieving a solution to the problem of Lebanon.

MEXICO

Line of Credit

Canada's Export Development Corporation (EDC) announced in mid-October an offer of credit guarantees to Mexico to the value of \$100 million. The short-term (payable 180 days) and medium-term (payable under three years with 15 percent downpayment) credit line was directed toward Canadian goods and services as in past guarantees, however, the current agreement provides for the extension of loans to smaller, private sector Mexican buyers (*Globe and Mail*, October 16). Short-term loans account for 75 percent of the total outlined in the agreement, with medium-term credit allotted the remainder. EDC guarantees lending Canadian banks against default on the part of intermediary Mexican banks. While six Canadian banks are involved in the guarantee, eight Mexican banks were selected to handle the loans (two of which will negotiate the medium-term line of credit). While a previous credit extension to Mexico had prompted limited use, EDC officials have indicated that recent trends in the Mexican economy (now austerity hardened) inspire greater confidence in a higher level of utilization at this time. EDC retains approval for Canadian content levels, payment terms and product eligibility, the *Globe and Mail* report added.

THE NETHERLANDS

Visit of Defence Secretary

State Secretary for Defence of the Netherlands J. van Houwelingen visited Ottawa October 22 to 24. Mr. van Houwelingen, Chairman of the Independent European Programme Group (IEPG), met for discussions with National Defence Minister Robert Coates as well as officials from the Departments of External Affairs, Defence and Regional and Industrial Expansion. The visit was intended

as an opportunity to present the IEPG defence cooperation policy before the government of Canada (talks with the US administration were also included in the Secretary's schedule). The policy of the IEPG, composed of the European NATO member governments, is aimed at promoting European arms cooperation, the standardization of defence materiel, and more effective defence spending (Netherlands Embassy press release, October 22).

NICARAGUA

Elections

In response to a Nicaraguan invitation to send official observers to cover the November 4 general election in that country, the Canadian government decided against an acceptance. External Affairs Minister Joe Clark, in announcing the decision, stated that this "did not signal any change in Canada's relations with Nicaragua." He also indicated that he would welcome the views, upon their return from Nicaragua, of representatives from several Canadian NGOs (External Affairs communiqué, October 26). A *Globe and Mail* report of October 25 had anticipated the decision, and had quoted an External Affairs source as saying that department officials had recommended to Mr. Clark that an official Canadian delegation "would give an unwarranted aura of legitimacy to the vote." Conditions did not exist, advised officials, for "free and open democratic elections."

Following the government's decision not to send observers, other groups proceeded to indicate their willingness to send unofficial delegates. A coalition of church and human rights groups, sponsored by the Canadian Council for International Cooperation, the Inter-Church Committee on Human Rights in Latin America and La Ligue des Droits et Libertés, sent a six-person observer team for a ten-day period. The New Democratic Party also decided to send delegates and in making the announcement, leader Ed Broadbent criticized the Government decision. He stated that "a number of distinguished Canadians, including most recently Human Rights Commissioner, Gordon Fairweather, [had] urged the government of Canada to accept its international responsibility by sending observers to Nicaragua. The failure to do so is a bad beginning in the foreign policy of the new Conservative government." Dan Heap (NDP, Spadina), accompanied by Federal Secretary Gerald Caplan, represented the NDP as observers (NDP communiqué, October 31).

In a scrum November 1, the External Affairs Minister elaborated on the government decision, saying that "in order for there to be effective elections, there has to be effective opposition . . . there has to be effective choice. We think those three conditions do not exist in the Nicaraguan case." Mr. Clark reiterated that this did not "signal a change in Canadian foreign policy towards Nicaragua. We are maintaining an active aid program" (External Affairs transcript, November 1).

That same day, Liberal external affairs critic Jean Chrétien characterized the failure to send official observers

as deference to US policy — “listening too much” to US Secretary of State George Shultz (*The Citizen*, November 1). Mr. Chrétien stated that every effort should be made to encourage democracy in Nicaragua, and sending an observer team as witness would provide an opportunity to assess the fairness of elections. Recalling an earlier decision to send official observers to elections in El Salvador, Mr. Chrétien added that “by being there, we confirmed that it was as democratic as possible under the circumstances.”

With a large victory accorded Daniel Ortéga and the Sandinista regime in the November 4 elections, opinion was divided among foreign observers on the significance to be placed on the results (despite the generally well-run aspect of the voting procedure). While the Heap-Caplan team from the NDP indicated that, despite a few reservations, the benefit of the doubt should be given the Sandinistas with regard to the electoral process, Canadian Ambassador to Costa Rica (with concurrent accreditation to Nicaragua), Francis Filleul, was more pessimistic. According to Mr. Filleul, it was difficult to speak of an election with the “absence of an opposition party worthy of the name” (Radio Canada program, November 6). The Ambassador added that foreign observers had not been present during the early hours of vote counting, and that in several regions the polls had been entirely supervised by the Sandinista army. However, said Mr. Filleul, despite the fact that the exercise was worth trying as a plebiscite rather than as an election, the “rather cordial” relations between Ottawa and Managua would not change because of it.

Writing for the *Toronto Star* November 18, Gerry Caplan, having observed the elections for the NDP, stated his conviction that the process had not “been a sham.” “The election certainly was free,” he said, and although the country is not perfect, “an overwhelming consensus emerged” among the foreign observers. Firmly critical of US policy on Nicaragua, Mr. Caplan called for a greater Canadian role in the area, including the establishment of a Canadian presence in order to reduce Canada’s dependence on “systematic and deliberate US misinformation.”

Invasion Scare

The prospect of a US invasion of Nicaragua loomed in mid-November, as President Reagan threatened retaliatory measures should it be discovered that Nicaragua was receiving MIG fighters from the Soviet Union (which the US administration alleged was the case). As fears of an invasion increased, Nicaraguan Ambassador Casimiro Sotelo called upon Canada during an Ottawa press conference November 13 to assist in averting such a move by the US. Mr. Sotelo noted increased US military activity in the region — including US reconnaissance flights of Nicaragua, the positioning of US frigates off the coast, and the addition of US troops to those already stationed in neighboring Honduras — as sound reason for concern on the part of his government (*The Citizen*, November 14, *La Presse*, November 15). Quoted by CBC television November 13, Ambassador Sotelo said that he was “making a call to the Canadian people to denounce, to condemn any military action that the Reagan administration will take against Nicaragua” (External Affairs transcript, November 16).

Responding in the House of Commons November 13 to a question from Dan Heap (NDP, Spadina) about Canada’s support for Nicaragua and the Contadora draft peace treaty, External Affairs Minister Joe Clark stated that the government continued to “have some very serious reservations about the effectiveness of the verification procedures in the . . . agreement as it now stands.” However, said Mr. Clark, Canada firmly supported the Contadora process, and the Government would be “delighted” to meet with Ambassador Sotelo. “We very much want to have his assessment of the situation in Nicaragua,” he concluded, in order to effectively exercise a Canadian influence to bring stability to the region.

When questioned in a scrum outside the Commons that same day about possible Canadian assistance to Nicaragua, the External Affairs Minister added that in addition to meetings with the NDP election observation team, he would be involved in discussions with representatives of NGOs present during the elections and with Ambassadors from the Contadora countries (November 26). Mr. Clark stated that the government saw “no ideological reason” not to proceed with aid projects in Nicaragua, and that on the political side, he was “very much interested in getting as much information from as many sources about what is going on in Nicaragua and what it would be useful for Canada to do.” Mr. Clark stated at that time that he did not “anticipate an invasion,” seeing more “tension in the newspapers than there [was] in fact.” He added that contacts with US officials had indicated that no intention of invading Nicaragua existed. When asked what contingency plans the government had for evacuating Canadians resident in Nicaragua in the event of invasion, Mr. Clark stated that he “assumed” the existence of one (External Affairs transcript, November 14).

Pressed further, Mr. Clark told reporters in a scrum outside the Commons November 14 that Canadians would have to rely on US assistance should evacuation prove necessary. Without diplomatic offices in Nicaragua, Canada would “have to rely on Americans to get Canadians out,” he said (*Globe and Mail*, November 15). While maintaining that fear of an “imminent invasion” was an “artificial state of crisis,” Mr. Clark urged Canadians in Nicaragua (with an official count of forty-five and many more undocumented) to register with officials at the embassy in Costa Rica. Without wishing to have his comments “construed as any suggestion of Canadian concern,” Mr. Clark pressed for registration “in the unlikely event there was some need for us to consider some kind of evacuation.” As Mr. Clark pointed out, “it is more difficult for us to deal with emergencies with regard to people who aren’t registered.” When reporters noted the difficulties encountered during the 1983 US invasion of Grenada, Mr. Clark responded that he believed no difficulties in evacuation would arise with regard to relying on US assistance. With some Canadians stationed in Nicaragua having expressed concern about their safety if forced to rely on US protection in the event of an invasion, Mr. Clark added that the government would “take into account that there is some apprehension, for reasons that I think have less to do with safety than with other considerations . . . and we will see if it is possible to put in place some other kind of arrangement” (External Affairs transcript, November 15).

Responding to a question in the Commons November 29 from Jean Chrétien (Lib., Saint-Maurice) as to the advisability of a ministerial visit to Nicaragua, the External Affairs Minister stated that after "frank" talks with NGO representatives returning from Nicaragua, he believed that "there is an excellent degree of cooperation between the government and private Canadian citizens" concerned with the situation in Nicaragua. Mr. Clark added that the government was considering how it might "have a positive impact, even though it would probably be a minor one," in bringing about stability and peace in Latin America.

Call for Diplomatic Representation

A report released November 28 by a coalition of church and human rights groups which monitored the November 4 elections was strongly condemnatory of the lack of a Canadian diplomatic presence in Nicaragua. The group, having met with External Affairs Minister Joe Clark the day before to voice their concerns, stated in their report that lack of an embassy in Managua (and the information that such a post would provide), severely limited the Canadian government's ability to make "informed policy decisions" on the region (*Globe and Mail*, November 29). Group spokesperson Francine Fournier said that the monitored elections had been "profoundly democratic." The coalition report, strongly critical of continued US pressure on the Sandinista regime, stressed that Canadian policy should be more independent. It also noted that public comments made by Canadian Ambassador Filleul prior to the voting had "effectively condemned it as useless." Contrasting this with the "scrupulously limited . . . observations" made during the Salvadoran elections, the report criticized the approach to the region as "unbalanced," and "particularly disturbing since the prior denial of the legitimacy of Nicaragua's elections is used to vindicate US policy of continued and indeed escalating intervention, both overt and covert."

The group's report calling for a Canadian presence in Nicaragua was echoed in a statement made by Dan Heap (NDP, Spadina) in the Commons November 30. Commending the External Affairs Minister's inquiry into the need for "direct representation" in that country, Mr. Heap affirmed that from his observations, the Nicaraguan government was "controlled by nobody but the people of Nicaragua." With diplomatic representation in Canada, Nicaragua "deserves to receive an ambassador from Canada," he added.

NORWAY

Norwegian Fugitive

A Norwegian fugitive, Nils Somby, faced deportation from Canada in November when attempts failed to have his status as a member of a Canadian indigenous group recognized by immigration authorities at a closed-door hearing (*The Citizen*, October 5). Mr. Somby, charged in Norway in connection with a protest bombing, had earlier been accepted by a British Columbian Indian band, the Nuxalks,

as a native person. (As a Lapp, Mr. Somby is a member of a Scandinavian indigenous race.) While held in custody, Mr. Somby maintained that his family's adoption by the Nuxalks provided them with immunity from the Immigration Act, and gave them status as members of the Nuxalk nation. Their defence was based on the premise that they were no longer to be considered either illegal immigrants or refugees. With the deportation hearing a result of his Norwegian fugitive status, Immigration officials refused to accept his claim to Indian status as legitimate, despite an appeal on his behalf from the World Council of Indigenous People to Immigration Minister Flora MacDonald.

On November 27, Mr. Somby (along with his family) was ordered deported from Canada following the inquiry. Adjudicator Gary Braunschworth based his decision on the fact that Mr. Somby had violated two provisions of the Immigration Act, according to a *Globe and Mail* report November 28. He was in Canada on an expired visitor's permit and without a passport. While alleged subversive activity in Norway was dismissed as grounds for his expulsion, his status as a native Indian was also rejected as providing exemption from Immigration Act provisions. Counsel for Mr. Somby indicated that the possibility of an appeal would be examined.

POLAND

Assassination of Priest

Upon notification of the assassination of a Polish priest, Father Popieluszko, a militant supporter of the banned Solidarity movement, External Affairs Minister Joe Clark expressed the Canadian "outrage" at the news. "I share in the shock and grief felt by the Polish people . . . I trust that the Polish authorities will do their utmost to bring to light all the circumstances surrounding this tragedy" (External Affairs communiqué, October 31). Kidnapped on October 18, Father Popieluszko's body was discovered October 31.

In Canada, the Canadian Polish Congress organized protests November 3 in reaction to the slaying (in connection with which several Polish officers had already been arrested). The Ottawa demonstration, before both the Polish and Soviet Embassies, was not a call for "vengeance," said Congress spokesperson Stefan Bandrowski. Rather, it was a request that "this vile conspiracy [be] exposed and that the assassins [be] brought to justice," he added (*The Citizen*, November 5).

Following the assassination, Polish leader Wojciech Jaruzelski assumed direct control over Poland's internal security, and stated his firm resolution to "clarify any doubts" (*The Citizen*, November 30). Determining the circumstances surrounding the death was "in accordance with the interests and needs of our state, to which this action has done horrible harm." Jaruzelski, while criticizing those priests who "collide" with the state (by not respecting the provisions of the constitution), stated that his government intended to "do everything according to the norms of morality and the interest of the state."

PORTUGAL

Ambassadorial Appointment

The July 9 appointment by the Liberal government of Bryce Mackasey as Ambassador to Portugal (an appointment which itself raised a small diplomatic stir, see "International Canada" for June and July 1984), was rescinded October 11 by External Affairs Minister Joe Clark. Later that month, the Mulroney government announced the appointment of former Liberal Speaker of the House Lloyd Francis. Mr. Francis, who lost his parliamentary seat in the September 4 federal election, ended his term as house Speaker when Parliament resumed in early November. External Affairs Minister Joe Clark was quoted as saying that the appointment maintained a tradition of allowing former Speakers "an opportunity to serve Canada in other positions" (External Affairs communiqués, October 11 and 24, *Globe and Mail*, October 25). Mr. Francis, whose appointment was accepted by the Portuguese government, succeeded Lucien Lamoureux (another former Speaker) as Ambassador in Lisbon.

SOUTH AFRICA

Canada on Apartheid at UN

The issue of South Africa's continued policy of apartheid received the attention of the UN General Assembly in late November, with Canada joining the annual debate. Recently-appointed Canadian Ambassador to the UN Stephen Lewis delivered a speech denouncing the South African system. In his statement, Mr. Lewis presented the Canadian view that pressure, both external and internal, was the most important factor in efforts to alter the regime's policy — a policy which Canada condemned with "every fibre of moral strength." Apartheid, he continued, "constitutes an unconscionable violation of fundamental human rights," and the world's nations must endeavor to promote change. Only in South Africa, Mr. Lewis said, was racism "enshrined in the law of the land . . . and supported by the full range of powerful government institutions." Apartheid, as a national policy, promotes poverty (both physical and emotional), and erodes the institutions of democracy and freedom. With inequality comes anger, unrest and violence — and in their turn, suppression and the further disintegration of a free society. Said Mr. Lewis, "the entire coercive apparatus of the state is enlisted in the service of injustice (UN Canadian Delegation press release, November 20).

Mr. Lewis saw the rejection of South Africa's new constitutional arrangements by the "coloured" and Indian communities as a sure sign of a "sorry exercise in tokenism." However, since some changes have been made, more might be possible in future, and it is to this end that the international community of the UN must work. Mr. Lewis cited internal changes that might promote change in the policy of apartheid, including the greater economic (and thus political) influence of the labor movement and the trend toward urbanization.

Taking this into consideration, Canadian policy with regard to South Africa encouraged change. It rested on the assumption that peaceful change was still possible and incorporated two further premises; that Canada opposed and abhorred apartheid, and that contacts and dialogue were essential for a solution. Among government measures taken to signal Canadian opposition to apartheid were a continued refusal to recognize South Africa's "independent homelands," an embargo on arms and military equipment, as well as provisions for "educational opportunities and assistance to self-help projects."

At the same time, said Mr. Lewis, Canada was opposed to the concept of total isolation for South Africa, since "racist mentalities feed on isolation." For this reason, Canada had continued diplomatic relations in order to maintain a means of communication through which to voice its opposition and its support for change. Such contacts also provide a channel for assessment of the situation in South Africa. Canada also supported the membership of South Africa within the UN, so that it might be "exposed to the pressures of world opinion" and be forced to "respond to international condemnation." While Mr. Lewis indicated that on the subject of sanctions against South Africa, Canada would "continue to think long and hard," the "inexorable" pressure of the UN must be maintained as the most direct and effective means of achieving change. As a "beleaguered oligarchy," the South African regime must be exposed to "tenacious and unrelenting" pressure.

Following his speech, Mr. Lewis was quoted as saying that despite the apparent retrenchment of apartheid within the recent South African constitutional emmendments, there still remained hope for peaceful change. "The opposite always happens on the eve of capitulation . . . Before it [South Africa] finally capitulates, before it finally bows to world opinion, it retrenches," he added. Still, Canada and nations with a similar view were "fighting for time" (*The Citizen*, November 28).

Canadian Bank Alters Policy

As a footnote to the issue of Canada's response to South African apartheid outlined in the UN address, a decision by the Bank of Nova Scotia to discontinue the purchase of Krugerrand gold coins from the South African Chamber of Mines was announced in late November. Church groups opposed to the racist regime, after a period of intense lobbying over the cause, had indicated their readiness to raise the issue of the South African connection at the Bank of Nova Scotia's annual meeting in early 1985. The groups, including the Canadian Conference of Catholic Bishops, the United Church of Canada, and the English Canadian Jesuits, regarded the bank's decision as one having great significance. (The groups, as shareholders in the Bank of Nova Scotia, had intended to raise a motion requesting the ban at the next meeting.) It would provide a "signal to the international financial community" that there was increasingly less support for the South African regime, a group spokesman stated (*Globe and Mail*, November 28). In making its decision, the bank added that while it would neither list nor advertise Krugerrand availability, it would continue to buy and sell them (though not through the South African Chamber of Mines).

A bank statement released November 27 emphasized the bank's "absolute repugnance of racism in any form. We share this position with concerned church leaders in Canada."

SOUTH KOREA

Candu Reactor Sale

A radio documentary produced by the CBC and aired October 13 raised the possibility that a Canadian sale of a Candu reactor to South Korea may have provided that nation with the material and information necessary to develop the capacity for nuclear weapon production. The program also stated that the delivery of information was only stopped through the insistence and intervention of the US State Department (*The Citizen*, October 15). According to the CBC, Atomic Energy of Canada Ltd. (producer of the Candu reactor), transferred information and technology on plutonium processing to the South Koreans. The plutonium produced by the reactor now in operation in South Korea could either be re-used for fuel or used to develop a nuclear weapon, the program added.

External Affairs spokesman Sean Brady stated that while there had been an examination with South Korea on the possibility of "a long-term research project in cooperation with the United States," the proposed project had been "consistent with Canada's nuclear non-proliferation commitments" (*Globe and Mail*, *The Citizen*, October 16). US agreement to become involved in the project (which required the approval of all three countries) had not been forthcoming. (Under the proposed project, spent fuel from a US reactor would have been recycled in the Korean Candu reactor to trim costs.) A spokesman for the US Embassy in Ottawa, Addison Richmond, stated that the US had not intervened in order to stop the transfer of material and technology. He added that there existed no indications that South Korea would fail to abide by its treaties with Canada not to use plutonium for non-peaceful purposes. However, because of disagreement over "some aspects of the program" among the three countries, no accord had been reached, he added.

UNITED KINGDOM

Ministerial Visit

Canada's International Trade Minister, James Kelleher, led a delegation of trade officials to the United Kingdom in mid-November and delivered a speech on bilateral trade relations on November 12 to the Canada-UK Chamber of Commerce. In his speech, Mr. Kelleher examined the opportunities for cooperation in Canada-UK trade, and stressed the necessity of close collaboration. Outlining the economic renewal thrust of the policy developed by the new Conservative government, Mr. Kelleher stated that Canada had a "new team," one which would seize oppor-

tunities presented by a changing economic and technological scene. With recent economic performance below potential, Canada would attempt a renewal through a combination of both internal and external consultation and a readiness to face the challenges — that of establishing fiscal order, that of re-defining government to promote growth, and that of establishing a "stable framework with proper incentives for investment" (International Trade Ministry statement, November 12, *The Gazette*, November 13).

Addressing a foreign business community, Mr. Kelleher proceeded to specify the intentions of the government with regard to trade and investment. Like the United Kingdom, he said, Canada was in favor of a "new round of multilateral trade negotiations under the GATT," a principal means of securing equitable access among international markets. Such negotiations would provide a framework for reducing trade barriers and for "tightening" the "discipline on the use of non-tariff measures." Mr. Kelleher added that the "climate for foreign investment in Canada is also about to become warmer." Acknowledging the importance of British investment to Canadian development (citing the energy, mining and forestry sectors), Mr. Kelleher said that Canada would adopt a "more positive stance" to foreign investment. Both the National Energy Program (NEP) and the Foreign Investment Review Agency (FIRA) would be altered to reflect these aims, the latter being given a new directive — to "seek, encourage and expedite appropriate foreign investment."

With the UK, Canada would, said Mr. Kelleher, promote a greater two-way flow of investment, "more joint ventures and two-way technology transfer arrangements . . . [and] more collaboration on third country projects." Greater collaborative effort in strengthening trade, service and financial ties between the two countries would significantly develop existing potential. Canada and the UK must build further on their "complementary strengths," Mr. Kelleher concluded.

Visit of Treasury Board President

The message to the UK delivered by Mr. Kelleher, that Canada was an attractive location for foreign investment, was repeated later in the month by Treasury Board President Robert de Cotret. In London for two days in late November, Mr. Cotret met for discussions with government officials (including the Chancellor of the Exchequer, the Trade Minister, the Governor of the Bank of England and the Financial Secretary to the Treasury), members of the business and banking communities, and investment counsellors. Once again, Mr. Cotret explained, Canada was a "preferred place" to do business, according to a Treasury Board communiqué, November 28. The new Conservative government was firmly committed to its announced agenda for economic renewal, he said, echoing Mr. Kelleher's earlier remarks before the Canada-UK Chamber of Commerce. The United Kingdom would notice, in the near future, "easier access to opportunities for commercial and industrial expansion" in Canada, said Mr. de Cotret. To this end, investment would be attracted, fiscal responsibility would be demonstrated (through deficit reduction), and obstacles to economic growth ("unnecessary and redundant regulations") would be removed.

USSR

Sport Exchange

A Memorandum of Understanding between Canada and the USSR was signed November 15, detailing principles of cooperation in sport. This was an extension of an original agreement signed in 1974, and would remain in effect until the end of 1988. The renewal was signed for Canada by Fitness and Amateur Sport Minister Otto Jelinek, and for the USSR by Ambassador Alexei A. Rodionov in Ottawa. Initial exchanges in the first year of the agreement will include Canadian participation in a number of Soviet athletic competitions, and a similar visit of athletes from the USSR to Canada. Mr. Jelinek stated that the signing indicated a willingness on the part of the Canadian government "to seek cooperation and understanding with the USSR," and that the exchanges would prove beneficial to competitors from both countries through the exchange of "skills and experience . . . in the course of competition" (Fitness and Amateur Sport Ministry communiqué, November 15).

Arms Talks

Disarmament Ambassador Douglas Roche announced upcoming consultations between Canada and the USSR on arms control during an October 20 address before the Canadian Conference on Nuclear War (at the University of British Columbia). Mr. Roche indicated that the talks would be held in Ottawa between government officials from both countries and would focus on both arms control and international security (*The Citizen*, October 22). Mr. Roche stated that middle power countries such as Canada could "help improve the atmosphere and put specific workable ideas on the agenda" of arms control discussion. Said Mr. Roche, "there is not a human being unaffected by the vast ramifications of the nuclear arms race."

The consultations were held November 14-15 and covered "a range of arms control and disarmament matters as well as international cooperation in the peaceful uses of nuclear energy and efforts to promote the non-proliferation regime," according to an External Affairs communiqué of November 14. The meeting was designed to provide Canada and the USSR with "a clearer picture of the other's views" on those issues discussed. The Soviet delegation was headed by Ambassador Vladimir F. Petrovsky, Chief, International Organizations Department, USSR Ministry of Foreign Affairs. Representing Canada, Stephen Heeney, Director General of the Bureau of Energy, Transport and Science, chaired discussions on international nuclear cooperation, while Louis Delvoie, Director General of the Bureau of International Security and Arms Control, handled the arms and disarmament talks.

THE VATICAN

Diplomatic Representative

An earlier decision by the former Liberal government to extend automatically to the Papal representative in Canada the status of dean of the diplomatic corps in Canada was reversed by the Mulroney Conservative government this fall (see "International Canada" for August and September 1984 — Vatican). Archbishop Palmas, the papal pro-nuncio, received written notification from External Affairs Minister Joe Clark that the Government had decided to return to the traditional practice of having the status of dean conferred on that member of the diplomatic community possessing the greatest seniority. However, in the case of Archbishop Palmas, who already holds seniority, no change in incumbency would be involved (*Globe and Mail*, November 9).

Multilateral Relations

CENTRAL AMERICA

Peace Process

Efforts at achieving a satisfactory peace in Central America received Canada's continued attention during this two-month period, with particular emphasis being placed on transforming the Contadora draft peace treaty into a workable model. (The Contadora draft was developed by Mexico, Venezuela, Colombia and Panama, and called for a ban on subversion of neighboring countries in the region, as well as for the withdrawal of foreign military advisers and other assistance.) Canadian support for the Contadora initiative was reiterated before the UN General Assembly October 24 by Canada's Chargé d'Affaires David Lee in a speech on the Central American situation. Mr. Lee, after noting Canada's regret of the extension to the region of "East/West confrontation and the directly related militarization," said in his statement that Contadora offered the only "international instrument with the potential for reconciliation." For this reason, the initiative deserved continued support in its process of revision. However, because of heightened "violence and instability" in Central America, Canada would accept a greater number of refugees, while at the same time continuing its aid commitments. Mr. Lee concluded by stressing the importance of UN member countries' support for the Contadora effort.

Speaking of the Contadora draft agreement in the Commons November 13, External Affairs Minister Joe Clark stated that he would be meeting for consultations with the Ambassadors of the Contadora nations later in the month (November 26). Responding to questions from Dan Heap (NDP, Spadina), Mr. Clark stated that while Canada had reservations with regard to the verification process outlined in the present draft, it supported the process and would work toward advancing the peace process. Mr. Clark indicated Canada's willingness to renew an earlier offer to supply Canadian "expertise" in the field of verification measures, in order to develop a treaty which Canada would feel secure in signing. "If there is anything we can do to improve that agreement, Canada wants to do it," said Mr. Clark.

Interviewed on CTV television November 15, Mexican Ambassador to Canada José Andres de Oteyza outlined

the possible role to be played by Canada in Central America. Mr. de Oteyza stated that the Contadora group had been in contact with the Canadian government, and both parties had agreed that the region's problems stemmed from "economic and social backwardness." In common with earlier statements by External Affairs Minister Joe Clark, Mr. de Oteyza held that increased militarization in Central America must end. He indicated that the Peace Act of the Contadora Group was a document with commitments in the fields of "disarmament, economic development and national security," and his group's mission would be to promote the draft with the Canadian government (as well as the nations in the region). He added that Canada, because of its "international prestige and respect," could play a role in establishing and maintaining security in Central America by bringing this prestige to bear on both the US and the Central American countries directly involved. Canada, said Mr. Oteyza, was a "true democracy, democracy not only for Canadians, but also vis-à-vis the rest of the world" (External Affairs transcript, November 21).

Elaborating on the role for Canada in the peace process, External Affairs spokesman Sean Brady stated in an NBC radio interview November 22 that the Contadora group had appealed to Canada because of Canada's consistent support for the process and its increased and objective interest in the region's problems. As well, Canadian experience and expertise in international peacekeeping had proved attractive. Mr. Brady reiterated Canadian concerns over the "tightness" of verification measures outlined in the draft proposals, but added that the Clark-Contadora meeting would provide an opportunity to negotiate in that area. He also said that the Canadian government was concerned over both increased militarization and "heightened media concern" which was creating an atmosphere close to "hysteria" (because of the fear of a US invasion of Nicaragua). Canada supported a "hands-off policy" in the area, said Mr. Brady, which would allow dialogue between the parties concerned. "We are concerned that the participants be given a chance now to prove that they are trying to

make progress as quickly as possible," he added (External Affairs transcript, November 23).

Following the November 26 meeting between the External Affairs Minister and the Contadora Ambassadors (from Mexico, Venezuela and Colombia), Mr. Clark stated that discussions had centred on "ways and means of achieving a peaceful solution" to the crisis in the region. Reaffirming Canada's "political and moral support for the Contadora initiative, Mr. Clark called for continued multi-lateral discussions. Utilizing past experience in peace-keeping, Canada would provide the group, at their request, with "comments and advice on control and verification measures" (External Affairs communiqué, November 27).

However, according to External Affairs spokesman Sean Brady, speaking on Global television November 26, Canada again expressed to the Contadora group its continued reservations about "control and verification procedures" and pointed to several areas in which changes might be made in the draft agreement in order to achieve a "more meaningful" plan. The Contadora group's proposed peace commission will receive Canadian improvement suggestions rather than an immediate acceptance of any active role, said Mr. Brady later on CBC radio. To be effective, a peace commission needs sufficient authority to carry out its monitoring role. Canada would like to see "an acceptable body" with the authority among participants to "induce" them to "adhere to the kinds of decisions the Commission would take on the basis of its monitoring" said Mr. Brady. Should such a body, with the strength to enforce compliance, be created, Canada "would certainly strongly consider participating in such a commission," he added. Canada is to present the Contadora Group with a written and detailed summary of the government's reservations on enforcement, along with an examination of additional concerns such as commission financing. As the External Affairs Minister stated in a scrum November 28, "I think that there may well be a role that Canada can play . . . It may be a small and a limited role, but we are looking to see if there is something useful we can do to bring some peace and stability to that region" (External Affairs transcripts, November 28, *The Citizen*, November 27).

EEC

Canadian Newsprint

Friction between Canada and the European Economic Community (EEC) over exports of Canadian newsprint continued through October, with a report being submitted late in the month by a special panel of the General Agreement on Tariffs and Trade (GATT) designated to mediate the dispute (see "International Canada" for August and September 1984). Canada had lodged a complaint with GATT over an EEC unilateral decision to reduce the limit imposed on duty-free newsprint imports, after negotiations for a new quota had proved futile (*Globe and Mail*, November 5). The panel report, going before the full GATT council for endorsement, called for resumed negotiations between Canada and the EEC. It also stated that both countries should take into consideration the facts

that the EEC had the right to reduce the quota since the Scandinavian countries no longer shared a portion of the Canadian limits (now being members of the Community); that the EEC could not act unilaterally and must negotiate new limits with Canada; and that new limits must prove reasonable and take into account past quotas.

The Canadian newsprint industry viewed the panel report as a progressive step in negotiating increased quotas with the EEC, possibly providing them with the weight of a GATT direction to negotiate. (The industry had been operating under temporary quotas in recent months.) Officials indicated that Canada would press for a "permanent position" for Canadian newsprint on the EEC market, while at the same time seeking more flexibility in determining increases that would allow for market growth (*Globe and Mail*, November 6).

A report in the *Financial Post* for November 10 anticipated an acceptance of the panel report by the GATT council that week, stating that Canadian officials expected an acceptance which would permit a resumption of negotiations. Consensus among EEC member countries with regard to their position was necessary before such negotiations could proceed. Support for the Canadian position came primarily from Great Britain, with Italy being most adamant in its attempts to retain the reduced limits, because of its surplus newsprint production. With GATT council acceptance, the report's recommendations were to form the basis for resumed negotiations aimed at achieving a mutually satisfactory compromise agreement on quotas (*Globe and Mail*, November 14).

Beef Imports

The federal government was asked by the Canadian Cattlemen's Association (CCA) in October to curtail imports of subsidized beef from the EEC. The CCA held that the figures for EEC beef imports during 1984 were greatly increased over previous years, and that the subsidized beef (being sold in Canada below EEC market price) were depressing the Canadian market and costing domestic cattle producers upwards of \$50 million. Taking its case before the Anti-Dumping Tribunal, the CCA was able to prove subsidization but not material injury (*Globe and Mail*, October 22). The EEC subsidies on beef exports, coming primarily from Ireland and Denmark, were the result of a surplus of slaughtered beef, which was itself the result of an attempt to alleviate a surplus in milk, butter and cheese products. The CCA requested that the government impose limits on beef imports established under GATT (a yearly figure of 145.1 million pounds that was passed in early November). However, the CCA request would necessitate a curtailment of imports from the US as well from EEC countries, and the US market is the largest for Canada's own meat exports. Political consequences and possible retaliatory action on the part of the US could prove more harmful than the EEC's surpassing of quota limits. Rather than invoke the GATT quota at year's end, Canada was expected to set strict global guidelines for 1985, according to a *Globe and Mail* report November 19. It was also suggested that, in future, separate quotas might be created for individual trading partners.

Trade Discussions

A conference on business cooperation between Canada and the EEC was held in Toronto November 27, organized by the Commission of the European Communities with federal government support. An earlier 1976 agreement between Canada and the EEC provided the framework for the conference, designed to encourage and facilitate "broader inter-corporate links." The conference was one of a series of activities under the agreement aimed at developing contacts between the industries of Canada and the EEC. Representatives of enterprises operating in both countries met to discuss "management strategies . . . in an increasingly competitive international marketplace." According to an EEC press release (November 1), principal speaker at the conference was Ivor Richard, British Commission member and former UK representative to the UN. Topics covered ranged from investments and joint ventures to technology transfers, financing and distribution. Attending the conference, Canadian Ambassador to the EEC Jacques Gignac stated that while there had tended to be an increase in friction between the EEC and Canada in recent years, such would be the case in any trading relationship experiencing growth (*Globe and Mail*, December 3).

Days later, in another round of trade discussions between Canada and the EEC, delegates met in Ottawa to examine the bilateral relationship. EEC officials at the talks expressed their disappointment that firmer policy decisions had not yet been reached by the new Conservative government. "Preliminary indications" in some areas, said EEC external relations director Raymond Phan Van Phi, had been the extent to which Canadian policy had been outlined. The EEC was interested in Canadian plans for increased sectoral free trade with the US (which could possibly affect the Canada-EEC trade relationship) and freer trade in general, according to a *Globe and Mail* report December 3. Concern had been expressed over a perceived shift by Canada toward a closer relationship with the US, but, said EEC Commission head Dietrich Hammer, the EEC would not consider availing itself of its rights under GATT until such time as a negative effect had been proven the result of closer ties.

NATO

Canadian Contribution

The annual report of the International Institute for Strategic Studies (London), released October 12, commended Canadian efforts to achieve the goal set by NATO of a 3 percent annual increase in defence spending. The report noted that Canada was among those few member nations (along with the US, Britain and France) meeting the target for increases directed toward the strengthening of conventional forces (*The Citizen*, October 12). While the Institute's survey found that Canada had a high level of per capita spending on non-nuclear defence, it also pointed out that the increased spending levels followed a period of "underspending." Institute spokesman Bob Elliott placed part of the blame for previous government underspending

on a public "apathetic" both to Canada's position "in the outside world" and to the "necessity to have a modern high-tech armed forces." However, said Mr. Elliott, expenses for Canada's defence would steadily rise as the country moves toward a position in which it requires such high-tech equipment. The report indicated a need for Canada to review its NATO function to "see what Canada [could] accomplish in the military environment."

Later that month, the Independent European Program Group (an organization of European NATO allies), called upon Canada to assume a more active role as international intermediary. Jan Houwelingen, chairman of the organization and Netherlands defence secretary, stated that the European allies were concerned about growing tensions between themselves and the US (*The Citizen*, October 25). While on a visit to Ottawa in late October, Mr. Houwelingen explained that the group of European allies looked to Canada to strengthen what were seen as weakened transatlantic ties. Meeting with Defence Minister Robert Coates, he urged that the new Canadian government not concentrate entirely on the US as it reviews defence policy. The Program Group considers Canada's position — as a middle power like the European nations, but possessing a "special" relationship with the US — as ideal for restoring the alliance's "cohesion." Said Mr. Houwelingen, "Canada can build a bridge between the United States and Europe." The group hopes, through increased dialogue, to establish a greater degree of "shared decision-making." At the same time, there could foreseeably open up opportunities for European arms industries in their competition with the larger US industry. While Defence department officials explained that the Houwelingen talks had been a "listening exercise" for Canada, the Dutch Minister indicated that the Canadian response to his proposals had been positive with regard to greater cooperation among NATO members and strengthening of the alliance.

UNITED NATIONS

Canadian Improvement Seminar

A seminar held in Ottawa in late October focussed on methods for improving the United Nations from a Canadian viewpoint. Canadian Disarmament Ambassador Douglas Roche said that the discussions were a result of a request by UN Secretary General Perez de Cuellar that member countries create a forum for considering their role in the UN and how its effectiveness might be increased. Mr. Roche noted that the Ottawa seminar was the first of its kind among UN nations, and added that a more effective UN was essential for a world in a "precarious state" (*The Citizen*, October 30). Following the exchange of opinion, suggestions for strengthening the UN were distributed to both Prime Minister Mulroney, Mr. Perez de Cuellar and various UN agencies.

One consensus arising out of the seminar was that Canada could play a significant role in strengthening the UN, and that the UN itself was vitally necessary to peace, security and development. Many seminar participants praised the continued accomplishment of the UN and its agencies, and cited as a prime reason for general ineffec-

tiveness, the weak support of member nations. However, because of the respect and trust for Canada expressed by UN members from both North and South, it was in a particularly useful position to voice constructive criticism to generate a strengthened UN. Suggestions for Canadian initiatives raised at the seminar included working to establish a group for increased dialogue between North and South, promoting an international peacekeeping conference, and having government leaders attend General Assembly sessions for greater top-level communication. All suggestions were based on the premise of increased dialogue — especially the challenge of changing the attitudinal positions of the superpowers.

Canadian Ambassadorial Address

On October 5, External Affairs Minister Joe Clark announced the appointment of Stephen Lewis as Permanent Representative and Ambassador to the United Nations. Mr. Lewis's appointment was one of two major posts filled by former politicians, Mr. Lewis having been leader of the Ontario New Democratic Party during the 1970s (the other had been Douglas Roche as Disarmament Ambassador). Presenting his credentials to UN Secretary General Perez de Cuellar in New York October 23, Mr. Lewis told reporters that despite his untraditional background for such a posting (political rather than diplomatic), he was confident of his ability to serve effectively in the capacity of Ambassador to the UN (*The Citizen*, October 24). Mr. Lewis delivered his first address to the UN November 6, outlining Canada's position with regard to the economic crisis in Africa. He spoke specifically of Canadian support for a draft resolution developed by several African nations which set out the emergency situation and suggested possible approaches for international assistance. The UN debate, in which Mr. Lewis's speech formed a part, sought to find consensus on both the content of the draft as well as "mobilize international opinion," according to a *Globe and Mail* report November 5. The African nations, said Mr. Lewis, were seeking world recognition of the crisis.

Following an emotion-charged opening, Mr. Lewis's speech called for action on the part of the world community to both alleviate the immediate crisis and join in an effort to secure long-term results. "We have subjected the crisis in Africa to a continuing and remorseless dissection, and it is now time to act upon generally shared conclusions," said the Ambassador. One of the best opportunities to do so, he added, was presented by the draft declaration before the General Assembly. "Extraneous immoderation," he said, had no place in an international forum seeking an expression of "collective political will." While Western nations must recognize that past initiatives had failed, those of Africa must recognize that some of their "domestic policies [had] been ineffective or inappropriate." Mr. Lewis stated that these admissions were contained implicitly in the draft. Canadian support, in the form of immediate relief and such long-term areas as agricultural and human resource development, and support for greater international "financial flows," would continue and intensify. The speech concluded with a plea for support for the draft declaration. While declarations "neither feed the hungry nor alleviate human suffering . . . they can act as a remarkable catalyst

to collective action," said Mr. Lewis. Canada agrees with the basic tenets outlined in the draft, and since it "ties all of the strands together," it offers "a promising basis for mutual accord" (UN Delegation communiqué, November 6).

Pledging Conference

The Second UN Pledging Conference for the World Disarmament Campaign took place in New York October 24. Under the temporary Presidency of Xavier Perez de Cuellar, the conference once again called upon member states for contributions to the campaign during UN Disarmament Week. The criteria governing the campaign (financed voluntarily) had been established by consensus at its inception: "maximum objectivity" in the information on disarmament disseminated; and a "balanced distribution" of the campaign's activities (External Affairs transcript, October 26). Canada's representative at the conference outlined for attending delegations the past and continuing contributions made by Canada to disarmament. These included funds of \$700,000 for a Canadian Disarmament Fund for the dissemination of information pertaining to disarmament issues (channelled through NGOs, academic groups and individuals), the inauguration of the Canadian Institute for International Peace and Security (along with the privately initiated Centre for Arms Control and Disarmament), contributions to the UN Disarmament Campaign for informational activities, and a further 1984 contribution to the Campaign (specifically, the Voluntary Trust Fund). Canada also indicated that member states should be provided by the Campaign with more detailed accounting of the uses to which the monies in the voluntary fund had been put.

Nuclear Freeze Vote

The Canadian government received some harsh criticism from peace activists and Opposition Members for its decision to vote against a draft resolution in support of a nuclear arms freeze on November 20. While there were three individual resolutions (L.25, L.32 and L.49), all were similar in advocating a nuclear freeze. While the resolution passed (Canada being among the twelve negative votes), the Canadian government was firm in its defence of refusing its support. In explanation of the Canadian vote, Disarmament Ambassador Douglas Roche outlined the government's reservations (External Affairs transcript, November 20). While Canada would continue to work for a reversal of nuclear build-up as a "dominant priority of Canadian foreign policy," the draft resolutions before the UN as they stood were unacceptable. Canada's negative vote was not an advocacy of an arsenal build-up, but rather the reflection of doubts about the present draft's "practicability." Canada, seeking "significant, balanced and verifiable reductions" in arms levels, views a resolution as less desirable than the more "meaningful response" of an "immediate unconditional resumption of negotiations on reductions," Mr. Roche continued. The Ambassador also listed the flaws inherent in arms control agreements such as the one before the UN:

- agreements must enhance mutual security;
- a freeze would raise problems with regard to definitions, exclusions and inclusions;

- negotiation of a freeze would "detract from efforts to achieve real reductions;
- mutual agreement on establishing rules for verification must be reached to provide assurances; and
- no provision was made for the "potentially destabilizing" problem of peaceful nuclear explosions.

Speaking in the Commons November 21, NDP leader Ed Broadbent questioned the External Affairs Minister Joe Clark as to why Canada had cast a negative vote on such a vital issue. Mr. Clark responded that, in the government's opinion, progress toward arms reductions could only be made through a search for "effective actions which persuade the superpowers." The cause of reduction, he added, would not have been advanced by the freeze declaration. Mr. Clark further stated that adding Canada's endorsement to the resolution might have had the effect of "causing tensions within the alliance," and been "counterproductive" in bringing NATO influence to bear on the US. A negative vote, said Mr. Clark, maintained the strength of the alliance. Outside the Commons, Mr. Broadbent was not satisfied with Mr. Clark's explanation, telling a CBC reporter that an affirmative vote would have indicated "a minimum amount of leadership . . . I don't think there's been any matter that has disappointed me [more] than the answers I got from Mr. Clark today" in the Commons (External Affairs transcript, November 21).

Ambassador Douglas Roche defended the UN vote on CBC television November 22. Mr. Roche reiterated much that had been said in his UN address, repeating the government's contention that more effective than a relatively symbolic freeze declaration would be further negotiations toward a "comprehensive test ban resolution." A freeze would not, in Mr. Roche's estimation, "make the level of safety in the world that we aspire to." Those advocating a freeze, he said, do not examine the long-range problems created by frozen high levels of nuclear armaments (External Affairs transcript, November 26).

Criticism of the negative vote continued from various sources, disarmament groups among them. Operation Dismantle spokesperson Jim Stark characterized the vote as a gesture of subservience to US policy. He added that "the government is saying we're for a freeze but we'll vote no because the United States doesn't agree" (*The Citizen*, November 23). He said such a vote raised serious questions about Canadian "sovereignty and foreign policy." Mr. Stark said the Canadian vote ran against opinion polls which had indicated a large percentage of Canadians supported a freeze. The Canadian Labour Congress (CLC) also levelled criticism at the vote in a press release of November 22, expressing its "dismay" at the negative vote. Sending a telegram to External Affairs Minister Joe Clark, the CLC reminded him of Canada's stated commitment to a "more active role" in nuclear disarmament, and offered CLC support for a new Canadian initiative. The CLC called for practical steps toward disarmament rather than rhetoric. Another group sent a message to Prime Minister Mulroney November 26, members of a planning session for the 1985 Women's International Peace Conference, also expressing their "dismay." Their message questioned

the advisability of voting against the UN resolution for a bilateral, verifiable, negotiated nuclear freeze. The telegram from the Women's Group concluded by stating that "withholding Canada's compliance with the continued nuclear buildup as other NATO middle powers have done, would be more influential in pursuing our stated peace policy" (WIPC press release, November 26).

Nuclear Winter Resolution

The First Committee of the UN General Assembly voted on and adopted a Neutral and Non-aligned (NNA) resolution on nuclear winter November 27, despite last minute efforts by Canada to introduce amendments to the resolution as it was introduced. Two resolutions had been submitted, one from Mexico and the Non-aligned countries, the other from Canada and three others. Both expressed the need for additional study on the subject, which should, when completed, be submitted for examination by the UN. While the NNA resolution called for a compilation and distribution of extracts and used more "alarmist language" in its description of the possible effects of nuclear confrontation, the Canadian resolution called for the availability of a complete listing of studies and attempted to moderate the language surrounding nuclear winter. According to a House of Commons Briefing Note of November 28, Canada's resolution did not attempt to "prejudice the validity of the nuclear winter hypothesis." (The NNA resolution regarded nuclear winter as certain in the event of nuclear confrontation, while Canada presented it as a "worst case" scenario.) Unable to negotiate a consensus text with Mexico, Canada attempted to amend the resolution "to ensure that it did not prejudge the effects of nuclear winter and that costs for the UN report would be found within existing resources." Unable to secure the amendments, Canada withdrew its own resolution (lacking sufficient support) and voted for the Mexican resolution (External Affairs transcript, November 28).

The government defended its attempts at amendment by stating that rather than trying to "undermine" the Mexican resolution, it was more an effort to "broaden" its scope (including climatic effects) and prevent a prejudgment of studies to be submitted to the UN by member nations. After negotiating with the NNA "in good faith" and being unable to achieve a consensus, Canada had then put forward the amendment proposals. These were intended both to maintain the "scientific integrity" of the UN's approach to nuclear winter and to maintain an awareness of the financial implications. Canada agreed with the "general thrust" of the NNA resolution, while retaining reservations with regard to some of its language (External Affairs transcript, November 28). However, the media noted an unusually harsh tone to the language used by the two groups in their efforts to achieve consensus, with a CBC radio report November 29 recalling that "the Mexican representative denounced the amendments as insulting [and] for his part, Canadian Ambassador Douglas Roche . . . accused some of the rival sponsors of bad faith in negotiating" (External Affairs transcript, November 29, *The Citizen*, November 28).

Policy

THRONE SPEECH

The Throne Speech delivered on November 5 at the first session of the Thirty-Third Parliament contained a section devoted to various aspects of Canadian external relations. This section was reproduced in the November/December issue of *International Perspectives*. Several portions bore directly on subsequent developments and policy elaborations during November, primarily in the areas of international trade (especially in our relationship with the US), foreign aid and defence expenditures. Under the heading of "Renewed Canadian Internationalism," the speech focussed on those efforts by which Canada might once again assume a strong, constructive role in international development and security. With regard to the US, "essential to our security and prosperity," the new Conservative government would take the "initiative to restore a spirit of goodwill and true partnership." Despite areas of divergence and competition, Canada and the US possessed "untapped possibilities for fruitful cooperation."

On the wider international front, the Throne Speech committed the government to becoming active and constructive on several key issues: the defence of freedom and the preservation of peace; the prevention of nuclear confrontation; the improvement of trade relations; and the development of a healthier world economy. Canadian participation in NATO and its commitment to sharing the expense and manpower burden were crucial elements of this effort. Only through assuming a "full part in the defence systems of NATO" could Canada claim a voice in consultation. Patience and perseverance were necessary elements in reducing the threat of nuclear confrontation. As well, a review of Canadian defence requirements would be undertaken to redefine their role "in keeping with present day conditions." Careful reexamination of the strategic context of our defence forces would "clarify the mandate of our military" and provide them with the necessary resources.

Just as sound multilateral institutions were basic to sound defence, so too were they essential to prospering

international trade. Just as with the US, a review of the trade relationship with the Pacific Rim countries and Western Europe should indicate new opportunities. Canada would work with other nations to remove barriers and obstructions to "trade, commerce and investment on a global basis."

And on the development assistance front, despite a Canadian record of constructive past efforts, greater emphasis must be placed on removing the obstacles to Third World development: "world recession, unstable markets and trade barriers."

AID

Development Assistance

Most attention with regard to foreign aid was directed toward Africa in this two-month period, with particular emphasis being placed on emergency relief for Ethiopia (see this issue, Ethiopia — Famine Relief). External Relations Minister Monique Vézina, in a speech delivered to the Dakar Club October 1, outlined general government policy on aid to Africa. Speaking of the African economic crisis, Ms. Vézina cited several premises on which Canada would continue to base its relationship with Africa. Among these were included: an ongoing willingness to provide development aid (provided there were guarantees that projects were cost-beneficial in development terms); a cultural affinity with a bicultural Africa (Commonwealth and Francophone); support for multilateral institutions and their increased effectiveness; restraints facing Canada in providing effective aid (given Canadian budgetary strength and technical abilities); a growing interest in bilateral trade;

and support for human rights and concern for refugees in efforts to maintain regional peace and stability (External Relations statement, October 1).

The general outline of government aid concerns summarized in the Vézina speech received concrete expression later in the month when External Affairs Minister Joe Clark announced the appointment of David MacDonald as Canadian Emergency Coordinator/African Famine on November 1. Mr. MacDonald, reporting directly to Mr. Clark, would work in conjunction with Ms. Vézina and CIDA President Margaret Catley-Carlson. Acting as a coordinator to liaise with federal and provincial governments, NGOs, and individuals in channelling support, Mr. MacDonald's duties would include providing both an assessment of the African food crisis and proposals for concrete steps toward administering relief (External Affairs communiqué, November 1).

Following the economic statement of Finance Minister Michael Wilson delivered November 8, there were expressions of concern from relief and development organizations that announced cuts in foreign aid funding would have a detrimental effect on development assistance, both in Africa and beyond. North-South Institute head Bernard Wood told reporters that the planned cut of \$180 million in Third World aid outlined by Treasury Board President Robert de Cotret required public discussion. Should the government "expedite" its planned review of foreign policy (announced in the Throne Speech), NGOs would be provided with an opportunity to voice their concerns with regard to the cost-cutting before a parliamentary committee (*The Citizen*, November 12, 13). Mr. Wood indicated that the aid program, one of the "harder hit areas of government spending," could be seriously affected in its effectiveness without a careful implementation of the cut announced. However, Mr. de Cotret pointed out that despite the cut in the foreign aid program, the government intended to achieve a previously announced target of 0.5 percent of GNP by 1985 and 0.6 percent by 1990 (only rising to 0.7 percent by 1995 — a five year delay). NGOs involved in development issues expressed concern that the cuts would most likely come from those sectors with low profiles such as long-term development projects (agricultural, economic and environmental programs). Yet, said Mr. Wood, it was these projects which presented the best chances for preventing future crises such as had arisen in Ethiopia.

Speaking in the Commons November 13, Jean Chrétien (Lib., Saint-Maurice) asked External Affairs Minister Joe Clark whether a sense of confusion did not arise from having a speech delivered by Canada's Ambassador to the UN pledging greater Canadian foreign aid immediately followed by an economic statement slashing foreign aid program funding. Mr. Clark responded that the government was committed to "progress toward 0.7 percent of GNP for overseas development assistance." However, because of economic constraints, the commitment had been "stretched out" to a "longer time frame" (1995 rather than 1990). He reminded the House that Canadian "overseas development aid [was] going up, not down." Emergency disaster relief would remain unaffected, as was evidenced by the establishment November 16 of the Special Fund for Africa, valued at \$50 million, and with special provisions for Ethiopia (see this issue, Ethiopia — Famine Relief).

DEFENCE

Spending Hikes . . . and Cuts

Meeting with US Defence Secretary Caspar Weinberger in Washington October 4, Defence Minister Robert Coates assured his US counterpart that the new Conservative government in Canada was committed to an increase in defence spending and would assume its share of western defence, a commitment mentioned earlier in the Throne Speech. Speaking to reporters after the meeting, Mr. Coates stated that "national defence is a special priority," and that the government would endeavor to keep its commitments (*Globe and Mail*, *The Citizen*, October 5). The two defence ministers met in a first round of bilateral discussions at ministerial level, first suggested at an earlier meeting between President Reagan and Prime Minister Mulroney in September. Mr. Weinberger and Mr. Coates announced that consultations would be held in future at least yearly. Having pledged to assume Canada's full share of the western defence burden, Mr. Coates admitted that this would entail increased expenditures, saying that there had to be "additional spending because there are additional things we have to do." Sources indicated that Mr. Coates was also provided with a "global intelligence briefing," and discussions focussed on NORAD modernization. It was noted that the obsolescence of Distant Early Warning radar in place in Canada necessitated the construction of a more effective North American defence plan (still subject to government approval and cost-sharing agreement). As well, the two ministers agreed on cooperative moves to ensure that "militarily sensitive technologies" were not exported to the USSR and Soviet bloc countries, according to the *Globe* report. In their joint communiqué, both agreed that circumstances were such that there was "no real alternative over the next several years to continued high levels of investment by both countries in defence."

During a European tour in mid-October for meetings with NATO Secretary-General Lord Carrington and British Defence Secretary Michael Heseltine, Mr. Coates reiterated the government's plan for a rebuilding and strengthening of Canada's armed forces, singling out the naval contingent as a top priority (*Globe and Mail*, October 17). Mr. Coates mentioned the frigate program especially (begun under the previous Liberal government), adding that "the army and the air force have been re-equipped to a significant degree." (Canada's naval force had come in for some severe criticism from several defence authorities. See "International Canada" for August and September 1984 — Defence.) At the same time, the Minister dismissed the idea of an imminent program for the construction and purchase of nuclear-powered submarines for arctic patrol and defence.

The optimism engendered by these indications of defence spending hikes on the part of Canada's NATO allies was dampened early in November when the government reversed its decision to increase spending as promised during the federal election campaign (and in later policy statements). Instead of an increase of about 6 percent, the government announced November 8 that the 1985 projection was being reduced by \$150 million. At the same time, size increases in defence forces were delayed. Officials

pointed out that much of the reduction was attributable to reduced prices for equipment (the result of lower inflation rates) (*Globe and Mail*, November 9).

US reaction to the announced defence cuts in the effort to reduce the federal deficit was cautious, and found expression during a Canada-US conference in New York at the Centre for Inter-American Relations. While in his announcement of the cuts in his economic statement, Finance Minister Michael Wilson had stated that the government intended to stand by its commitment to modernize and strengthen the forces, one US official interpreted the cuts as an indication that the Conservative government was seeming "to ignore what we've been hearing about their commitment to a strong defence." Saying that the US would be "watchfully waiting" for further developments, the official quoted by the Canadian Press added that "we're assuming that the decision was macro-political as well as macro-economic" (*The Citizen*, November 14).

Stinging criticism of the defence increase deferral came from Len Hopkins (Lib., Renfrew-Nipissing-Pembroke), Liberal defence critic, who told reporters that the move would undermine Canada's credibility within NATO, especially with the US which would be examining closely the Canadian initiative to assume a greater share of the burden of western defence. Said Mr. Hopkins, the US would be dissatisfied "if action is not seen to be taken in a positive way to upgrade the Canadian forces" (*The Citizen*, November 15). Mr. Hopkins added that to maintain its NATO commitment, Canada would have to increase by at least 4 percent in real terms after inflation its spending on manpower and equipment.

Speaking in the Commons November 19 during a resumption of debate on the Throne Speech, Defence Minister Robert Coates outlined the initiatives to be undertaken by the government in the area of defence. Mr. Coates repeated that the defence expenditure reduction, because of reduced inflation, did not interfere "in any way with present or future commitments." The department had begun its "comprehensive examination" of Canada's defence role for the '80s, he said, in order to "clarify the mandate" of the military. Rather than attempting to "do less," the government would be determining how "best to ensure that Canada does its fair share to preserve peace and freedom." The examination of the Canadian role, said Mr. Coates, would be conducted against the background of continuing real growth in expenditures, and to increasing the effectiveness within NATO of Canadian forces. Since "interdependence in defence implies and requires interdependence in the economic basis of defence," said the Minister, Canada would join in briefing sessions with its defence partners (particularly the US) to determine the "vitality" of bilateral and multilateral defence, development and production agreements. Canada must strengthen its forces, since our worth as an ally is "measured in terms of the strength and effectiveness of our Armed Forces," he added. However, said Mr. Coates, the department's internal examination would not "delay work on the replacement program itself" (both the first group of planned frigates and a projected second batch with additional "design definition studies") (External Affairs transcript, *Hansard*, November 19).

DISARMAMENT

Disarmament Ambassador

Douglas J. Roche was appointed as Canadian Ambassador for Disarmament October 5, it was announced that day by External Affairs Minister Joe Clark. The previous Disarmament Ambassador, George Ignatieff (Chancellor of the University of Toronto), had been appointed last August by the Liberal government. Mr. Ignatieff offered to assist the newly-appointed Ambassador in an advisory capacity on arms control and disarmament issues. Mr. Roche, like his predecessor, would represent Canada at international forums dealing with arms control and disarmament (particularly the First Committee of the UN General Assembly, and the UN Disarmament Commission). As Disarmament Ambassador, Mr. Roche's duties would include liaising with NGOs concerned with disarmament issues and acting as contact for the dissemination of information on government policy on disarmament (External Affairs communiqué, October 5).

One of Mr. Roche's first consultations in his official capacity was a meeting October 8 with Defence Minister Robert Coates, in which the two discussed a "joint strategy for increasing Canada's role in promoting world security" (National Defence news release, October 9). A joint statement released following the meeting stated that for a successful reduction of nuclear weapons, western security should be "strengthened by conventional forces." In order for Canada to assume an important role "in reducing tensions and creating the conditions for a lasting peace," Canada must "pull our weight fully within the alliance." To this end, the government would develop proposals for Canada in the area of multilateral initiatives, especially among the medium and smaller powers. The meeting between the two ministers was regarded as an attempt to mend relations between left and right within the Conservative Party. Said Mr. Roche, "Far from being at odds, Mr. Coates and I have a common understanding of the problem and a desire to work together." The basis for a resolution to the problem of nuclear arsenal buildup was to be found in strengthened conventional forces, said Mr. Roche. "I'm focussing on . . . viable ways to build a new system of security rather than rely on deterrence" (*The Citizen*, October 15).

In a speech before the Canadian Conference on Nuclear War October 20, Ambassador Roche outlined several priorities of the government in achieving a greater degree of international arms security. His emphasis rested on those "practical measures" which might move "inch-by-inch" toward meeting the threat of nuclear war. Unilateral action is impracticable in a world of interdependence, he said. As well, international divisions prevent any "giant steps" toward global harmony. Despite the need for "global maturation," time constraints create an urgency for "damage control," said the Ambassador. It is the smaller and medium powers who may make the first constructive steps, however small, toward security. Canada would, he added, initiate dialogue on disarmament issues (such as the Canada/USSR consultations in mid-November, and further talks with the US and European allies). While reiterating Canada's support for an agreement on a Nuclear

Test Ban Treaty, Mr. Roche added that he had reconstituted the Consultative Group on Disarmament and Arms Control Affairs (see below) to further the aims of the government. These same sentiments were echoed in Mr. Roche's October 30 speech before the First Committee of the UN General Assembly, urging the UN to see itself as a forum for the inauguration of multilateral negotiations on disarmament and arms reduction issues. With a "commonality of interest" — the prevention of nuclear confrontation — the UN must commit itself to dialogue, non-proliferation, and testing bans (nuclear as well as chemical and space weaponry (External Affairs statements, October 20, 30).

Former Prime Minister's Remarks

Expressing a desire to carry on the peace initiative begun by former Prime Minister Pierre Trudeau, Prime Minister Brian Mulroney had told an audience at St. Francis Xavier University in Nova Scotia that "no matter how much we may accomplish here in Canada, I will have failed in my most cherished ambition if under my leadership Canada has not helped reduce the threat of war and enhanced the promise of peace" (*Globe and Mail*, October 1). Later in the month, Prime Minister Mulroney met with Mr. Trudeau and invited him to act in an informal advisory capacity for the Conservative government's peace initiatives. The requested consultations with Mr. Trudeau would be held "from time to time," said the Prime Minister, and would utilize the former Prime Minister's experience and expertise gained through his own peace initiative inaugurated in late 1983. Mr. Trudeau had been awarded the prestigious Einstein Foundation's International Peace Prize, which he received in Washington in mid-November (*The Citizen*, October 25).

Making his acceptance speech before the Einstein Foundation in Washington November 13, Mr. Trudeau reworked many of the principal themes outlined during his personal peace initiative when Prime Minister. Mr. Trudeau criticized international leaders for their "sporadic" concern for the "politics of peace" (*Globe and Mail*, November 14). Those in control of nuclear confrontation, he said, were those most often absent from discussion concerned with developing a resolution. Of prime importance was the transformation of NATO into a "vital political alliance." To bring about this transformation, he said, would require several initiatives, including: a policy prohibiting nuclear first use (following bilateral force reductions); a more constructive response to Soviet proposals in balanced reductions; a five-power nuclear summit (sponsored by the UN); a ban on anti-satellite systems; and a temporary moratorium on intermediate nuclear force weapons deployment in Europe. The positive suggestions were followed by a series of criticisms of NATO and economic summit meetings, in which representatives had as their principal objective "not to rock the boat."

Mr. Trudeau's address placed emphasis on the possibility rather than the inevitability of nuclear confrontation. More than a moral duty, "there is a biological imperative that we do our utmost to prevent the possibility of nuclear war from becoming a likelihood." Political will must be exerted to the fullest extent by the nations' leaders, not allowing the "nuclear accountants on both sides [to] hold the world to ransom." Concluding on a note of hope, Mr.

Trudeau stated that both action and risks must be taken by the world's leaders. And a "vibrant democratic alliance will have no need for bombast and pusillanimity. Once macho posturing is replaced by self-confidence, everything becomes possible" (*The Citizen*, November 14).

The Trudeau remarks received a negative response from the Reagan administration, with Presidential spokesman Larry Speakes telling reporters that the President disagreed with specific comments on the unproductive nature of NATO consultations and their tendency to sidestep major issues such as nuclear war. Mr. Speakes pointed out that rather than relying merely upon pre-written speeches to be given a "tedious" rereading, NATO consultations had made strong moves toward maintaining world security and had "dealt regularly and intensively with questions of war and peace." He also indicated a US willingness to contribute to any "further strengthening" of such consultations (*Globe and Mail*, November 15).

ENVIRONMENT

Greenpeace International

Questions were raised by the NDP in early November following reports that the federal government had instructed an official from Environment Canada to dissuade the International Union for the Conservation of Nature and Natural Resources (IUCN) meeting in Madrid, Spain, from accepting an application from Greenpeace International to enter the organization. The IUCN is an organization devoted to conservation issues, composed of representatives from government, NGOs and individual conservationists. Bill Blaikie (NDP, Winnipeg-Bird's Hill) issued a press release November 7, stating that the attempted blocking of the Greenpeace entry by the Canadian official had represented "the policy of the new Conservative government." Mr. Blaikie, in his communiqué, described the government's opposition as "petty" in view of Greenpeace's "internationally recognized" reputation as a Canadian conservation group having "official status at the UN."

With a formal vote on the application to follow, Mr. Blaikie reiterated his concern in a statement in the Commons November 8, in an attempt to have the government reverse its apparent determination to prevent the entry of Greenpeace into the IUCN. Mr. Blaikie found the opposition "inappropriate" for any Government in an organization that is composed mostly of NGOs. Having notified Environment Minister Ms. Blaise-Grenier of the NDP's objections, Mr. Blaikie pointed out that other sources had also voiced their disapproval. Characterizing the government's action as "misguided and unpopular," he cited a telegram sent to the IUCN President from numerous IUCN members. In the telegram the representatives stated that the effort at exclusion opened "the door to unnecessary dissension and discord that will detract from and hinder the important work that we are all committed to accomplish under the world conservation banner." Mr. Blaikie then called for an end to both "passive and active" opposition to Greenpeace International's entry into IUCN.

The Government dropped its objections prior to the official IUCN vote, and Greenpeace was accepted into membership by IUCN President Mohammed Kassar without the formality of a vote. However, new criticism then arose, this time from Canadian sealing and hunting interests (*Globe and Mail*, November 28). Fearful of the possible repercussions on their industries from Greenpeace's new status as IUCN member, sealing representatives were disappointed by the government's decision not to intervene more actively. A Canadian Sealers Association spokesman said that the new "respectability" of Greenpeace (which has been vociferous in its criticism of the sealing hunts), did "not help the cause of the Canadian sealing industry." The Government's reversal was cited by some delegates as a prime reason for the acceptance of Greenpeace, according to the *Globe and Mail* report. While the criticism centred on the "embarrassment" caused by the position shift, Environment Canada spokesman Guy David stated that the Minister had decided that the government should "not interfere in the free association of non-government groups." This did not represent a policy change with respect to sealing.

Environment Conference

At the October 7 annual conference of the North American Association for Environmental Education in Banff, Alberta, Fisheries and Oceans Minister John Fraser delivered an address in which he cited the growing commonality of interest among nations on environmental problems and predicted the imminence of an international constituency on these issues. Mr. Fraser outlined three main areas which transcend international boundaries, acid rain, increasing carbon dioxide in the atmosphere and the El Nino phenomenon (whereby warm waters "intrude" on traditionally cool ocean waters). All three were portrayed as global processes, beyond the scope of unilateral action to combat their effects. With regard to acid rain, the US and Canada had come to realize that the problem is of vital common interest and must be confronted on a bilateral front. The "greenhouse effect" of carbon dioxide buildup is currently being studied on an international level, and further information is needed on possible long-term effects on "climate variations" which would require joint efforts. So too, with the El Nino phenomenon. For these reasons, said the Minister, an international environment constituency was inevitable (Fisheries and Oceans communiqué, October 7).

FINANCE

Canadian Dollar

The Canadian dollar hovered close to the 75 cent US level during this two-month period, with several slight recoveries posted. However, the continued strength of its US counterpart on the international money markets prevented any significant rise above previous figures for the past several months. While continuing above last July's all-time low, the Canadian dollar remained vulnerable to speculative trading as well as strong commercial demand for US

dollars. The widening gap in interest rates between the US and Canada, whose rates had remained relatively constant, provided possible assistance in maintaining equivalence stability (encouraging short term capital flows into Canada). As well, support came from the Bank of Canada in bolstering the Canadian dollar (various *Globe and Mail* reports through October and November).

The following are US selling cash rate equivalents (in Canadian dollars) for two-week periods in October and November (Royal Bank of Canada figures):

Oct. 1: \$1.3115	Nov. 1: \$1.3085
Oct. 15: \$1.3145	Nov. 15: \$1.3110
Oct. 29: \$1.3125	Nov. 29: \$1.3185

FOREIGN

Appointment Cancellations

Several diplomatic appointments made July 9 by the short-lived Turner Liberal government were cancelled by the new Conservative government this fall. The appointments rescinded October 11 included Maurice Dupras as Consul General in Bordeaux, France, Bryce Mackasey as Ambassador to Portugal, and Eugene Whelan as Ambassador and Permanent Representative to the Food and Agriculture Organization (FAO) in Rome, Italy. The cancellations were announced in an External Affairs communiqué October 11 without elaboration, and at that time no mention was made of alternate replacements. Mr. Mackasey told reporters that while having expected the new Conservative government to rescind the appointment, he had reacted with "a certain amount of disdain, but not bitterness" (*The Citizen*, October 12). The two other Liberal appointees reacted with stronger criticism, accusing the Conservative government of unfairness. Mr. Dupras was quoted as saying that he had been "flabbergasted and disgusted" when told of the decision, and indicated that he would seek the compensation of an "equivalent posting" through an appeal to the Canadian Human Rights Commission if necessary. Mr. Whelan questioned the "honesty" of the cancellations, citing his record as Agriculture Minister (*The Citizen*, October 17).

Post Closures

Following closely upon the diplomatic rescissions, the Department of External Affairs announced the closure of several consulates (consulates operate in countries already with an official embassy in existence). Media reports of the closings had appeared early in November, citing the recent move toward departmental austerity measures as the prime consideration in dismantling certain operations. Reports indicated that as the department decided which specific posts to eliminate, a premature announcement might raise concerns with host governments that the closures indicated a diminished Canadian interest in the region (*The Citizen*, October 30).

Criticism of the anticipated closures came from several sources, including the Consul General in Louisiana, Albert Bechard, who stated that such a move in New Orleans would be a "grave error." As well, a spokesman for

the Canadian Ethnocultural Council urged the government, in a letter to External Affairs Minister Joe Clark, to reconsider the elimination of overseas missions and to examine the establishment of more posts in those countries with high numbers of immigrants coming to Canada (*The Citizen*, October 31). One of the most vociferous critics of the closures was former External Affairs Minister Jean Chrétien, who suggested that rather than eliminating consulates completely, staff cuts might be more appropriate and cost effective (*The Citizen*, November 1). Mr. Chrétien also noted that while perhaps not money-producers, consulates in several areas encouraged bilateral communication and set an example of democracy. Interviewed on CBC radio October 30, Roy McLaren, a former Liberal Revenue Minister, agreed that in some instances, the work of consulates could be covered effectively from neighboring countries. While agreeing with the Conservative review of the effectiveness of overseas consular representation, Mr. McLaren suggested that overstaffing and over-administration at Ottawa headquarters might also be examined. Some consulates might prove redundant, while the establishment of others might prove beneficial, and here Mr. McLaren noted the Pacific Rim countries, where trade relations were rapidly developing (External Affairs transcript, November 1).

The official announcement of the closures came November 13, when External Affairs Minister Joe Clark elaborated on the measures to be taken for "expenditure reduction." Following consultations with foreign governments, the Canadian embassy in Ouagadougou (Burkina Faso, formerly Upper Volta) and the consulates in Birmingham (England), Rio de Janeiro (Brazil), Bordeaux (France), and New Orleans (USA) would be closed. These closures were in addition to the decision not to send a Canadian mission to FAO in Rome. The Minister noted that projected savings amounted to \$3.1 million for the 1985-86 year. Services, said Mr. Clark, would not be affected detrimentally, due to the nearness of alternate consulates and embassies. Said Mr. Clark, Canada "assured that the closings do not reflect any lessening of interest by Canada in those countries nor in the Government's commitment to continuing good political and economic relations with them (External Affairs communiqué, November 13).

Press Guidelines

A media controversy arose in November over what was seen as a "gagging" on the release of information by Department of External Affairs officials to the press. A directive signed by Under Secretary Marcel Massé, sent to departmental employees and embassy and consular staff overseas, prohibited unofficial communication between External Affairs employees and the press. The message stated that this would apply "to all contacts with the media, including social." Prior authorization would be required before officials might answer queries from journalists. The

directive stated the intention to end premature news leaks that might prove embarrassing or that could have adverse effects on bilateral relations. (One such case cited was the news report of a pending closure of the Canadian embassy in Czechoslovakia, which never materialized.) The press was most critical of the apparent refusal to release information without official authorization, seeing it as a possible "damming [of] a free flow of information from intelligent and rational officials to the Canadian public on the conduct of its foreign affairs" (*The Citizen*, November 14, 15).

External Affairs Minister Joe Clark called the order restricting media-official contacts as a rectification of "the rather casual practice" that had grown up between the two. Mr. Clark stated that he remained committed to the guidelines he himself established in 1979, encouraging "open and responsive behavior among public servants in their day-to-day dealings with the public, including particularly members of Parliament and representatives of the news media." Only the requirement for prior clearance had been an alteration on the basic stand, he said (*Globe and Mail*, November 15). Speculative reporting could prove damaging to Canadian relations with other countries, and Mr. Clark cited specifically the erroneous information released by the press with regard to the embassy in Czechoslovakia.

The directive prohibited unofficial contacts between officials and press, particularly the expression of personal opinion and predictions on future government policy. Authorized foreign post representatives are permitted to speak with the media, but are limited to "specific subjects on particular occasions" (*Globe and Mail*, November 20). These authorized persons, both at home and abroad, were "to limit themselves to factual presentation and explanation of Government action . . . and policy. They are to place no gloss or interpretation on it." Only the press office may authorize personnel to "discuss any aspect of policy formulation or implementation" with the media. The directive stipulated that policy formulation required "an environment of confidentiality" which should not be compromised.

Speaking in the Commons November 20, Jean Chrétien (Lib., Saint-Maurice) called upon the Prime Minister to direct Mr. Clark to rescind the "humiliating" gag order on the Department of External Affairs until formal guidelines had been established. (Those guidelines were outlined by Mr. Mulroney November 23, and called for source attribution by name.) Following the Prime Minister's formal announcement of guidelines, Ian Deans (NDP, Hamilton Mountain) called upon Mr. Clark to issue an apology to the members of the diplomatic corps and the press who had "been maligned" by the "gag" order. The External Affairs Minister responded that "no one was so maligned," and the guidelines would, in fact, not hinder the day-to-day functions of diplomatic officials serving abroad to "carry out their responsibilities with effectiveness."

The UN at forty



by Nancy Gordon

The forthright nature of Secretary-General Perez de Cuellar's first report to the United Nations in September 1982, surprised many observers of the world organization, but sometimes the obvious, as with the emperor's new clothes, has to be stated. His candor was refreshing and his suggestions for and attempts at reform were welcomed. Instead of surveying the broad range of the work of the UN, Perez de Cuellar chose to focus on the central problem of the organization's capacity to keep the peace and to serve as a forum for negotiation. "We are perilously near to a new international anarchy," he said. "I believe that we are at present embarked on an exceedingly dangerous course, one symptom of which is the crisis in the multilateral approach in international affairs and the concomitant erosion of the authority and status of world and regional intergovernmental institutions. Above all, this trend has adversely affected the United Nations."

These words were written in the aftermath of the June 1982, Israeli invasion of Lebanon and the establishment in Beirut of a multinational force outside the auspices of the UN, which was to try to keep the peace in that troubled city. In April 1982, Britain and Argentina had been at war over the Falklands/Malvinas, and the bloodshed in the Iran/Iraq war continued unabated.

The 1983 report of the Secretary-General was equally frank. Issued shortly after the downing of the Korean airliner in September 1983, and against the backdrop of the threatened curtailment of the arms control talks in Geneva between the US and the USSR, his report deplored the "partial paralysis of the United Nations as the guardian of international peace and security." He went on to ask, "Who can possibly believe that a world dominated by the nuclear balance, where \$800 billion a year is spent on armaments and where a large proportion of the population lives in destitution and with little real hope, is on the right track? And yet, paradoxically, for the time being at any rate, the United Nations, which was set up to deal with such problems, is too often on the sidelines as far as many major issues are concerned."

In this third report (September 1984) the Secretary-General was more positive about the UN and its accomplishments. But he was far from sanguine, and he asked, "Why has there been a retreat from multilateralism at a time when actual developments both in relation to world peace and to the world economy would seem to demand their strengthening." He suggested that as a lead-up to the

fortieth anniversary of the UN in 1985, "political scientists and intellectuals, as well as political leaders and diplomats . . . ponder this essential problem."

Some real failures

The litany of problems and complaints about the UN is long and familiar. Collective security as envisaged at San Francisco "to save succeeding generations from the scourge of war" has not worked out as the founders had hoped when wartime Allied relationships disintegrated into East and West camps. The Security Council, the main organ for conflict resolution and enforcement of the peace, has often been hamstrung by the veto power of the permanent members. The General Assembly, whose members now number 159, is too often the scene of polemic debate and not of reasoned discussion and the search for compromise. Resolutions passed by the Assembly are often ignored by member governments, thereby becoming almost meaningless. "Resolutions are passed, on occasion requesting reports which form the basis of new resolutions. This process often becomes the substitute for action and indeed the antithesis of it," said Perez de Cuellar in his 1983 report.

In terms of substance there are a number of perennial items on the agenda of the UN on which there seems to be little progress. The major ones are the Middle East, including the relationship between Israel and its neighbors, and the question of Palestine; and the policy of apartheid of the government of South Africa, and the related question of the independence of Namibia. The fact that these problems are unsolved; that the war between Iran and Iraq continues; that countries have resorted to force in the Falklands/Malvinas, Central America, Grenada, Africa, Afghanistan, Kampuchea; that economic disparities between North and South are increasing; that the arms race continues unabated; that human rights violations remain — all this is often laid at the door of the UN. The assumption is made that all these troubles are somehow the fault of the UN, that if only the UN were a more effective organization, nirvana would be with us. Perez de Cuellar, in his three reports, has come to grips with the fact that these

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situations are still with us, and are, in their cumulative effect, more life-threatening than ever. But, he has said, instead of making the UN the scapegoat for the sorry state of our world, let us try together to use the institution as a means of solving these problems. And, as a start, let us take a few small steps to make the organization more effective.

Some big changes

Difficulties with the UN system have been appearing for some time, a natural development for an institution which was conceived during World War II and born at its conclusion. One need only think of the fantastic rate of change since 1945 in all areas of human activity to realize what a different world it is now. Scientific and technological developments provide the most obvious examples: in 1945, for instance, it was a major undertaking for delegates from some fifty countries simply to get to San Francisco. The change which has most affected the UN has been the increase in the number of states, and their impact upon international politics. It is the magnificent UN success in promoting decolonization and self-determination which has led to the strengthening of the concept of national sovereignty; a concept which is the antithesis of multilateralism, the core of a functioning UN. We are now embarking on the difficult process of basic adjustment to this paradox. The UN's membership has expanded more than three-fold since its establishment, and there has been a marked change in the political focus at the UN as well as in its mode of operation. At present there is little general agreement on the direction of international relations between the developed states on the one hand, who have both the power and resources to implement UN decisions, and the developing states on the other hand, who now form the overwhelming majority to take or force decisions in the UN.

This natural readjustment of the international power balance has been exacerbated by three factors in the 1980s:

- 1) a severe economic recession which has restricted the amount of funding available;
- 2) a deepening hostility in East-West political relations, particularly between the USSR and the US which has had a political spillover into various UN bodies; and
- 3) the coming to power of an administration in the USA which, in the aftermath of the Vietnam war and the Iranian hostage incident, is seeking to reassert American global influence by emphasizing its power in bilateral, as opposed to multilateral, relationships.

Whether the international attitudes of the US or the emphasis on sovereignty by Third World states during the 1980s is cause or effect, it is nonetheless true that interdependence is more than ever a fact of international life. The stark reality is that the world needs the UN to provide a means for the working out of the balances, compromises and adjustments among conflicting interests. And the UN needs the active cooperation of all members, particularly of the five permanent members of the Security Council, and most especially the two superpowers.

US attitudes

It is taken for granted that the USSR has always had an ambivalent attitude towards the UN. It is a matter of concern however when some of that ambivalence is displayed by the USA. The UN would be very much less effective without the full and active participation of the USA. It is sometimes forgotten that in the immediate post-1945 period, there were fears that the Americans would avoid responsibility, not that they would seek to monopolize it. The Reagan administration has, up to now, displayed a thinly-veiled contempt for the UN, in the tradition of the isolationists of the 1920s who rejected the League of Nations. That attitude was apparent in September 1983, when, as a direct fallout of the Korean airline incident, a Soviet Aeroflot plane which would have carried Foreign Minister Gromyko to the opening of the General Assembly was denied permission to land at civilian airports in New York and New Jersey. The US State Department offered a military airfield as an alternative, but this offer was refused by the USSR. Gromyko did not attend the Assembly, and during this period there was a great deal of discussion as to whether the USA had violated the Headquarters Agreement with the UN. A senior member of the US delegation suggested that perhaps the UN should leave the United States, a remark which received wide public attention.

Examples of the Americans' unhappiness with the UN system are many: their withdrawal from UNESCO; their failure to ratify the Law of the Sea treaty; their withholding of assessed funds for UN programs of which they disapprove. American opposition to UN actions is symbolized by the tough position taken by Jeane Kirkpatrick on these and other issues. These actions have led some to ask whether the Reagan approach is not the natural path of US foreign policy in the tradition set by George Washington's valedictory address to Congress and the Monroe Doctrine, and not the more altruistic philosophy of the postwar period as symbolized by the Marshall Plan.

Two divisive issues

The two political issues which are excessively divisive at the UN are the situation in the Middle East and the continuing policy of apartheid by the government of South Africa. The latter has been excluded from the UN General Assembly since 1974 when its credentials were refused; and, in recent years, there have been periodic attempts made to exclude Israel from meetings in UN bodies. These issues have now reached into the entire UN system, often paralyzing action in unrelated fields. In the autumn 1984 issue of *Foreign Affairs* former Secretary-General Kurt Waldheim says that "the effect of this activity is to cheapen the currency of UN resolutions and thus to reduce the effectiveness of the United Nations in the peaceful resolution of disputes. I do not question the good faith of those who sponsor such resolutions. I do question their judgment."

The UN system is based on a functional, rational and efficient distribution of responsibilities and activities. Each UN body in that system should adhere to its mandate and respect the division of labor on which the system is predicated. To act otherwise results in growing dissatisfaction, chaos in programs, and absorbs limited resources at the

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expense of the purposes of the organization. As an example, the World Health Organization as the name implies, deals primarily with health, not, as has occurred, with the Arab-Israeli dispute or disarmament issues for which it is neither equipped nor mandated. This kind of situation is occurring more frequently and, if not managed and controlled, can in the long run only destroy the organization concerned.

Secretary-General's proposals

Beginning with his 1982 report and following the same pattern in 1983 and 1984, Secretary-General Perez de Cuellar has made specific suggestions for changes both in attitude and performance. He has appealed for a "conscious recommitment by governments to the Charter," and to use



Secretary-General Perez de Cuellar

the UN mechanisms to settle disputes and differences through peaceful means so that governments can have real confidence in the UN:

Without such a system governments will feel it necessary to arm themselves beyond their means for their own security, thereby increasing the general insecurity . . . Without such a system there will be no reliable defence or shelter for the small and the weak. And without such a system all our efforts on the economic and social side, which also need . . . collective impetus, may well falter.

The Secretary-General suggested more systematic, less last-minute use of the Security Council, along with

adequate working relations among the permanent members of the Council: "Whatever their relations may be outside the United Nations, within the Council the permanent members, which have special rights and responsibilities under the Charter, share a sacred trust that should not go by default owing to their bilateral difficulties." He urged more realism in resolutions, along with more governmental attention to them. He advised members that he intended to play a more forthright role in bringing potentially dangerous situations to the attention of the Council under Article 99 of the Charter, and that he intended to do so in a more systematic way. He suggested an increasing fact-finding capability for his office, along with swift procedures for the Council to send good offices missions, military or civilian observers to areas of potential conflict. He recommended an urgent review of peace-keeping operations, reminding members that the main strength of such operations "is the will of the international community which they symbolize. Their weakness comes to light when the political assumptions on which they are based are ignored or overridden."

On the subject of economic development Perez de Cuellar, in his 1983 report, discussed the considerable accomplishments of the UN system in assisting developing countries. He pointed out however that much more needs to be done to improve the efficiency and effectiveness of that system, and to avoid duplication of effort by the specialized agencies and bodies within the system.

Attempting reform

Perez de Cuellar acknowledged that there has been valid criticism of UN administration as "inflated, politicized or extravagant." He outlined the difficulties inherent in an organization which has over 150 members, many of which have differing notions of administration. The principle of geographic representation, while necessary, presents considerable problems in the development of an international civil service. Further complications arise from the fact that a small number of states provide the bulk of the budget. In addition, the General Assembly, in sometimes issuing rigid directives regarding personnel selection to the Secretary-General, makes it impossible for him to effect a smooth-functioning and efficient administration, or to develop an effective career development program. Perez de Cuellar, in his 1983 report, told members that he had established a high-level advisory group on administrative reform. In his 1984 report, he noted that the group had come up with a number of recommendations which he would bring to the current session of the Assembly. In the meantime he has directed that there be a temporary suspension of recruitment.

Canadian attitude

The reaction of the Canadian government to the Secretary-General's analysis and recommendations has been positive. In his speech to the Assembly in 1983 the then-Minister of External Affairs, Allan MacEachen, lauded Perez de Cuellar's attempts to make the UN a more effective organization. Such support is consistent with the functional approach taken by Canada at the UN. Canada announced its willingness to help strengthen the fact-finding capability of the Secretary-General by offering to

share, on a regular and systematic basis, information with his office. Canada supported his idea of making greater use of his authority to bring current or potential crisis situations to the attention of the Council, and suggested regular informal meetings of the Council to avert potential crises by examining incipient disputes during *in camera* sessions with the Secretary-General. This pragmatic approach was reaffirmed by the current Minister of External Affairs, Joe Clark, in his address to the 39th UN General Assembly on September 25, 1984. He stressed the fact that as a middle power Canada depended on multilateral as well as bilateral mechanisms to promote its foreign policy.

Perez de Cuellar has been an active Secretary-General. He came close, behind the scenes, to resolving the Falklands/Malvinas crisis. He is constantly trying to increase his involvement to bring about an end to the Iran/Iraq war. Although he has obtained the agreement of the belligerents to cease attacks on civilian population centres, he continues to be frustrated by the diametrically opposite positions of Iran and Iraq, with neither willing to respond to international pressures. He has been using his good offices in many intractable situations such as Cyprus, Afghanistan and Kampuchea. He took a considerable risk in the autumn of 1983 by making a trip to South Africa to discuss Namibia, and he skillfully managed to retain his credibility with both sides.

Using the UN

The necessity for multilateralism in our interdependent world is obvious. The UN is the one universal institution we have; it is absolutely essential that it work. In this period of adjustment what is needed is a new consensus or understanding of the *de facto* power relationships in the world. Power blocs must realize that their interests are best


served when the system works. Otherwise, chaos and disaster are the likely consequences. There must be a recognition of areas where the multilateral approach works best, such as various aspects of development assistance, peace-keeping, conflict resolution. By the same token, there must also be a recognition that in some areas, such as some aspects of arms control agreements, bilateral arrangements between the superpowers are the more effective way of proceeding. Within the latter category, however, there is much that the UN has done and should be able to continue to contribute, in space, in a non-proliferation treaty, in a comprehensive test-ban, in chemical and biological weapon control.

It is of course too early for definitive analysis, but the speech by President Reagan to the General Assembly in September 1984, brought hope that a thaw might be beginning in the relationship between the US and the USSR. Any warming of the relationship would of course make life easier at the UN. And it is significant that President Reagan chose the General Assembly as the forum for initial discussion.

Secretary-General Perez de Cuellar, in describing the state of the emperor's clothes, has made an invaluable contribution to the UN. His frankness in acknowledging the weaknesses of the organization has provided an impetus to act upon his recommendations for improvement. While the debate and subsequent actions have only just begun, it is nevertheless important that he has brought these issues to the public. Too often supporters of the UN both within and without the organization have been reluctant in public to be critical of the structure or its actions for fear of giving ammunition to its detractors. If the best way of solving problems is first to acknowledge their existence, the Secretary-General has made a promising beginning. □

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New perspectives on sea law

by Elisabeth Mann Borgese

Just two years have gone by since *International Perspectives* reported on the status of Law of the Sea negotiations, which, according to Donald Munro, generated a "Canadian Dilemma," with this country "caught in the middle" between an influential group of Western industrialized states, led by the United States, flatly rejecting the 1982 Convention on the Law of the Sea, and a group of Eastern socialist countries, which, for the time being, abstained from taking any final position.

In just two years, perspectives have radically changed.

When the Convention was opened for signature on December 10, 1982, it gathered a record-breaking number of 119 signatures on the very first day. On the day the deadline for signing expired, on December 9, 1984, 159 states had signed — another record. Among major states, only the US, the UK and the Federal Republic of Germany did not sign. Britain and the FRG, however, come under the convention under the umbrella of the European Economic Community of which they are members and which has signed the Convention. The US, alone among major countries, remains outside, together with a heterogeneous group of minor states which wish to settle their boundary problems before acceding to the Convention. There can be no doubt: the Convention will come into force when it has obtained the required sixty ratifications. Fourteen states already have ratified it. It should be complete in 1988.

Together with the Convention, the UN Conference on the Law of the Sea (UNCLOS III) adopted a number of Resolutions, two of which are of particular importance for the future of the Convention. Resolution I established a Preparatory Commission for the International Seabed Authority and for the International Tribunal for the Law of the Sea. Resolution II, inspired by an earlier US proposal, created an interim regime for ocean miners, for the period between the signing of the Convention and its coming into force. It provides for an orderly registration of "pioneer investors" after they have settled, among themselves, any overlapping claims. Upon registration, they enjoy security of tenure and exclusive rights under a contract for exploration, site-specific research and development. Pioneer investors are also guaranteed a contract for exploitation and a production authorization as soon as the Convention comes into force. In return, they have certain obligations towards the Commission, such as the payment of a registration fee and an annual fee for their exploration rights, assistance in training of personnel for the future Enterprise, facilitation of access to the technology required for

the future Enterprise, and assistance in exploring two mine sites for the future Enterprise, thus ensuring that the Enterprise can proceed with its operation at the same pace as the Pioneers, once the Convention comes into force.

Pioneer investors

Four Pioneers have already submitted applications for the registration of their claims: India, the Soviet Union, Japan and France, thus indicating unequivocally that they intend to proceed with their seabed mining projects under the Convention regime, and not under any alternative regime.

On December 17, 1984, delegations of these four countries met in Geneva to "exchange coordinates," i.e., to inform one another confidentially about the exact locations of the sites they intend to register, and to examine the question of possible overlaps. It appears that there are indeed such overlaps between areas claimed by the Soviet Union on the one hand and the Western consortia (including US companies) on the other. These will have to be reconciled before claims can be registered and exploration authorized.

It had been the intention of the United States to create an alternative regime. Since the basic principle of the Common Heritage of Mankind, on which the Convention regime rests, is opprobrious to the Reagan administration, the US opted not to sign the Convention and to try to convince the other potential ocean miners (UK, France, Federal Republic of Germany, Netherlands, Belgium, Italy and Japan) to enter into a "Mini-Treaty" agreement, under which each one would recognize the others' claims and proceed to mine under its own national jurisdiction and legislation.

US Mini-treaty flops

But it turned out harder than the Reagan administration had anticipated to convince the allies. Much water had to be poured into the wine of the "Mini-treaty." First it was downgraded to a "Reciprocating States Agreement" — nothing more than an agreement to settle bilaterally overlapping claims in the area beyond national jurisdiction, a step required by, and in accordance with, Resolution II.

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New institutions of the sea

Then it was further diminished into a "Provisional Agreement," which finally was signed in August last year, just before the opening of the resumed Second Session of the Preparatory Commission in Geneva. It was there that the three states signatories both to the Convention and the "Provisional Agreement" (France, the Netherlands and Japan) made it quite explicitly clear that in their view the "Provisional Agreement" merely provided a mechanism to settle overlapping claims, not an alternative regime. They confirmed their loyalty to the Convention (France and Japan, the Pioneers) by filing their applications for exploration rights in their specified site.

It is most unlikely, therefore, that the US will pursue a course of open defiance of the Convention. If — when the time comes — US companies wish to mine *outside* (not *against*) the Convention, they can do so in areas under national jurisdiction, on the basis of bilateral agreements with states having deposits of nodules in their economic zones. The US does not have any quarrel with the other parts of the Convention which US lawyers mostly consider — rightly or wrongly — to be "customary law."

Thus, there is no longer much of a "dilemma." The interim regime for sea mining exploration, research and development has acquired concreteness and specificity. And there is no alternative regime: any state attempting to exploit the Common Heritage under unilateral national legislation would clearly be in violation of international law.

Preparatory Commission at work

This is not to say that there are no longer any problems, or that the Preparatory Commission got off to an easy start. The problems are many. Our inheritance from UNCLOS III is not an easy one, and the world situation keeps changing. Many solutions that appeared acceptable or reasonable in the seventies, are obsolete in the eighties and nineties. What is needed to meet these challenges is not only flexibility and empiricism; it is inventiveness, leadership and creativity — as much of it as was required during the period of the making of the Convention.

The Preparatory Commission was most fortunate in the appointment of its President, Dr. Joseph Warioba, Attorney General and Minister of Justice of Tanzania, and a longtime leader in UNCLOS III. His negotiating style is characterized by calm, firmness, understatement, lack of rhetoric, and a good sense of humor. He listens, and then assumes his responsibilities. He is fair and has acquired the trust and confidence of East, West, North and South. It was under this strong leadership that the Commission managed, after a period of groping for its bearings, to adopt its rules of procedure, define its program of work and organize its subsidiary organs.

As almost everything connected with the making of the new Law of the Sea, the Preparatory Commission is a most unusual institution, without precedent in the history of international organization. Its uniqueness stems from the fact that it is not only a "Preparatory Commission" as defined in Resolution I; it is, at the same time, the executor of Resolution II, that is, it must administer the regime for exploration, research and development for the Pioneer

investors, receive, examine and approve their applications and survey their activities. Its relations to the Pioneer investors are, in fact, quite similar to those between the future Authority and the states and companies which will exploit the seabed under contracts with the Authority. At the same time, the Preparatory Commission has the responsibility to "ensure the early entry into effective operation of the Enterprise." This, too, requires operational capacity: the selection of mine sites for the Enterprise, the training of personnel, the acquisition of technologies.

The Commission is organized in a Plenary — resembling the Assembly of the future Authority, and a General Committee of thirty-six members, including all the officers of the Commission, selected on a regional basis (see chart). The General Committee, under the chairmanship of the Commission's President, and under the guidance of the Plenary, acts as executor of Resolution II. It should be noted that the Council of the Authority, likewise will consist of thirty-six members, selected on the basis of far more complex criteria, combining interest representation and regional representation. Also, the Council's decision-making processes are far more complicated. The General Committee, as executor of the interim regime under Resolution II, appears as a streamlined, more functional body, with a decision-making procedure that strictly follows the precedent, tried and trusted, of UNCLOS III — that is, of consensus, whenever possible, with voting only as a last resort.

The Plenary, which coordinates and harmonizes the work of the whole Commission, is also entrusted with the specific task of drafting the rules and regulations for the Authority and its subsidiary bodies — with the exception of the Enterprise for which there is a Special Commission.

Four Special Commissions

There are four Special Commissions, each one entrusted with a specific task, although these tasks do overlap and much coordination and integration will be necessary. The Plenary has embarked on its task in a businesslike and effective manner. The First Special Commission deals with the question of the land-based producers, that is, those countries which, like Canada or Zaire or Zambia, produce on land the same minerals that will be extracted in the future from the seabed, and which, therefore, may lose exports and foreign exchange earnings. This is one of the problems most perplexing for Canada; one that may still pose a "dilemma" for Canada.

The Convention itself proposes three courses of action to help solve this problem of the land-based producers. The first is a production limitation, imposed for the first fifteen years of ocean mining. The result of endless and most difficult negotiations, the limitation formula is based on the prospective rate of increase in nickel consumption. Seabed production, under the Authority, is not to exceed 60 percent of the anticipated rate of increase, thereby trying to ensure a healthy growth to land-based producers and to potential land-based producers. This is the preventive approach. The second course of action is remedial: land-based producers are to be indemnified by the Authority for their losses in export earnings, where such losses occur.

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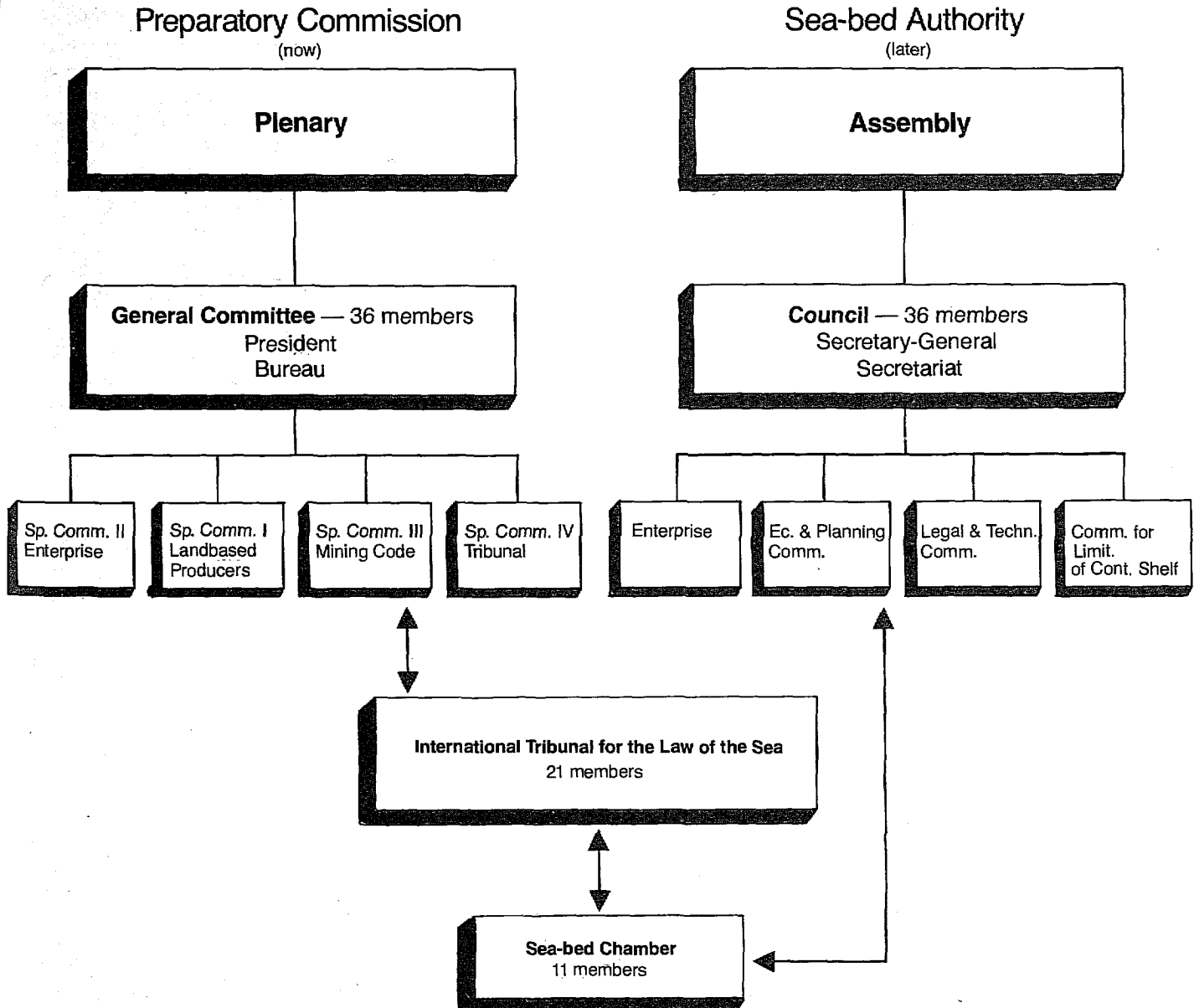
The third course of action is cooperative: the Authority is to participate in global commodity agreements ensuring prices fair to producers and consumers.

Even before the conclusion of UNCLOS III it had become clear that these measures were not likely to protect land-based producers in the developing countries. The production limitation formula was seriously flawed in two ways: if it protected anybody, it would protect nickel producers only, of whom Canada is the major one. But due to the composition of the nodules (the proportions of nickel, copper, cobalt and manganese) on the one hand, and the demand for these metals on the world market on the other, it would not protect producers of cobalt and manganese. This is what would have been interesting for developing countries such as Zaire. Producing the lawful amount of nickel, the Authority would wildly overproduce cobalt and, perhaps manganese, and the prices of these metals might be seriously affected.

Bad assumptions

Worse than this first flaw, however, is the second. The whole concept is based on assumptions which, if they ever were valid, certainly are no longer valid today. It had been assumed first, that manganese nodules would be the only commercially interesting minerals to be mined in the foreseeable future; and second, that these nodules were to be found exclusively in the international area and the Authority therefore really could control their production. Both assumptions were false. Nodules are to be found in areas under national jurisdiction — in the EEZ of Mexico, which has already signed a joint venture agreement with a US company for their exploration, and in those of France, the US, Chile, and probably others. To limit production only in the international area simply means to limit the Authority out of production: production will go elsewhere. It may in any case: one certainly should expect the United States now to take this perfectly legitimate route rather than

Law of the Sea Organs



New institutions of the sea

affronting the international community by an open violation of the Convention. Thus the production limitation formula — for which, it should be added in all fairness, Canada is largely responsible — is worse than useless.

The same goes for the compensation formula. If land-based developing producer countries can be compensated only for damage arising from production in the international area, this compensation may be meaningless, since there can be no compensation for production under national jurisdiction which may equally affect prices. Besides, it will be impossible to determine what is affecting what.

The third course of action — global commodity agreements — remains open; but they are effective only under certain limited circumstances. Whether these will exist for the nickel, cobalt and manganese market (copper will be very little affected, at least until the sulphide crusts are commercially exploited), is a wide-open question.

Ocean mining inevitable

It is clear, then, that the First Special Commission, under the able leadership of Ambassador Hasjim Djalal of Indonesia (now Ambassador to Canada), will have to come up with some new and creative thinking.

To bury one's head in the sand, or try to stop ocean mining, will not do. If and when ocean mining is going to be economical, it will be undertaken on a large commercial scale. That is as sure as a law of nature. It may be an unsettling development, affecting miners in industrialized countries, such as Canada, since ocean mining tends to be more and more automated. And it may affect relations between industrialized consumer countries and developing producer countries, to the disadvantage of the latter. Land-based producers ought to get ready for this possibility. They can do so, not by recourse to neo-Luddism, but by joining what they cannot beat, by becoming ocean miners themselves, through cooperation with the International Seabed Authority, utilizing their skills and experience, especially in the mineral processing sector, and updating them. Rather than compensation, they should seek the assistance of the Seabed Authority in diversifying their economies and starting new industries, particularly in the new sector of the bio-industries which, in turn, are very likely to transform the mineral processing sector (processing can be done through bacteria).

We have expanded somewhat disproportionately on the problems of the First Special Commission because they are of particular interest and importance to Canada. But the tasks of the other Special Commissions are no less challenging, and they all interlink.

Preparing "Enterprise"

The Second Special Commission, led by Trinidad's Lennox Ballah, another one of the veterans and leaders of UNCLOS III, has a twofold mandate. As a "Preparatory Commission," it has to draft rules and regulations for the future Enterprise, a paper-work responsibility. At the same time, it has an operational responsibility to ensure the early entry into effective operation of the Enterprise by

exploring at least one mine site, if not two, training personnel and assuring the availability of technology for the Enterprise.

The Enterprise, it will be recalled, is the "operational arm" of the Seabed Authority, an international public company that can undertake seabed mining projects on its own or in joint venture with other companies or states. The Enterprise, whose Statute is annexed to the Convention, is governed by a Board composed of international civil servants elected by the Authority's Assembly.

Thus Commission II has to function, to some extent, as a pre-Enterprise or Interim Enterprise in the framework of the Commission. Whether, as a Committee of the Whole, it can perform this operational task effectively, is

Sea Law Chronology

1973-1984

Third United Nations Conference on the Law of the Sea

April 30, 1982

UNCLOS III adopts Convention. 117 States vote in favor; 4 States vote against (USA, Venezuela, Israel and Turkey), 19 abstentions.

December 10, 1982

Convention is opened for signature at Montego Bay, Jamaica. 119 States sign.

March/April and August/September 1983

First Session of Preparatory Commission at Kingston, Jamaica.

March/April and August/September 1984

Second Session of Preparatory Commission, Kingston and Geneva.

December 9, 1984

Deadline for Signatures to Convention. 159 States have signed, 14 have ratified the Convention.

(Preparatory Commission will remain in existence until Convention comes into force, one year after 60th ratification.)

open to question. Perhaps it should establish its own operational arm. The delegation of Austria has introduced a proposal for the establishment, by the Commission and under its auspices, of a Joint Enterprise for Exploration, Research and Development (JEFERAD), which could, most expeditiously, fulfill the operational part of the Commission's mandate. Such a Joint Enterprise should be directed by a board, with half of its members selected by the Commission, and the other half by investors (states or companies), in proportion to their investment. The Commission should also come up with half the required investment — one-half of some two to three hundred million dollars over the next five years — which would make the venture highly attractive to industry and industrialized

states, while it would offer developing countries a unique opportunity to participate as equals in the management of a high-tech venture. JEFERAD would represent a new form of scientific-industrial cooperation between North and South, providing a framework for co-development of technology rather than transfer (which is much more costly and problematic). Such undertakings — new forms of scientific/industrial cooperation between North and South — have been proposed on many occasions by political leaders. They have never been realized. Here, for the first time, we have a concrete, well-defined opportunity to realize a prototype. Would this not be, apart from everything else, a splendid response to the request of the Secretary General of the United Nations, to think of ways to strengthen the system and make it more operative, on the occasion of its fortieth birthday?

Third and Fourth Special Commissions

The Third Special Commission, chaired by the Dutch Hans Sondaal, is elaborating a mining code in accordance with the terms of the Convention. Wisely, this Commission has begun by concentrating on rules and regulations for the early stages, namely for exploration, research and development. They are what is actually going on now, for nobody really knows when commercial mining will get under way, and in what form. It would be a pity if the international community let itself once more be trapped into writing detailed laws and rules which may be obsolete and inapplicable by the time they are applied.

The Fourth Special Commission, finally, is in charge of writing rules and regulations for the International Tribunal for the Law of the Sea, which will be established in Hamburg, Federal Republic of Germany, as soon as the Convention comes into force. The task of this commission, ably led by Gunter Görner of the German Democratic Republic, is relatively easy and clear cut. The International Court of Justice can serve as a useful precedent, at least in some aspects, while there are others which require new thinking, e.g., rules and regulations applying to entities which are not states (companies, individuals) and which, under the Convention, have a standing in the Tribunal's Seabed Chamber. In any case, the work of this special commission is proceeding smoothly and expeditiously, and undoubtedly will be completed in another session or two.

After the Preparatory Commission

How long the work of the Preparatory Commission as a whole will last is hard to predict. UN planning appears to be based on the assumption that the sixtieth instrument of ratification may be deposited in 1988, at which time the Convention would come into force. The Commission would continue to exist until the first session of the Authority's Assembly and the election of the Authority's Council — perhaps until 1989 or 1990. The effectiveness with which it performs its functions certainly will be a determining factor. Not only may it hasten the process of ratification by removing many of the uncertainties and preoccupations confronting states, whether signatories or nonsignatories of the Convention. It may also largely determine the shape and modes of operation of the institutions created by the Convention — especially the International Seabed Authority. For institutions are not made only by the letter of the law that created them; they must be living organisms, able to respond to changing circumstances. An effective interim regime for exploration, research and development, benefiting Pioneer investors, developing countries, the Enterprise, the Authority and, thereby the United Nations system, would smoothly, almost without a break, grow into a permanent regime for exploration and exploitation under the Convention. On the other hand, an interim regime unable effectively to control exploration and to keep the development of the Enterprise in line with developments outside, would create a host of new problems for the Authority upon the entry into force of the Convention — or may even postpone the entry into force of the Convention.

This is why the Preparatory Commission's work is as important as the work of UNCLOS III itself. This is why it is to be hoped and urged that Canada should continue to play the same leading role, with the same continuity and high-caliber representation and participation in the Preparatory Commission that made her so strong during UNCLOS III. One can only get out what one puts into a collective undertaking, or into a relationship in general. Canada has put a lot into the Convention, and got a lot out of it. It has a high stake in the ratification and coming into force of the Convention. It has a high stake in giving to ocean mining a direction that is compatible with Canadian interests and its leadership in strengthening the United Nations system and economic cooperation with developing countries. □

Managed trade: look out, Canada!

by Michael D. Henderson

Raymond Barre, the former Prime Minister of France, first spoke publicly in 1977 of the tendency of the advanced market economy countries to move toward "managed" trade. Although M. Barre did not elaborate on his concept, it is generally accepted in Europe that he was referring to the practice of some of the major trading nations and blocs of negotiating informal bilateral and multilateral agreements on a sectoral basis. While it must be conceded that the concept of managed trade remains somewhat nebulous, its most salient features may be summarized as follows. It consists of trade regulated by informal accords negotiated between governments. These "accords" take numerous forms including official or unofficial quotas, voluntary export restraint agreements, "understandings" on equitable market shares, and even agreements to reduce productive capacity. They are informal in the sense that they do not entail legally binding obligations. In many instances the complete details of these accords are not even made public because they tend to contradict official free trade rhetoric. They fall completely outside the present purview of GATT. The managers implicit in the concept are national governments which assume responsibility not only for representing their national industries in negotiations, but also, if an accord is reached, for ensuring that agreements are honored by the members of their private sector concerned. Finally, managed trade at the moment is a "First World" concept, that is, it tends to be restricted to describing accords negotiated within the OECD group which do not involve tariff adjustments.

It's all around us

Perhaps the best way to define "managed" trade is to give some specific examples. In 1975, under the auspices of an industry sub-committee of the OECD, the Japanese and several Western European countries came to a "gentleman's agreement" whereby not only would the Japanese voluntarily constrain their output of shipbuilding to 50 percent of the free world market, but agreement was also reached on the mutual and balanced reduction of shipbuilding activities. Since that time, the combination of import quotas and straight-out market-sharing agreements has become what *The Economist* has dubbed a protectionist gale. The Japanese have accepted much publicized

"voluntary" quotas on auto exports to the US, Europe and Canada. After rather acrimonious trade talks in 1982, the Reagan administration and the EEC came to a temporary understanding on the limitation of the European share of the US steel market. Then, Japanese motorcycle exports to the US were severely curtailed. In February 1983, in what can only be regarded as a quantum leap in the level of managed trade, Viscount Etienne Davignon, the EEC Industry Commissioner, negotiated a voluntary export self-restraint package with the Japanese involving no fewer than ten categories of "sensitive" products including autos, vans, motorcycles, fork-lift trucks, color television sets and tubes, machine tools, hi-fi equipment, quartz watches and VCRs. By the first half of 1984, "self-restraint" quotas covered 38 percent of Japanese trade with the EEC. Recently, the US government announced that it would negotiate informal bilateral agreements to prevent "surges" in steel exports to the US market.

Whatever happened to free trade?

What is fascinating is that at each stage of these developments the financial press in Europe and, more so in North America, has tended to regard these agreements as aberrations on the path to freer trade. After all, it is argued, the magnitude of the tariff cuts negotiated through GATT during the Tokyo Round is significant, and their implementation is proceeding smoothly. Indeed, the Japanese have already called for an acceleration of the implementation of the cuts. For their part, the Americans, in the wake of the much-publicized Williamsburg summit commitment to free trade, have already called for a new round of GATT talks which would include negotiations on the elimination of non-tariff barriers.

Given the trend in tariffs, any clearly protectionist measures such as those mentioned are usually explained as aberrations precipitated by particular or unusual circumstances. For example, the agreement on shipbuilding was put down to the unusual circumstances arising out of the impact of the two OPEC oil prices shocks and the consequent shrinkage of the global market for bulk carriers. Other voluntary trade restraint agreements were regarded as a direct consequence of the severe recession of 1981-82. The assumption was that prosperity would end protectionism. When prosperity returned by 1983, continuing domestic protectionist pressures in the US were explained as a consequence of domestic lobbying pressures during a US presidential election year.

Michael Henderson teaches Political Science at York University in Toronto.

While these unusual circumstances help explain some recent protectionism, there is mounting evidence to suggest that the trend toward negotiating market shares on a sectoral basis will continue unabated for both fundamental economic and political reasons. First, it is clear that the world economy has already commenced another period of explosive growth of productive capacity. The world market economy tends to grow in great leaps during and after periods of intense technological innovation. Clearly we are in such a period at the moment. Developments in microchip technology with spin-offs in informatics, robotics, avionics and other high-tech industries, are clearly going to have a revolutionary effect on advanced industrial societies. One consequence it seems will be a continued dramatic increase in productive capacity. Already, despite two oil price shocks and what can only be described as a great deal of fibrillation in the economic growth charts, the OECD countries have been able to maintain an average annual growth rate in real GDP of 3.1 percent from 1971-1981. With the 1983-84 US-led recovery there is every reason to believe that increases in output in this decade will be just as large, if not larger.

Villain: productive capacity increases

Dramatic increases in productive capacity have already started to create political problems. The first relates to markets, and therefore to profits and employment. Global demand has not kept up with output in numerous industrial sectors. Already, it is apparent that a "surplus capacity" — admittedly a difficult concept in economic analysis — exists in the world market economy in such sections as textiles, ships, steel, automobiles, petrochemicals, civil aircraft, televisions, VCRs, watches and other more minor product lines. North Americans and Europeans are already hard-put to maintain their present global market shares in many of these product areas, in the face of the challenge of Japan and the Newly Industrialized Countries (NICs) such as South Korea, Taiwan, Singapore, Mexico and Brazil. The political pressures to protect "sunset industries" while positive adjustment policies are put in place will continue to be intense. The battle to protect national producers from "unfair" competition is already on, and it is clear that the criteria used to determine fairness are politically malleable. And it is not just traditional industries that will suffer from the new productive capacity. A Japanese publication *Nihon Keizai Shimbun* has already predicted a saturation of the world market for semiconductors by 1986. Clearly, if output capacity continues to outpace demand, politically unpalatable rationalization is going to have to occur in many more industries.

The second political problem flowing from the growth in productive capacity relates more directly to employment and the fact that the growth of output has continued to outstrip job creation. From 1975-83, the US and Canada increased their output by 23 percent while adding 17 percent more jobs. Japan produced 42 percent more goods and services in the same period and added only 10 percent more jobs. More alarmingly, while output in western Europe in the same period rose 23 percent, employment actually fell by 1 percent. The OECD expects the trend to greater long-term unemployment (that is, persons out of work for six months or more) to continue, particularly in the under

twenty-five age group. The resultant political pressures for job maintenance or creation are difficult to gauge, but recent events in Great Britain and France suggest that governments of all political leanings have a serious problem on their hands. If current trends in output/employment ratios persist, governments may be forced into greater protection in order to survive politically.

Protecting wartime capacity

If domestic pressures from unemployment and profit loss are not enough to maintain the trend to managed trade, there is also the seldom-discussed "strategic variable." Viable national industries in some industrial sectors are considered essential to national security. A specific example is the attitude of the US government towards the Japanese-European informal agreement to reduce shipbuilding capacity. The ostensible reason why the US government did not participate in the agreement was given to be the "fact" that US shipbuilding capacity was such that it did not impact significantly on the world market. The Japanese and Europeans did not agree, but their objection was futile in the face of the real reason for US non-involvement. Privately, US officials at the OECD made it clear that the world's greatest naval power was not going to allow its shipbuilding facilities to be phased out to the point where it might have to rely on current allies in Asia or Europe for hulls. The efficacy of this "strategic considerations" argument is not lost on senior management in other industries. In 1984 US steel industry representatives argued before the US International Trade Commission that there should be a reduction in the foreign share of the US basic steel market on the grounds that if a major power is to control its own economy in peace and war then it must control its own steel sector. Indeed, one cannot conceive of any nation-state concerned about its "great power" status allowing itself to be placed in a position where it would have to rely on more efficient producers such as South Korea and Brazil for its steel, Spain or Taiwan for its ship hulls, Saudi Arabia for its ethylene, or any other country for vital telecommunications, electronic and transportation systems. Thus, national security arguments to date may well prove to be only the thin edge of a quite considerable neo-mercantilist wedge.

Joining the trend

Robert Lawrence of the Brookings Institution has observed that "the present Republican Administration in Washington is ideologically committed to free trade, but the political realities shift them in the other direction." These realities have not disappeared since the November election. Indeed, if the US recovery slows significantly in 1985 as many economists predict, pressures for protectionism may actually increase. The same is true in the EEC, where governments are far less enamored of the rhetoric of free trade, and face politically more powerful trade union movements. Accustomed to a great deal of management of international trade within the EEC, they appear quite sanguine about the idea of "managing" external trade. Japan, for its part, is increasingly vulnerable to demands for global market rationalization. It is forced to recognize that economic power seems to be dramatically shifting from those countries which may possess a com-

Administer or perish

parative or competitive advantage in the production of many products to those countries whose governments can control market access.

Managed trade has enormous implications for a major trading nation such as Canada. Canadian exporters will have to look, in the first instance, increasingly to the federal government to take the necessary political and economic actions in order to protect existing foreign market shares. The recent protracted struggle to avoid restrictive quotas being placed on Canadian steel exports to the US is a case in point. The success of that struggle was due in no small part to the government's sustained efforts to coordinate its own lobbying efforts with those of Canadian industry in Washington. Beyond the status quo, the role of government in trade management will become even more

extensive and critical. If Canada is to expand its export markets at a time when productive capacity in many industries is outstripping demand, then the government will have to negotiate guaranteed access to a new enlarged market, while at the same time, for obvious political reasons, seeking to protect jobs and profits in the key sectors of the national economy. From this analyst's perspective, successful negotiating prospects look bleak. Canada simply does not have a large enough domestic market to which access can be ceded or denied for that market to be a major bargaining factor. In the era of managed trade this is a critical handicap. Perhaps the advisability of pursuing sectoral free trade with the US should be viewed in this light. A pragmatic, reactive, muddling-through may be the preferable policy option to negotiating from weakness. □

Book Reviews

How to keep the peace

by Paul Bridle

Peacekeeping: Appraisals and Proposals edited by Henry Wiseman, Elmsford, N.Y.: Pergamon Press Inc., 1983, 448 pages, \$40.00US.

Skeptics, aware of the forbidding conditions under which peacekeeping forces labor and realizing that it is only infrequently that armed conflicts are made subject to their dispensation, tend to dismiss peacekeeping. This book vigorously asserts the opposite. Henry Wiseman, who teaches in the University of Guelph's Department of Political Studies, was formerly Director of Peacekeeping Programs at the International Peace Academy in New York. The Academy was formed in 1969 to conduct research into the nature and *raison d'être* of peacekeeping and to afford training for peacekeepers. The Academy has recently "launched new programs in the fields of multi-lateral negotiation and . . . the crucial relationships between security and disarmament" but its primary focus remains on peacekeeping. The volume under review is international in character, its contributors being Americans and Canadians along with one each from Egypt, India, Israel and Honduras; however, its Canadian content is strong, half the contributors being from Canada.

The editor and his contributors take the reader through the history of peacekeeping and its operational

problems and delineate some national perspectives on its work. Most of the operations reviewed are those of the United Nations, but there are also excursions into "regional peacekeeping" in Central and South America, in Africa and in Indochina. Throughout the book there is both appraisal of the past and, especially in a concluding section on "peace, law and the future," reflection on what might be done in the years to come.

There was no peacekeeping as we know it before the United Nations was formed. Indeed, the United Nations Charter made no provision for peacekeeping forces as such. However, it very soon had to invent them and, from an *ad hoc* beginning it gradually developed a peacekeeping apparatus. Much of the United Nations peacekeeping work was done in the Middle East; consequently, the book provides a good perspective on the present situation there. The parts of the book which deal with Indochina discuss little more than the tokenish 1973 Commission in Vietnam; any reference to the earlier Commissions in Indochina are brief and disparaging allusions to their dying years. A more general criticism is that the point of view presented is not frequently enough that of the practitioner, in particular that of the political officer, on the ground. It must also be said that some parts of the book are easier to read than are others. On the whole, however, the book is an invaluable mine of information about what many fine peacekeeping forces attempted or accomplished over a period of nearly four decades, mainly under United Nations auspices.

In its glimpses into the future, too, the book is helpful. It is here that one is perhaps most conscious of the professionalism, either practical or academic, civil or military, of

the contributors. All "proposals" are marked by a nice sense of both limitations and possibilities. One contributor tentatively casts the future in an intriguing philosophical setting. Alastair Taylor of Queen's University sees peace-keeping playing a part in a world in which he hopes what he calls the "force field paradigm" will increasingly be a model, i.e., one in which what nations have in common (e.g., the biosphere) will weigh more than does that which divides them.

Paul Bridle is a former Canadian diplomat (including Canadian Truce Commissioner in Laos) and International Perspectives contributor (Newfoundland and Canada). He lives in Ottawa.

The Middle East, alas

by Hazel Strouts

The Reagan Administration and the Palestinian Question: The First Thousand Days by Juliana S. Peck. Washington, D. C.: Institute for Palestine Studies, 1984, 138 pages, \$7.00 (US).

Caught in the Middle East by Michael M. Yoshitsu. Toronto: D. C. Heath Canada, 1984, 113 pages, \$24.95.

Superpower Intervention in the Persian Gulf edited by R. B. Byers and David Leyton-Brown. Toronto: The Canadian Institute of Strategic Studies, 1983, 92 pages, \$7.50.

These three books all deal with the Middle East, but they treat it from very different points of view. One book (Peck's) gives a precise historical account of President Reagan's record in formulating and enacting policy towards the Palestinians. Another (Yoshitsu's) follows the development of Japanese policy in the Middle East since 1973. The third (Byers's and Leyton-Brown's) is a collection of papers discussing the preparedness of the superpowers to intervene militarily in the area, and the likelihood of their doing so.

Perhaps the only theme these books have in common is the depressing suggestion that, if a third world war arises, it will start in the Middle East. Such a statement might lead one to suppose that the books confirm the rightness of Mr. Reagan's view of the Middle East situation in strategic, East-West terms. But this is not the case. Even *Superpower Intervention in the Persian Gulf*, whose *raison d'être* is consideration of possible superpower intervention, points out that the danger lies in the possible escalation of a local conflict, and not in the probability of a Soviet attack.

All three volumes, then, leave the reader with the uncomfortable feeling that the United States, generally acknowledged as the only doctor qualified and able to treat

the Middle East's malady, is currently incorrectly diagnosing the patient's problem.

This has not always been the case. As Juliana Peck points out in her account of United States policy towards the Palestinians during Ronald Reagan's first thousand days, there was a time, or perhaps even times, when the United States administration saw the Middle East scene in terms of local conflict, especially in the search for a solution to the Palestinian problem. Perhaps the "highpoint" of this approach was the formulation of President Reagan's Peace Plan, which Peck sees as going as far as, if not further than, President Carter's Camp David agreement because it committed the United States to definite positions on thorny issues such as the meaning of the word "autonomy," which caused such problems in the Camp David accord.

At this time, Mr. Reagan was even prepared to give King Hussein of Jordan a secret written promise that if the King offered to enter the peace talks, the United States would try to halt Israeli settlement construction on the occupied West Bank. Peck reports that at that time the White House was considering putting part of United States economic aid to Israel in escrow until there had been a settlement freeze. With the collapse of the Peace Plan, the administration "returned full circle to its original Middle East policies" with President Reagan signing National Security Directive 111 at the end of 1982, preparing the way for formal military cooperation between the United States and Israel.

Peck's book is well annotated and is based mainly on government reports and *The New York Times*. *Caught in the Middle East* is also carefully annotated but not so usefully. The author frequently cites a "high ranking Japanese official," whose name annoyingly remains wrapped in mystery. Otherwise, this book provides a useful insight into a neglected aspect of Middle East relations. Author Michael Yoshitsu gives a careful account of how Japan was forced by the 1973 oil embargo to deal with the oil-producing countries instead of with the international oil companies, as it had done up to then. Japan discovered it had to take political positions in order to ensure the regular supply of the oil it needed to keep its massive modern industrial economy afloat. Seventy percent of Japan's oil comes from the Gulf.

The establishment of OPEC, the continuing struggle between Israel and the Palestinians, the Iranian Revolution and the Iraq-Iran war have jostled Japan towards the development of a mildly pro-Arab policy, but which seeks to avoid any position which might alienate the United States or Israel. The Japanese government authorized setting up a Palestinian office in Tokyo (albeit without diplomatic status) and kept up contacts with Iran in a despairing attempt to protect its investments there, even after the United States had called for a tough and complete embargo. The book also gives an interesting glimpse of what Japan can mean to developing countries wishing to avoid identification with either of the superpowers. Japan is seen as being relatively independent politically and economically successful. It is, therefore, "a mentor for modernization." Japan, however, is clearly looking to the developing areas for new markets.

Superpower Intervention in the Persian Gulf—the one Canadian book of the three—poses ultimate questions. It

Book Reviews

is about the possibility of a major military conflict of super-powers in the region. As a collection of academic studies, the papers suffer occasionally from that occupational disease of academics — verbal atrophy — where thought is suffocated by intellectual effort. Some sentences take too long to understand (“While the interests may be relatively clear, the profusion of diffuse threats to those interests have only their ambiguity to define them”). Those with faint hearts will find the excellent introduction to the volume summarizes succinctly the complicated arguments which follow.

Hazel Strouts is a project policy officer in the Department of External Affairs and the founder of the Middle East Discussion Group in Ottawa.

A Canadian view of the UN

by Gregory Wirick

*United Nations: Divided World by Douglas Roche.
Toronto: NC Press Ltd., 1984, 152 pages.*

United Nations: Divided World is a useful primer on the United Nations by one of its most eloquent defenders. Douglas Roche earned a considerable reputation during his twelve years in the House of Commons as a passionate

spokesman for Third World development, disarmament and the United Nations. Last year, partly in recognition of his record, Prime Minister Mulroney named him Canada's Ambassador for Disarmament. *United Nations: Divided World*, published just prior to Mr. Roche's leavetaking from Parliament, is interesting to read with that in mind, for it serves as a kind of mid-career summary of the main themes he has emphasized from his entry into public life.

What is apparent throughout is the author's abiding commitment to bringing the ideal of the United Nations at least somewhat closer to reality. In this respect he follows in a long line of Canadians, many of whom he lists at the beginning of Chapter 9, including Escott Reid, Hugh Keenleyside, Howard Green and William Barton.

One of the best chapters (“The U.N. Under Attack”) is a succinct analysis of the main American critics of the UN, such as Daniel Patrick Moynihan, and it gives particular attention to US attacks on UNESCO. There is also a series of helpful appendices, among them a list of General Assembly Presidents and a description of Canada's financial contribution to the UN system over the last few years.

For those seeking to brush up on their knowledge of the United Nations, this book is a good place to start. Mr. Roche's journalism background has served him well, for he is evidently an expert, to quote one of his own chapter headings, at “the art of building bridges” to better understanding of a complex subject.

Gregory Wirick is an Ottawa freelance writer and former National Director of the United Nations Association in Canada.

Letters to the Editor

Sir,

I read with interest the very timely article by Tony Westell in your November/December 1984 edition. The subject of Canada's economic relationship with the United States is, I feel, destined to be the most important item for economic debate in Canada in the coming year and Mr. Westell's work on the issue is an important contribution.

Mr. Westell sets the stage for his arguments favoring Canadian economic integration with the United States by pointing to the rise and fall of the "Third Option." His reasons for the "fall" are all valid but I am sure that most Canadian exporters to overseas markets would express surprise that he has not given due weight to what exporters would agree as the main reason for our competitive problems in overseas markets and our even greater concentration of exports in the United States. I refer to exchange rates.

One might argue that with a 75-cent Canadian dollar Canadian exports should be in a particularly favorable position. This is true insofar as the United States market is concerned. While the Canadian dollar is valued at 75 cents vis-à-vis the US dollar, it is at the same time one of the highest-valued currencies when compared with the currencies of the rest of the world. Indeed in the last five years (since the last quarter of 1979) the Canadian dollar has moved upwards as compared to the Deutschmark by approximately 50 percent; compared to the British pound by 60 percent; the Swedish krona by 80 percent; the French franc by over 90 percent and the Italian lira by over 100 percent. I appreciate that these raw figures do not take into consideration inflation rates, but the fact does remain that Canadian goods and services face very stiff competition in Europe and face strong competition from European countries elsewhere in the world. It is little wonder then that given the relatively attractive position for our exports in the United States the proportion of our trade to this market has increased to where it is now running close to 80 percent of our total exports.

Having four-fifths of our exports concentrated in one market leaves Canada very vulnerable. Mr. Westell makes little reference to the protectionist pressures to which the United States administration is subjected in Washington which give great concern to many sectors of Canadian industry despite the strong stand of the administration against protectionism generally.

Normally Canada would look to the multilateral trading system as a means of ensuring that trade flows continue

unimpeded between our countries. At the moment, however, the European Economic Community seems to be more preoccupied with internal matters than in joining in a further round of multilateral negotiations for the reduction or removal of trade barriers.

Canada's focus, therefore, has shifted to securing and safeguarding its export trade in the United States. The debate we will all be part of this year is whether the only way to totally secure our position in the American market is to seek some form of special trading relationship and the form it should take.

Regardless of the side each of us takes, most must surely agree with Mr. Westell when he states that "in considering trade policy, it is important to keep in mind that Canada does not have the luxury of doing nothing."

Frank R. Petrie
President, Canadian
Export Association, Ottawa

Sir,

I have read with great interest Anthony Westell's thoughtful discussion of the future of Canadian-US trade relations.

The United States and Canada share a deep and long-standing interest in the liberalization of international trade. Together we have been in the forefront of all of the major multilateral trade advances of the post-World War II period. The current effort underway in both countries to identify possibilities for freer bilateral trade and the discussions the two governments have held over the past year concerning possible sectoral trade arrangements should be understood as part of this larger shared commitment.

The United States is genuinely interested in pursuing with Canada prospects for more open and expanded trade between our two countries. However, we recognize that this issue has historically been sensitive in Canada and currently is under active public debate. The US is prepared to address the issues flexibly and to consider seriously any proposals which Canada concludes will meet its economic and political interests.

Letters to the Editor

Our principal requirement will be to assure that whatever arrangements may emerge are balanced, with real benefits for both sides, and with the ultimate effect of promoting progress on the international trade front rather than impeding it.

Mr. Westell's thorough and reasoned analysis should make a constructive contribution to the deliberations which, over the months ahead, will shape Canadian conclusions on the subject.

John H. Rouse
Charge d'Affaires, ad interim
Embassy of the United States, Ottawa

Sir,

Westell's article, to be blunt, angers me. The reason is not that he argues for closer integration of Canada with the United States and that I am of the opposite persuasion — for it is possible to have fruitful disagreement on that matter — but rather because of the way in which he makes his argument.

Part of the problem is a tendency on Westell's part to write patent and self-serving nonsense. For example: "The Canadian public, after all, has been exposed for years to nationalist attacks on foreign ownership and on the concept of free trade, with very little argument on the other side of the issue." It should be evident to any fair commentator that both sides have been widely propagated in the media with, it seems to me, Westell's side getting the larger press in the past decade.

The larger and much more serious problem is Westell's pervasive fatalism and defeatism, and his apparent willingness to go along with whatever is happening in the world just because it is happening. One is reminded of the person who is alleged to have said: "You can't stop progress, even if it kills you."

The paper abounds with phrases about the inevitability of increasing interdependence and diminishing

national identity and sovereignty, and about the unwillingness of Canadians to do anything or the inability of a Canadian government to succeed even if it tried. All of this depresses the spirit, and is distinctly unhelpful to serious scholarship and to thoughtful political discourse; but what finally drew my ire was Westell on matters military.

Here we are, living next door to a country that has in recent years launched a major escalation in the arms race — aided and abetted, of course, by the Soviet Union — which has pushed all of us closer to the brink of extinction, and what does Westell have to say as we nevertheless debate as to whether we should lock ourselves yet more tightly into that country's embrace? He accuses Canadian nationalists of "fear or envy" of the United States; he is right about the fear at least in my case, though Westell seems not to grasp that it could be warranted. He repeats every tired and dangerous cliché of the cold war: that "NATO seeks to deter the Soviet Union," that "NORAD seeks to deter Soviet attack." He wants us substantially to increase our arms spending so that we could "negotiate with dignity" with the US, though how more weapons of death create dignity, or even how the Reagan administration would know what dignity is, utterly escapes me. Perhaps the bottom line on Westell is not that he is a determinist but that he actually believes that the present state of the world is a virtuous one.

I have said nothing directly about the free trade proposals that Westell is ostensibly concerned with. The reason is that it seems to me that he has added little or nothing to the literature on the pros and cons of free trade with the US. He has chosen instead to write an unabashed apologia for Canada's doing whatever is in the American interest as defined by the Reagan administration.

Westell deplores nationalism but says Canadians should kowtow to what he himself calls American nationalism. All in all, a bleak view and a thoroughly miserable effort.

Mel Watkins
Professor of Economics
University of Toronto

The Canadian Institute for International Peace and Security

The Canadian Institute for International Peace and Security was established by an Act of Parliament which was proclaimed on August 15, 1984. The purpose of the Institute is to increase knowledge and understanding of issues relating to international peace and security from a Canadian perspective, with particular emphasis on arms control, disarmament, defence and conflict resolution. Specifically, the Institute will:

- a) foster, fund and conduct research on matters relating to international peace and security;
- b) promote scholarship in matters relating to international peace and security;
- c) study and propose ideas and policies for the enhancement of international peace and security; and
- d) collect and disseminate information on, and encourage public discussion of, issues of international peace and security.

In carrying out its mandate the Institute will establish, maintain and operate a library and information system to facilitate research and other activities relevant to the topic of peace and security. It will also provide support and assistance to public and private organizations, universities, and individuals conducting research or projects on related issues. A publishing program will be set up to disseminate studies and reports prepared by or for the Institute. Facilities will be provided by the Institute for conferences and seminars which it sponsors or supports and scholarships and fellowships will be awarded for studies related to the purposes of the Institute.

The Act establishing the Canadian Institute for International Peace and Security provides for a seventeen member Board of Directors. To date, fifteen distinguished Canadians have agreed to serve on the Board. They are:

- Dr. Norman Z. Alcock,**
President, World Federalists of Canada;
- Mr. William H. Barton,**
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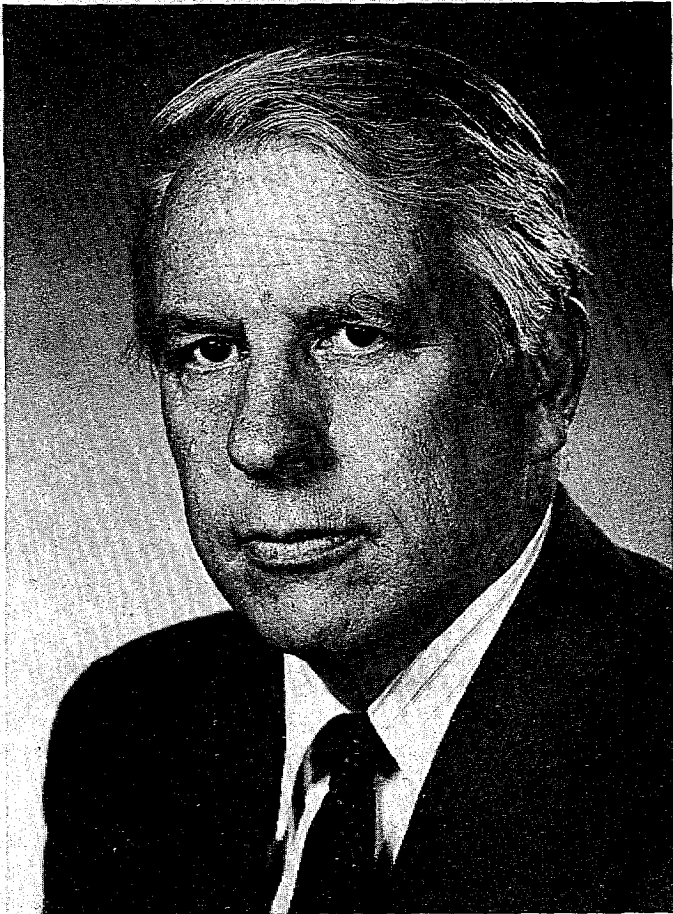
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On October 1, 1984, at its first meeting, the Board of Directors elected William H. Barton as its Chairman and Margaret Fulton as Vice-Chairman.

Geoffrey Pearson's appointment to the Board of Directors of the Institute was made by the Government on December 21, 1984 on the recommendation of the Board that he be the Executive Director of the Institute. He took up his appointment on January 1, 1985. Mr. Pearson had served with the Department of External Affairs for over thirty years.

Staffing of the Institute programs should be completed in the late spring of 1985. It is expected that the Institute will be relatively small at first. Its programs will be responsive to the statement of purpose set out in the Act. To that end, it will be consulting a number of organizations and individuals concerned with international peace and security before its programs begin to be implemented.



Geoffrey Pearson, Executive Director

The Canadian Institute for International Peace and Security is not a policy-making body. Canadians who wish to make their views known to the Government on matters

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On the other hand, the Institute hopes to encourage the exploration and expression of ideas of all kinds, subject to criteria which it will establish for the use of the funds which it may grant for research, conferences or other purposes. To avoid duplication with other granting agencies, for example by supporting research already completed or in train, it will seek to establish, if not a coordinating role, at least a general understanding of what is being done in Canada and other countries. This "clearing house" function should in itself be helpful to Canadian scholars and other interested citizens. Moreover, because the subject of "peace and security" is so vast, it will be important to define it in ways which do not lead to extravagance and incoherence. Most Canadians already have a fairly good idea of what the main threats to our common security are. They would not wish the Institute to disperse its limited funds over too wide an array of interests.

It will take time to sort out the Institute's priorities and guidelines and to build an organization which truly reflects the aspirations of its founders to make a lasting contribution to Canadian and international security. In the meantime, the Institute will welcome ideas and views from those who wish to write.

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International Perspectives

International Perspectives is published in Canada six times a year by International Perspectives, (95312 Canada Inc.), 302-150 Wellington St., Ottawa, Ontario, K1P 5A4. Telephone: (613) 238-2628

Second Class Mail
Registration Number 4929

Publisher:
Alex Inglis

Editor:
Gordon Cullingham

Editorial Associate:
David MacNeill

Design and Production:
Anita Bergmann

Subscription rates:

In Canada:

- Single issue — \$3.75
- One year (six issues) — \$21
- Two years (12 issues) — \$39
- Three years (18 issues) — \$57

Other countries:

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- Two years (12 issues) — \$45
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Subscription address:

P.O. Box 949,
Station B,
Ottawa, Canada
K1P 5P9

International Perspectives is a journal of opinion on world affairs. It takes no editorial position. The opinions expressed are those of the authors.

International Perspectives is indexed in the *Canadian Periodical Index*, *Current Content* and *PAIS Bulletin*.

ISSN 0381-4874
© 1985

Editor's Note:

Canada-US relations and Canadian international trade come together again in this issue and provide most of our articles. A major contribution is Maxwell Cohen's prescription (in a "landmark" article), for ways to anticipate and head-off, or settle, if already there, the problems that are more and more frequently arising between the US and Canada as our embrace economically, politically and culturally gets tighter and tighter. He sees the International Joint Commission as a model for the kind of institution that would be able to help us through some rocky times.

The debate over free trade with the US is approached from three different angles in articles that explore the increasingly receptive attitude of Canadian industry to freer trade (Jock Finlayson), and the problems that the US government faces as it shyly welcomes the offer of a deal that may come from current Canadian agonizing (G.C. Hufbauer and A.J. Samet). That all happens in a world of multilateral trade that Canada, as well as the US, encouraged and helped to create. How does this new interest in settling for one partner fit in a polygamous world? John Curtis in his article finds "Not easily."

Canada-US relations are at the heart too of Canadian air defence considerations. NORAD and the DEW Line are up for modernization, and that means applying US money to Canadian land and air space to reduce the risk of attack to both. Martin Shadwick of York University presents the whole awful acronymic picture of the NWS (North Warning System, eh?). And then, in an essay by Hans Sinn, a whole new idea of defence — or at least, a prescription for citizen resistance during and after invasion so enervating for the invader that it becomes the ultimate deterrent.

Into all this global ugliness one Canadian politician dared to venture. His name was Pierre Elliott Trudeau and he was our Prime Minister. One of his advisers in that venture — they called it the "Peace Initiative" — was Geoffrey Pearson, now head of Canada's new Institute for International Peace and Security. He ruminates on what Mr. Trudeau was trying to do, how he tried to do it, and what happened.

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Trudeau peace initiative reflections

by Geoffrey Pearson

It will not be possible to make a full assessment of Prime Minister Trudeau's peace initiative until the records are available and the participants give their own accounts. However, Mr. Trudeau has said enough himself to provide a basis for at least a preliminary evaluation, and there has been sufficient comment in these pages and elsewhere to give a good idea of informed Canadian opinion on what was achieved. I offer the following thoughts both as a partial participant in the initiative and as a reaction to some of the points made by observers.

The initiative drew criticism on several grounds. Some questioned whether it was justified by events and implied that it was politically motivated. Others thought that, even if justified, Canada ought not to have acted without careful prior consultation with her allies. The policy prescriptions offered have been criticized because they did not appear to match either Canadian skills and interests or the urgency attributed to the situation. Concern has been expressed that the blame for the impasse in East-West relations was attributed more or less evenly to both superpowers, implying on Canada's part a position of equidistance between them which does not square with her traditions or commitments.

Increasing threat to peace

Was there a need to act? In Mr. Trudeau's view, and of those advising him, three dominant and disturbing trends were coming together to pose a real threat to international security. These were an increasing resort to the use of force, a steady proliferation of nuclear weapons, and a deteriorating relationship between the USA and the USSR. This last trend was perhaps the most important, for it tended to exacerbate the other two. The conclusion of the Madrid conference on Security and Cooperation in Europe had been overshadowed by the polemics resulting from the destruction of Korean Airline Flight 007 on September 1 of 1983. The negotiations in Geneva on the deployment of nuclear weapons in Europe was not looking promising. The risks of confrontation in the Middle East and in Central America appeared to be rising as violence increased. A new arms race was beginning in space. The levels of Soviet and American rhetoric were high, and negotiations to resume bilateral exchanges had stopped. In these circumstances, a good case could be made for third parties to seek ways of easing tension. Moreover, public opinion was aroused and Canadians at least were ready to welcome

independent leadership. It is true there was no sudden crisis or expectation of imminent catastrophe. But to wait for crisis is perhaps also to invite it.

There were good reasons for Canada to take a lead. In the first place, Mr. Trudeau was the senior Western statesman. He had spoken out on East-West issues before, notably after his visit to the USSR in 1971, and at the Special Sessions of the UN General Assembly on Disarmament in 1978 and in 1982. He was respected in Moscow, and if not President Reagan's favorite statesman, he had wide contacts and many supporters in the USA. He was looked to for leadership in the Commonwealth, the heads of government of which would be meeting in November 1983 in New Delhi. Secondly, he was well aware that his time in office was drawing to a close. There was no specific timetable. Nor, to my knowledge, was there any expectation that his political fortunes would be boosted by the initiative. But if he did not act soon, he would be unlikely to be able to act at all. He had noted that statesmen out of office were wont to urge action which they had not taken when in power. Thirdly, there had always been non-partisan support in Canada for efforts to ease international tensions. Canada has global interests but is not a global power. As a non-nuclear weapon state but a member of NATO she also has influence. Howard Green had encountered initial opposition to his proposals to bring about controls on nuclear testing and on the military uses of space during the 1960s. Nevertheless, they were widely supported in Canada.

What to do, and how?

Two questions still remained to be answered, however. What should be done? How should it be done? While I was not present for the early discussion of these questions, it was evident at the meeting which the Prime Minister held with his advisers on October 7, 1983, that his final decisions would depend on the kinds of proposals that might be made. There was a wide spectrum of choice, ranging from

Geoffrey Pearson is the first Executive Director of the Canadian Institute for International Peace and Security in Ottawa. He was formerly a Canadian diplomat whose last assignment had been as a member of Pierre Trudeau's peace initiative team. Previously he had been Ambassador to the Soviet Union and Adviser on Arms Control and Disarmament.

Taking a chance on peace

an effort to break the deadlock at the Intermediate Nuclear Forces (INF) negotiations to longer-term initiatives focusing on space or on disarmament and development. It was agreed that it would not be appropriate for Canada to intervene in negotiations which had already been the subject of ongoing alliance consultations, such as INF and Strategic Arms Reduction Talks (START). Nor would it be useful to advance proposals already rejected by one or both sides. On the other hand, there would be no point in the Prime Minister's becoming involved in detailed diplomatic exchanges. His actions ought rather to reflect a global approach to the three trends identified as threats to security, commensurate with Canada's global interests.

Accordingly, it was agreed to address mainly the process rather than the substance of East-West relations — "a third rail of confidence and communication" — by attempting to focus high-level attention on the negotiations for European conventional arms control, where some common ground existed, and by proposing a new forum for negotiations on nuclear disarmament — the five nuclear weapons states themselves. If the latter were jointly able to show progress in such negotiations, the threat of proliferation of nuclear weapons to other states might be diminished. To complement Mr. Trudeau's 1978 proposals for a "strategy of suffocation" of the arms race it was also agreed to pursue ideas already being considered in Ottawa for a ban on anti-satellite weapons, perhaps by concentrating on the protection of satellites at high altitudes which were less vulnerable to current Anti-Satellite (ASAT) technology, and for means to make easier the verification of strategic weapons systems.

This group of proposals disappointed those who preferred a bolder approach, involving, for example, a comprehensive freeze on nuclear weapons, or those who, on the contrary, regarded them as too ambitious and theoretical. Unlike the strategy of suffocation of 1978, however, the proposals were not presented as a package, and are best examined on their merits. The context was also important. The most ambitious suggestion was that the five nuclear powers meet to negotiate "global limits on their strategic nuclear arsenals." It was accepted that the two superpowers would need to make progress first at Geneva before a five-power meeting would be feasible, but as it happened these negotiations were interrupted soon after the proposal was advanced. Admittedly, it was a long shot. But it remains true that the prospects for the proliferation of nuclear weapons both vertically and horizontally are and will continue to be affected by the prospects for control and reduction of existing arsenals. Moreover, the five powers share responsibility for avoiding accident and miscalculation as causes of nuclear crisis. It became clear during the course of the initiative that Britain, France and China were not prepared to engage in such negotiations until at the least the USA and the USSR had agreed to limit their own stockpiles; but whether such agreement can yet be reached without taking into account the weapons programs of the other three remains an open question.

Getting the attention of the superpowers

As for the other ideas which Mr. Trudeau put forward, officials were satisfied that they received serious examina-

tion in Washington and Moscow, especially with regard to a ban on ASAT weapons designed for high altitudes. France also took a lively interest in this latter subject. Mr. Trudeau had said at Guelph on October 27, 1983, that he hoped to inspire a "strategy of political confidence-building." Perhaps he might better have referred to a "process" of this kind, for the latter did begin when Ministers met at the opening of the conference on Confidence Building Measures and Disarmament in Europe in January 1984, and when, during the course of the year, the tone of East-West rhetoric began to soften. A disappointment was the continuing stalemate at the parallel conference in Vienna on Mutual and Balanced Force Reductions, a stalemate which Mr. Trudeau had hoped might be broken, given the political will to do so. A second disappointment was the situation in Moscow.

It had been assumed in October, when planning for Mr. Trudeau's initiative began, that he would be able to visit Moscow before the end of the year (1983). He exchanged letters with Mr. Andropov in early November. But when I arrived in Moscow in mid-November to test the waters it was clear that the Soviet leader's illness would not allow the fixing of a date at that time, although the principle of a visit was accepted. Nor would the Soviet authorities comment on Mr. Trudeau's ideas in any detail. They welcomed, they said, attempts to find common ground on nuclear proliferation and on ASAT technology, and were ready to consider specific suggestions. But they doubted that progress on arms control could soon be made unless the USA changed its views. Whether Andropov would have taken a more forthcoming attitude in direct talks with Mr. Trudeau cannot be known. But Foreign Minister Gromyko did decide to attend the Stockholm meeting on European disarmament in January and there met with the US Secretary of State.

Mr. Trudeau's visit to Washington in early December had to take place therefore without benefit of recent high-level contact in Moscow. Canada neither needed to nor meant to act as a go-between. But Mr. Trudeau's impressions of Soviet thinking would obviously have been of interest in the White House. In fact, he did tell the President that in his view "a message of peace" was not getting through to the East, and he was glad to note that in January the President twice spoke about East-West relations in terms which implied recognition of this advice.

Even Eastern Europe

An unexpected consequence of the failure to hold early consultations with the leaders of the USSR was the visit to three countries of Eastern Europe in early 1984. It is doubtful Mr. Trudeau would have gone to Prague and East Berlin if he had already visited Moscow, although he might have gone to Bucharest. As he reported to the House of Commons on February 9, he found in the three capitals "a very positive response" to his concept of the third rail — reviving habits of consultation at the highest level of East-West politics, habits which allowed him "to begin a process of exposing areas of common interest." Obviously there are limits to the freedom of action of Eastern European

governments, but these limits may not be as narrow as we tend to assume in the West. Ideas on arms control, for example, can be explored by middle powers from both alliances without the formality or caution that surround bloc-to-bloc or superpower negotiations. It may well be that leaders in Eastern Europe find it easier to speak frankly in their own intra-alliance consultations if they have had the benefit of frank discussion with Canada or other NATO allies beforehand. At the same time, Western governments may learn more about the issues facing the Warsaw Pact through such means than through diplomatic channels or formal conference procedures.

But it is an illusion to think that middle powers from both sides, just because they are middle powers, can take joint initiatives which run contrary to the interests of their allies, and hope to achieve success. Canada and Romania, for example, have tried at the UN to find a common procedure for the reduction of military budgets without being able to convince the Warsaw Pact allies to cooperate. Nor did Mr. Trudeau think it appropriate to explore with his interlocutors such a concept as the "no-first-use" of nuclear weapons in Europe, a concept which the NATO allies do not accept, despite its unilateral adoption by the USSR.

Nevertheless, the Prime Minister did suggest on February 9 that NATO review its military strategy, taking into account "the full range of ideas now current about international security and the effects of nuclear arms." He referred to "the gap between accepted wisdom and public anxiety," implying that the early use of nuclear weapons was a concept which lacked public support. Earlier, while in Europe (at Davos in Switzerland), he had made these doubts explicit at a public symposium on East-West relations. He was widely criticized for raising these issues, although the fact was that NATO governments had already agreed to undertake a formal review of all aspects of East-West relations. Indeed an underlying theme of the initiative reflected a widespread view among most NATO countries that progress on arms control was an indispensable corollary to a strategy of deterrence based on nuclear weapons. If both sides agreed that a nuclear war could not be won and must never be fought, as Mr. Trudeau put it in his listing of principles of "a common bond between East and West," the public would ask why the weapons deployed to wage such a war were not withdrawn or dismantled, or at the least reduced in number.

What was achieved?

Evaluation of the initiative is bound to vary according to one's preconception of the main threats to international peace and security and of Canada's proper role in meeting these threats. By taking a global approach to security Mr. Trudeau ran the risk of aiming too far and too high. This proved to be the case at the Commonwealth conference in New Delhi in November 1983 where, despite widespread interest and the achievement of a separate declaration on international security which welcomed Mr. Trudeau's initiative and stated a willingness to help, no agreement could be reached on ways to strengthen the Non-Proliferation Treaty (NPT). The point was that, without a commitment on the part of the nuclear weapons states to negotiate limits

on these weapons, key non-nuclear weapons states (e.g., India, Brazil) would not be prepared to rule out acquisition of such weapons. The visit to Peking also underlined the reluctance of China to cooperate in a five-power dialogue until the USA and the USSR first acted to reduce their own stockpiles, although China was willing to consider what might be done under the auspices of the UN Secretary General, as Mr. Trudeau in the end proposed. But to aim high and far is not necessarily to miss the mark. The call for joint action by the five powers may have been premature, but if the world is to escape the risks of nuclear accident, miscalculation or loss of control generally, those who possess such weapons will need to agree on rules to govern their deployment. None of the leaders to whom Mr. Trudeau spoke disagreed. His personal intervention however made it more difficult for them to blame others or to ignore the subject, and indeed subsequent events have indicated some change in attitude.

Can't wait for consensus

If one defines the threat to security in "we/they" terms, and assumes the worst about "the other side," then of course Mr. Trudeau's global approach was misguided, not for aiming too high but for aiming at the wrong target. Critics of this persuasion tended to focus on the concept of Western solidarity, either as a good in itself (it sends "the right signal" to the other side) or as an obstacle to an independent foreign policy (we depend too much on American leadership). I have already mentioned the decision — whatever its wisdom — taken at an early stage not to put forward ideas which had already been rejected, such as a nuclear freeze. But the initiative clearly did reflect dissatisfaction with a state of affairs, in both East and West, which had led to impasse and growing tension. This dissatisfaction was shared in allied capitals. They welcomed an attempt to find a way out. However, the timing and content of Mr. Trudeau's proposals made impractical the usual process of searching for consensus before acting at all. As he saw it, the main issue was to find a better way of negotiating limits on the nuclear arms race. By definition this must involve Britain and France as well as China and the superpowers. The problem was not "East-West" in the simplistic sense, but the control of nuclear weapons. In these circumstances, NATO solidarity was not a guiding concern, although the principal allies were closely consulted. The fact that Britain and France had reservations about a five-power process of negotiation was hardly a surprise. But then the history of arms control negotiations is filled with examples of good ideas that were eventually adopted after initial opposition.

Disturb the driver

What does the initiative tell us finally about the nature of Canadian foreign policy? The enterprise itself will hardly be repeatable. Both the kind of actor and the particular stage setting are not likely again to be available. It will have left in its wake a certain commotion, the effects of which may have more to do with Canadian policy than with world events. But the two are not always distinct. Canadians often search for "influence" instead of exercising it. Mr.

Taking a chance on peace

Trudeau brought it to bear on crucial issues at a time of anxiety. Who can say whether the improvement in East-West relations over the course of 1984 was due in part to his private conversations with many leaders, or to the impetus he gave to arms control negotiations, or to his musing aloud about sacred cows and sleeping dogs? Nothing can be conclusively proved. But in Canada there was new confidence that the government would and could act in the interests of the global community if the occasion appeared to demand it. Canada's relations with the USA were not shattered by the experience of getting out in front on East-West relations, despite the efforts of some observers to

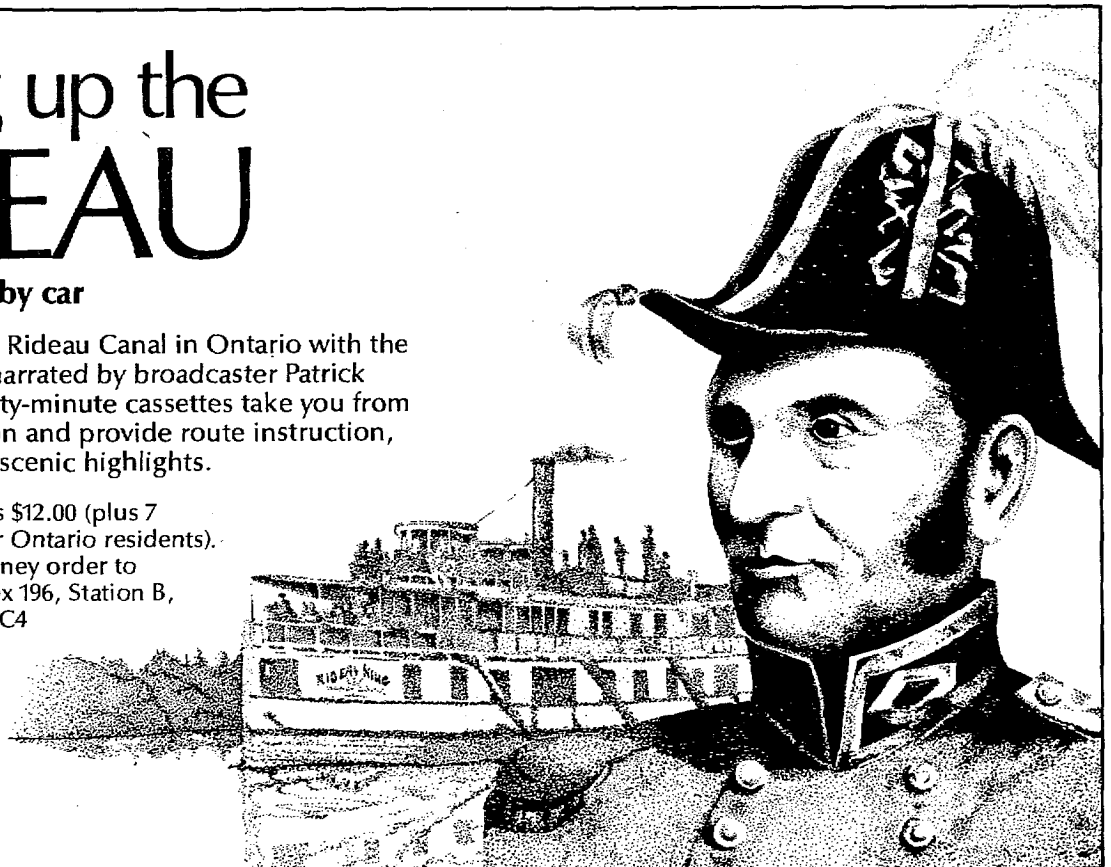
exaggerate the impact. But the initiative also showed that taking a lead in such matters is more likely to provoke change if the lead can be held. Officials have to be encouraged to think ahead. Mechanisms need to be created and maintained to help them do so. After all, it is the conventional wisdom not to disturb the driver of the Alliance bus when he is passing on a curve. Mr. Trudeau challenged this attitude, although whether what he had to say was of benefit to the driver, who managed in the end to negotiate the curve, or whether the driver did so in spite of the noise from the back seat, is a question to be answered by all the passengers concerned. □

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Social defence

by Hans Sinn

The world may have found a substitute for armed conflict — a way to defeat an aggressor without the use of force. It is called “civilian-based defence” or “social defence,” and its proponents expect that it will gradually replace armed warfare in general and nuclear deterrence in particular. The concept has gradually emerged after thirty years of investigation by a loose-knit group of researchers around the Western world. Their findings are contained in books, articles, brochures, scientific papers, audio and video tapes and a wealth of unpublished material. It is an exciting prospect, which only now is sufficiently refined to become the subject of general debate.

Professor Gene Sharp of Harvard University is the foremost theoretician of civilian-based defence. He writes: “Civilian-based defence can be defined as a defence policy utilizing prepared civilian struggle to preserve the society’s freedom, sovereignty, and constitutional system against internal coups d’état and external invasion and occupation.” It is a struggle in which “the civilian population wields diverse social, political, psychological and economic ‘weapons’ rather than military ones.”

Civilians now always involved

The concept begins with the assumption that wars in which armed men met each other by the hundreds of thousands at a designated line of battle, while women and children stayed at home awaiting the outcome, are things of the past for the industrialized societies of 1985. The front line starts at home, as the citizens of Coventry, London, Berlin, Hamburg, Dresden, Stalingrad, Leningrad, Warsaw, Tokyo, Hiroshima and Nagasaki found out in World War Two (WW II). The age of total warfare arrived and found the civilian population completely unprepared.

This helplessness provided much of the impetus for research into the question: “How, if at all, can an unarmed civilian population resist a militarily superior aggressor and thwart him in the achievement of his objective?”

Commander Stephen King-Hall in 1958, in his book *Defence in the Nuclear Age*, brought the idea of prepared unarmed resistance into the discussion of post-WW II defence strategy. From then on a gradually increasing number of researchers embarked upon a more-or-less systematic exploration of unarmed resistance as a method of conflict waging. Much of the research concentrated on finding and analyzing historical precedents where unarmed civil-

ians, with varying degrees of success, resisted armed aggression or oppression. Among the incidents identified were the resistance of the Dutch, Danes and Norwegians to German WW II occupation, the Hungarian resistance to incorporation into the Austrian Empire (1848-67), the Finnish struggle against Russian rule (1899-1905) and the German non-cooperation with the French occupation of the Ruhr Valley (1923). Research has concentrated on Western examples as more instructive for Western purposes, say, than Gandhi’s success in ending British rule in India.

How to resist

In 1973 Gene Sharp completed his major three-volume work, *The Politics of Nonviolent Action*, in which he detailed and summarized some of the significant present findings. He noted that basic to the theory of civilian-based defence was the simple truth that any ruler is dependent for his power on the consent of the ruled. “All governments are dependent for their existence upon the cooperation, obedience and submission of the people they rule, and consequently non-cooperation, disobedience and defiance through nonviolent techniques may not only . . . coerce the despotic governments, but also destroy them.”

Sharp identified and enumerated 198 different methods of dissent and resistance which he assigned to three main types: first, protest and persuasion; second, non-cooperation; and third, intervention.

The first — nonviolent protest and persuasion — is mainly symbolic. It seeks to publicize dissent through actions such as pickets, vigils, public meetings, literature, renunciation of honors, and humorous pranks. The second type involves non-cooperation: social, economic and political. Non-cooperation makes it difficult for the opponent to operate the system he has attacked. The third type of nonviolent action — nonviolent intervention — consists of actions that challenge the opponent directly and intervene in the situation. Sharp has enumerated forty-one methods of intervention and divided them into five subclasses: psychological, physical, social, economic and political. Among these actions are sit-ins, nonviolent obstruction and the establishment of parallel government.

Hans Sinn is a researcher and writer in the field of social defence and founding member of Peace Brigades International. He lives in Perth, Ontario.

A new weapon

Getting governments involved

Reactions by governments to proposals for government-funded research and development of social defence have been slow and mixed. Sweden was the first country to commission a study in 1968 (by Adam Roberts of Oxford University) of its security needs, with a view to adding civilian resistance to Sweden's defence repertoire. Sweden officially subscribes to a policy of "total defence." "Planning therefore aims at total defence, embracing the entire population. The military defence (armed forces) cooperates with and is supported by the civil, economic and psychological defence."

Yugoslavia, which like Sweden has adopted a policy of total defence, has been host in recent years to a number of seminars at which Yugoslav defence experts and students

mixed with international proponents of unarmed resistance. Belgrade University has now added a Faculty of Total Defence. Both the Swedish and Yugoslav concepts of total defence are still largely military in the traditional sense.

The Dutch government has approved a 32-month study under the direction of Alex Schmid at the University of Leiden which will be completed by August of this year. In 1984 the French Ministry of Defence commissioned a one-year examination of the "Possibilities for taking into account the principles and methods of nonviolent resistance in the global strategy of the defence of France."

The Canadian government so far has reacted negatively to a proposal for the establishment of an Institute for Social Defence under the auspices of the Department of National Defence. The proposal includes plans for joint military civilian experiments which would allow the civilian population to test and rehearse its responses to military occupation. The first and only such experiment anywhere was carried out in 1965 under the sponsorship of the American and Canadian Friends (Quakers) Service Committees at Grindstone Island in the St. Lawrence River. The author of the Grindstone "31 Hours" scenario (Professor Theodore Olson) is currently conducting a program on alternative defence at Toronto's York University.

Canadian hesitation

The Canadian government's unchanged attitude was first enunciated on July 29, 1981, by the then-Minister of National Defence, Gilles Lamontagne, in a letter to Charles Caccia, Liberal MP: "The interest level in Canada in these matters," he wrote, "including the rational discussion of peacekeeping and arms limitations and control measures — does not appear to be high, and certainly not high enough to support the proliferation of institutes . . . Such organizations should be financed by that cross section of the population that perceives the need for their existence." Lamontagne's successor, Jean-Jacques Blais, on May 14, 1984, still insisted that Canada's Department of National Defence "does not have the funds" to undertake the exploration of civilian resistance. The office of the first Conservative Minister of National Defence in the Mulroney government, Robert Coates, acknowledged on October 3, 1984, the receipt of the proposal, but failed to comment.

Regardless of government foot-dragging the indications are that the theory of unarmed resistance is catching up with the practice. Lech Walesa in conversation with Walter Cronkite on CBS TV on November 2, 1981, explained: "I think that the 20th and 21st centuries should be modelled on a struggle such as the one we have demonstrated. This is a new weapon. Well, not a new one. Actually an old one. But it is very effective, and tailored exactly to the needs of the 21st century." The first chapter of Gene Sharp's *The Politics of Nonviolent Action* has now been translated into Polish and appeared in 1984 in the Polish journal *Annex*, published by Solidarity in London, but circulated in Poland. Its articles are reprinted in Poland's more than 500 underground publications.

SIMON ALVES



To plan or improvise

Researchers believe that spontaneous uprisings such as the Polish Solidarity Movement and the surprisingly successful initial resistance by the Czechs in 1968 to the Russian invasion could benefit from advance preparations and planning, as developed in social defence theory. How much civilian uprisings could in fact benefit from advance planning and rehearsal is still a matter of speculation. There exists a view that spontaneity has been the secret of success of unarmed civilian resistance, and that this spontaneity would get lost once resistance became subject to bureaucratic intervention and planning. The counter argument is that while the will and determination of a people to resist is the most vital ingredient, unarmed struggle, to be successful, requires as much preparation and training as armed warfare. Courage alone is not going to do it.

The ideas of social defence have not been lost on the 1980s' peace movement. Literature on unarmed struggle is increasingly used to make protest actions more varied and effective. On November 16, 1984, Britain's oldest peace publication, *Peace News*, published an introductory issue on social defence titled "What would you do if the Russians came?" and answered: "Resist, boycott, strike, lose documents, move road signs, go-slow, refuse to pay taxes, block motorways, shut down factories, issue newspapers, sit-in, report sick, misunderstand instructions, occupy, leaflet, redecorate tanks, use pirate radio, graffiti, refuse to cooperate, ring in false information, burn ID cards, start a run on the banks, work to rule, refuse to watch television, feed bugs into computers, general strike, slowly bring the country to a complete halt."

Progress of social defence

There are other indications that the concept of social defence, although still very young, may be here to stay. The Alternative Defence Commission established in 1980 at Bradford University, England, presented its findings in the fall of 1983, in the form of a 300-page book titled *Defence Without the Bomb*. Social defence figured prominently among the alternatives suggested to present British defence policy.

In May 1983 a "Program on Nonviolent Sanctions in Conflict and Defence" was inaugurated at Harvard University. The focus of the program is primarily on the policy potential of nonviolent sanctions and includes basic research, problem-solving research, policy development, critical evaluation and development of literature and educational resources.

Providing an impetus for further research the US Catholic Bishops in their pastoral letter of May 3, 1983, called for the consideration of nonviolent popular defence: "Nonviolent means of resistance to evil deserve much more study and consideration than they have thus far received."

Although none of the major Canadian political parties, including the New Democratic Party, has shown any interest in social defence, at least eight smaller European parties have included social defence in their platforms or

explicitly favor its development. Among these parties are the German Green Party, Norway's Socialist Left Party and the Netherlands' Social Democratic Party. Canada's fledgling Green Party has followed suit.

Speaking for the Kingston Green Party at the last federal election Professor Ted Bond of Queen's University answered critics who complained about the poor shape of Canada's armed forces: "Fine, let's scrap the whole lot." Bond believes Canada's armed forces should be re-equipped for effective search and rescue operations, border patrol, disaster relief, repair of environmental damage and unarmed international peacekeeping. In this context, Professor Gene Keyes of St. Thomas University has extensively researched and published on the conversion and redeployment of existing armed forces.

The theory and practice of civilian-based defence is now being discussed and literature is available in more than a dozen languages, including Japanese, Spanish, Hebrew, Arabic, Polish and Russian.

There is considerable debate about the circumstances, the process, and the precise moment at which a given civilian population would be ready to take over its own defence. It is clear to researchers that there has to be an increase in people's skills and strategies for coping with actual and latent violence in their day-to-day lives. It is agreed that favorable preconditions for a civilian-based defence system in a nation are: a custom of self-help and self-reliance, feelings of social responsibility, a network of kin allegiances, and the prevalence of community-based non-governmental organizations, i.e., trade unions, church groups and sporting clubs, plus a composite of the organization and facilities that normally come into action in emergencies.

Transarmament now!

Researchers agree that the translation of social defence theory into official government policy and practice will require a process of "transarmament." Transarmament means a gradual buildup of the civilian-based defence component in a nation's defence repertoire and a concurrent decrease in reliance on armed force and nuclear deterrence.

No one expects transarmament to be either fast or easy. In June 1984 the German Green Party held an international hearing in Bonn on the subject "Abolishing Armaments — Building Up Social Defence." Professor Ebert of the Free University of Berlin proposed the establishment of a Ministry for Social Defence by the German government. His suggestion provoked laughter from an otherwise sympathetic audience. To those seasoned peace activists the idea that any government would volunteer to introduce social defence seemed completely unrealistic. They believed that the last thing any government would want to do was allow its civilian population to play the major role in its own defence, particularly unarmed defence. Many long-time peace activists expect government to toy with the concept, possibly coopt it, but to stop short of its implementation.

A new weapon

Nevertheless, some researchers see the peace movement as the natural agent for transarmament. The movement already consists of people who are concerned about and have assumed a measure of responsibility for their own security, and could well constitute a people's defence system in the making. Given time and thought, the movement might emerge as a significant social defence force. This view is supported by recent developments in Holland, where since April 1984 some peace organizations have reconstituted themselves and formed a Social Defence Network.

Who rejects social defence?

Some groups find the concept difficult to embrace. For instance, except for Polish Solidarity, labor organizations are showing no interest in the concept of social defence. That labor could use its most potent weapon, the strike, in the cause of national defence requires a leap of the imagination which labor leaders are not yet prepared to make.

Men, too, appear to find it harder than women to come to grips with their defencelessness in the traditional sense. In their search for a way out of the nuclear dilemma men still prefer to rely on their physical prowess and technological know-how.

Gene Sharp's latest book, *Making Europe Unconquerable*, may help to make civilian-based defence conceivable in Western industrialized nations. Sharp proposes a new policy of deterrence and resistance to an attack on Western Europe by making those societies unrulable by an aggressor or would-be tyrant. Sharp shows how it would be possible to make these societies politically indigestible and capable of denying an attacker his objectives. According to Sharp's design the military conquest and occupation of Western Europe would not signal the end but instead the beginning of the actual resistance. The main carriers of the resistance would not be the usual columns of armed men but millions of unarmed civilians who refused to be conquered. □

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Canadian air defence

by Martin Shadwick

North American air defence has reentered the Canadian political lexicon in most spectacular fashion. Largely the product of real or imagined links between the forthcoming North American Aerospace Defence Command (NORAD) radar modernization package and President Reagan's controversial Strategic Defence Initiative (SDI or "Star Wars"), NORAD's born-again notoriety has generated some very heated and very partisan exchanges in the House of Commons. It has also tempted some government and opposition members to re-fight the BOMARC missile crisis (although the revisionist historians on both sides of the House would be well-advised to consult Jon McLin's still-authoritative 1967 account of Diefenbaker-era defence policy.

The Canadian media, which has a disturbing if not alarming tendency to ignore matters of national defence, has also entered the fray with unaccustomed zeal. Indeed, the NORAD modernization debate has given defence policy a visibility which it has not enjoyed since the famous (or infamous) foreign policy review of 1970. Although this new-found visibility is most refreshing, the relative lack of defence expertise in Canadian political and media circles — not to mention the public at large — has produced a confused and ill-informed debate. It is worth a moment to survey the postwar evolution of Canadian air defence policy before examining the elements of the projected NORAD modernization package and the links (real or imagined, direct or indirect) with the Strategic Defence Initiative.

Building NORAD

NORAD's current, rather dilapidated, air surveillance system provides a vivid contrast with the massive air defence infrastructure which Canada and the United States developed in the mid-1950s. Indeed, the perceived Soviet bomber threat to American retaliatory forces and North American population and industrial centres had led the two countries to strengthen continental air defence dramatically long before NORAD (North American Air Defence Command, as it was then styled) was officially established in May of 1958. To give warning of Soviet bomber attack via the polar route, three radar networks were put in hand: the CADIN-Pinetree Line (positioned along the 50th parallel), the Mid-Canada Line (along the 55th parallel) and the Distant Early Warning Line (DEW, along the 70th parallel). Originally conceived as a purely

US venture, the CADIN (Continental Air Defence Integrated North)-Pinetree Line was extended into Canada under the terms of an August 1951 agreement. Two-thirds of the funding for the Canadian Pinetree stations was provided by the United States. Some of the Canadian sites were manned by the Royal Canadian Air Force (RCAF), others, at least initially, by the United States Air Force (USAF). The CADIN-Pinetree Line, which served both an early warning and interceptor control function, was completed in 1954.

A substantially different proposition, the Mid-Canada Line was an electronic fence or screen for the detection, but not the tracking, of hostile aircraft. Designed, built and financed by Canada, the largely-automated Mid-Canada Line was staffed by Canadian civilians and a few RCAF personnel. Approved in 1953, the Mid-Canada Line was declared fully operational on January 1, 1958. The third member of the radar surveillance troika, and certainly the most ambitious from an engineering viewpoint, was the far north Distant Early Warning Line. "Jointly conceived and planned," but funded and largely staffed by the United States, the DEW Line was authorized in 1954 and completed, remarkably, in July of 1957. NORAD's land-based radar system was rounded out by US airborne early warning aircraft, radar picket ships and offshore "Texas Tower" surveillance platforms. Command and control of this diverse and far-flung network was exercised, in due course, by the computerized regional control centres of the Semi-Automatic Ground Environment (SAGE).

The early warning and surveillance systems — the passive segment of continental air defence — were backed by an equally impressive investment in the tools of active air defence. At its peak strength, NORAD could muster 103 fighter interceptor squadrons (in excess of 2,500 fighter aircraft) and 270 surface-to-air missile batteries. The full NORAD system required, at its peak, some 248,000 Canadian and American personnel.

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Needed technological update

Shrinking NORAD

From the early 1960s, however, NORAD was an empire in rapid decline. There was simply no need, or room, for a massive anti-bomber system in an age of intercontinental (ICBM) and submarine-launched ballistic missiles (SLBM). This verdict, and the American need to free funding for ICBM and SLBM procurement, was reflected

Glossary of acronyms used here

- ABM:** Anti-Ballistic Missile
- ADMP:** Air Defence Master Plan
- AWACS:** Airborne Warning and Control System
- CADIN:** Continental Air Defence Integrated North
- CFB:** Canadian Forces Base
- DEW:** Distant Early Warning
- ICBM:** Intercontinental Ballistic Missile
- JSS:** Joint Surveillance System
- JUSCADS:** Joint United States Canada Air Defence Study
- NORAD:** North American Aerospace Defence
- NWS:** North Warning System
- OTH-B:** Over-the-Horizon Backscatter
- RCAF:** Royal Canadian Air Force
- ROCC:** Regional Operations Control Centre
- SAGE:** Semi-Automatic Ground Environment
- SDI:** Strategic Defence Initiative ("Star Wars")
- SLBM:** Submarine-Launched Ballistic Missile
- USAF:** United States Air Force

in the dismantling of the 98-site Mid-Canada Line, the closing of numerous DEW and CADIN-Pinetree sites, the phased elimination of surface-to-air missile systems, the steady reduction in fighter/interceptor strength and the precipitous drop in NORAD manpower (to 55,000 in 1973). From the mid-1960s, NORAD's residual anti-bomber component became, in effect, a "coast guard of the air" — a relatively compact force capable of providing early warning, peacetime air sovereignty and a very limited active air defence. Although NORAD still required at least some anti-bomber capability — the Soviet bomber force would be strategically resuscitated in the complete absence of North American air defences — its most vital function had become ballistic missile warning and space surveillance. Canada, however, had only a limited involvement in these areas.

The middle years

The Canadian component of NORAD contracted so rapidly in the early-to-mid 1960s that there was relatively little left for the defence cost-cutting exercise which accompanied the foreign policy review of 1970. The 1971 White Paper, *Defence in the Seventies*, eliminated the two BOMARC surface-to-air missile squadrons in Ontario and Quebec but retained the surviving radar stations and interceptor squadrons (three front-line squadrons and one training squadron equipped with the CF-101B Voodoo). Also retained were the CF-101B's US-owned AIR-2A

Genie nuclear-tipped air-to-air rockets. A desire to pursue the Canadianization of air defence activities on Canadian soil was reflected in the decision to adjust CF-101B deployment on the east coast and take over a US-manned Pinetree station near Goose Bay. The White Paper also noted American efforts to develop the Airborne Warning and Control System (AWACS) and the Over-the-Horizon Backscatter (OTH-B) radar system. Ottawa would "keep both systems under review since they could in the future fulfill an important role in the surveillance of Canadian airspace in the North American defence context."

Although the early-to-mid 1970s were a period of relative stability for NORAD, cost-cutting measures in both Canada and the United States continued to nibble away at its remaining strength. Canada, for example, announced the phase-out of three more Pinetree stations in 1973, another in 1975 and, in the same year, a reduction in the number of Voodoo interceptor aircraft. In 1973, the United States announced that most of the USAF's surviving air defence radars would be phased out in favor of a Joint Surveillance System (JSS). The product of cooperation between the USAF and the Federal Aviation Administration, the JSS integrated military air defence and civil air traffic control requirements in a bid to eliminate radar duplication and reduce costs. The JSS contained forty-five continental US radar stations. Canada did not emulate the JSS approach, although a number of Pinetree stations were linked to the civil air traffic control system.

Some modernization

A number of NORAD or NORAD-related modernization programs, including command and control realignment, fighter aircraft replacement and limited use of AWACS aircraft, were initiated in the late 1970s. These programs were primarily motivated by the need to replace older equipment which was increasingly difficult and expensive to maintain, but they were also influenced by the less benign strategic environment and by Canada's desire to bring the NORAD regional air defence boundaries into line with the national borders of Canada and the United States. The latter was facilitated by the decision to replace the outmoded SAGE system with seven Regional Operations Control Centres (ROCC). The two Canadian ROCCs, co-located in the underground complex at CFB North Bay, achieved full operational capability in July of 1984. Until their installation, a significant amount of Canada's airspace was under the command and control of facilities located in the United States.

These improvements, however, did not specifically address the serious deficiencies in NORAD's increasingly geriatric early warning system. In 1979 the Joint United States-Canada Air Defence Study (JUSCADS) drew attention to the advanced obsolescence of the NORAD radar system and noted that "the current locations of surveillance radars, aircraft identification zones, and interceptor operating areas do not cover some potential bomber penetration routes and do not reflect the evolution of civil air traffic routes." A particularly serious gap in radar coverage existed along the Labrador coast. The manpower-intensive DEW and CADIN-Pinetree radars offered marginal low level detection capabilities and were difficult to maintain. The latter was also too far south to deal with the threat from long-range cruise missiles.

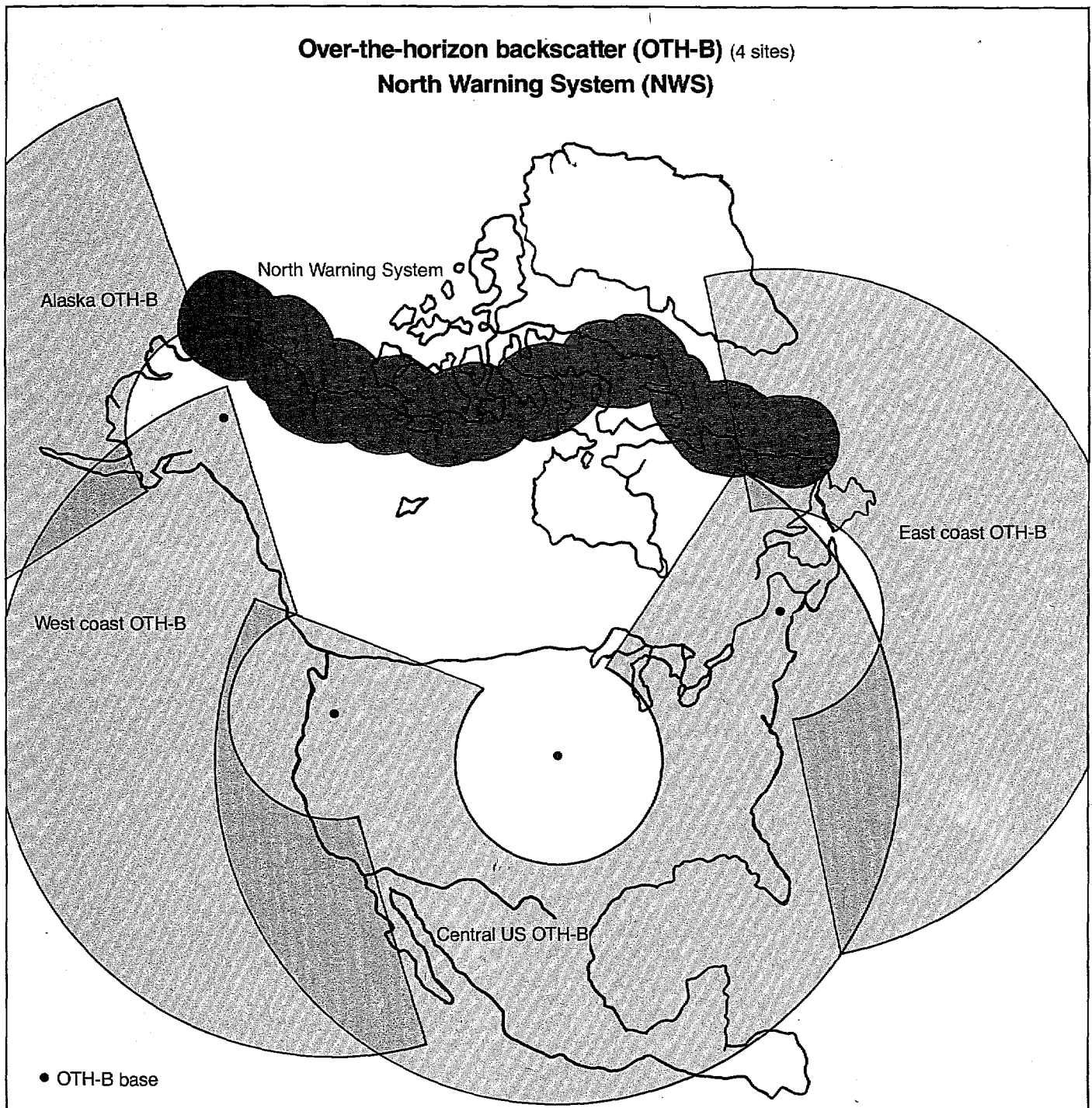
A new era?

The JUSCAD study was quickly followed by the so-called Air Defence Master Plan (ADMP). Primarily developed by the United States Department of Defense, the ADMP was formally adopted as policy by the Reagan administration in 1982. Although the Air Defence Master Plan has been modified over time, it continues to provide a blueprint for NORAD modernization. The ADMP envisaged replacement of the DEW Line, the installation of OTH-B radars, increased use of AWACS aircraft, new interceptor deployment patterns, coastal gap-filling radars (if necessary), improved command, control and commu-

nications capabilities and updated space- and ground-based missile warning systems.

In doctrinal terms, the ADMP reflected an American desire to combine defence deterrence with a more credible strategic defence posture. This desire, which had become apparent during the Carter years, was an article of faith for the Reagan administration.

The technical rationale for NORAD modernization was summarized by Canada's Chief of Air Doctrine and Operations, Major-General L.A. Ashley, in February 1985 testimony before the Standing Committee on External Affairs and National Defence. Major-General Ashley



Needed technological update

noted that the current radar system, which he accurately categorized as "very porous," was "old, technically obsolete and . . . increasingly expensive to keep going." Nor did it "have the capability to provide reliable detection of those modern bomber aircraft and cruise missiles which the Soviet Union has been developing in recent years." American officials cited in an *Aviation Week and Space Technology* report (January 2, 1984) placed considerable emphasis on the "serious threat" posed by such weapons as the AS-X-15 air-launched cruise missile, the BL-10 supersonic, high-altitude cruise missile and the SS-NX-21 submarine-launched cruise missile.

In testimony before the Canadian Senate's Special Committee on National Defence, a number of witnesses stressed that a weak early warning system could theoretically provide an adversary with a no-warning "precursor raid" option. As the Senate's *Report on Canada's Territorial Air Defence* subsequently noted, such a strike against vital command, control and communications facilities could leave American strategic forces "decapitated, confused, unable to obtain orders and incapable of retaliating."

Modernization package

In its latest form, the NORAD modernization package envisages a total of four OTH-B radars, three in the continental United States (east coast, west coast and central) and one in Alaska (see map). OTH-B radars achieve phenomenal range (between 500 and 1,800 nautical miles) by bouncing their radar signals off the ionosphere, although their inability to detect targets closer than 500 nautical miles necessitates conventional gap-filler radars. The three continental United States OTH-B radars would provide varying degrees of coverage of Canadian airspace. The first General Electric AN/FPS-118 OTH-B radar is now being installed at a site near, of all places, Moscow, Maine.

Auroral disturbances precluded the use of OTH-B as a DEW Line replacement in the Canadian north. The modernized DEW Line (or North Warning System) would therefore receive more conventional technology, including thirteen minimally-attended, long-range radars (the General Electric AN/FPS-117) and thirty-nine unattended, short-range radars. Now under development by the Sperry Corporation, the latter would have a range of between sixty and eighty nautical miles and be particularly useful for the detection of low-flying targets. Eleven of the long-range radars (250 nautical miles) and thirty-six of the short-range radars would be located on Canadian soil. The remainder would be located in Alaska (along with the separate "Seek Igloo" radar chain). Some of the North Warning System (NWS) radars would make use of existing DEW Line sites, others would require new locations. Unlike the DEW Line, which currently includes sites in Greenland, the NWS would swing south-east to cover Baffin Island and the coast of Labrador. In another departure, Canada will also maintain and operate the NWS stations on its soil. (The DEW Line is currently manned, for the most part, by the Canadian civilian employees of an ITT subsidiary under contract to the USAF.)

The ADMP originally envisaged the acquisition of twelve additional AWACS aircraft for, in part, continental air defence. AWACS offers a sophisticated, inherently-mobile radar surveillance and command and control platform. This plan, however, encountered Congressional opposition and did not fare well in competition with higher-priority USAF projects. Although NORAD will probably have to continue drawing AWACS aircraft from the USAF's existing general-purpose fleet of thirty-four Boeing E-3 aircraft, increased NORAD use of AWACS aircraft is envisaged. Thirty Canadian military personnel are currently assigned to NORAD AWACS operations. Their numbers are expected to increase "substantively."

The modernization package also includes the upgrading of some existing northern airfields (to facilitate use by fighter aircraft), upgraded command, control communications systems and, depending on the accuracy of the OTH-B systems, coastal gap-filler radars in Alaska (three), British Columbia (two) and Atlantic Canada (three).

The modernization package does not envisage a continuing role for Canada's 24-station Pinetree Line. The United States, which had previously shared Pinetree operating costs with Canada on a 49/51 percent split, significantly reduced its funding in October of 1983. While the Pinetree Line will not survive in its current form, some elements will endure as components of, or adjuncts to, the North Warning System, as air defence training facilities or as unmanned RAMP (Radar Modernization Project) air traffic control sites for the Department of Transport. The redundant sites will, however, present the government with some unenviable socio-economic problems. The Senate Report also expressed concern over the projected shortage of interior military radar coverage.

Real progress

The decisions to expand, modernize and Canadianize the DEW Line, upgrade northern airfields and "substantively" increase the number of Canadian personnel assigned to AWACS operations should, at long last, provide Canada with an Arctic surveillance capability worthy of the name. The plan to increase Canada's participation in NORAD AWACS operations is vitally important and must be pressed with considerable vigor. Overflights, even occasional overflights, of the Canadian Arctic by AWACS aircraft which were largely US-manned would seriously erode the sovereignty protection advantages of repatriating the DEW Line. While Canada's financial share of selected NORAD improvements is not insubstantial (i.e., \$600 million for the NWS), it seems a reasonable investment for a system capable of fulfilling important military, quasi-military and non-military objectives.

Press default

The NORAD modernization package has been extensively criticized on the grounds that informed debate was stifled by the lack of timely information and, much more importantly, that it could link Canada to the Strategic Defence Initiative. Additional information and informed

debate on Canadian defence matters are always desirable. It is also true that far too much of the NORAD modernization information which was available over the past decade emanated from Washington rather than Ottawa. The Canadian media, however, must shoulder some of the blame for the "sudden" appearance of this issue. Although Canada and the United States had been discussing NORAD modernization since 1976 — a fact in the public domain — the media consistently failed to utilize that information which was available or that which could have been made available upon request. The failure to adequately cover the very informative 1984 air defence hearings of the Senate Special Committee on National Defence is especially damning.

The suggestion of a link with SDI is particularly important since it is by no means clear that Canada would wish to endorse the actual deployment of such a system. The Strategic Defence Initiative, which was unveiled by President Reagan in March of 1983, envisages a comprehensive anti-ballistic missile system utilizing a variety of new technologies. While an essentially space-based ABM system has some attractive features — assured survival at least sounds better than assured destruction — it could introduce a serious element of strategic instability because it undermines the conceptual basis of deterrence. It therefore demands rigorous analysis by the Canadian and other governments.

Star Wars eventually?

There is no direct, short-term link between the current NORAD modernization package and SDI for the simple reason that a deployed ABM system, if it can be made to work, is two decades away. The elements of the current modernization package would by then be nearing the end of their planned service lives.

In the longer term, a comprehensive SDI-ABM (Anti-Ballistic Missile) system would require a comprehensive bomber/cruise missile defence system. In military terms, there is no sense closing the ICBM/SLBM window if the bomber/cruise missile window remains open. Active air defence against the bomber/cruise missile threat would, however, require the modern equivalent of the massive infrastructure which was deployed in NORAD's early years (i.e., a system far larger than that currently envisaged). This would mean far more interceptor aircraft (with full anti-cruise capabilities), far more early warning sensors (land- and space-based), far more AWACS-type aircraft, dramatically-improved command and control facilities, surface-to-air-missile batteries and, to help deal with the threat from submarine-launched cruise missiles, dramatically-improved anti-submarine warfare capabilities.

This scenario, which admittedly may never come to pass, could present Canada with a most unpleasant dilemma. If the US deploys an SDI/ABM system and concludes that an active air defence is an essential corollary, Ottawa could be faced with a request for the use of Canadian territory and/or a dramatic improvement in Canadian air defence capabilities. This possibility, and the added possibility that Washington would request direct (as opposed to indirect) association with the SDI/ABM system must weigh heavily in formulating Ottawa's *ultimate* judgment on the utility of the Strategic Defence Initiative.


The early warning modernization package adopted at the Quebec Summit in March does not lock Canada into Star Wars or corollaries of Star Wars. Canada must, however, proceed cautiously. As the Senate Report correctly pointed out, continental air defence "means dealing with American perceptions of the threat as much as with the threat itself." □

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Settling economic disputes

A new institution

Canada and the US — new approaches to undeadly quarrels

by Maxwell Cohen

In the torrent of phrase-making on Canada-United States relations inundating the common frontier it is surprising how little has been devoted by academics or the popular media to the basic issues of conflict avoidance and dispute settlement. Landmark volumes such as Percy Corbett's classic study *The Settlement of Canadian American Disputes* (1937), William Willoughby's *The Joint Organizations of Canada and the United States* (1979), and John Carroll's *Environmental Diplomacy* (1981) stand out (along with a few others) both for their quality and for the singular absence of competition. The professional literature is, of course, rich with individual assessments, particularly concerning the International Joint Commission, defence institutions such as the Permanent Joint Board on Defence (1940), the NORAD Agreements (1957), Defence Production sharing arrangements and related areas, and fisheries in a variety of historical, scientific and institutional analyses published in the academic and trade publications of both countries. Beyond these it is the political, security, culture/communication and trade/investment issues that have commanded attention, now reinforced by the environmental/acid rain debates and that latterly have filled the pages of learned journals and the polemical press.

Perhaps the most interesting illustration of a psychopolitical block inhibiting imaginative exploration of dispute avoidance and settlement machinery has been the absence of any serious effort to use the 1965 Autopact as an opportunity (and a model — which it might have been) for the disposition of bilateral trade issues as they reach some collision course inviting defusing through a permanent secretariat (common fact-finding), or formal conciliation, adjudication or arbitration (the right to consult and to complain was built into the auto agreement). Given the present reopening of the classical historical debate over trade relations with the United States (crystallized suc-

cinctly in the recent Discussion Paper presented by Trade Minister James F. Kelleher), and given the favorable atmosphere that for the moment provides a benign aura to the relations of the President and the Prime Minister (and reinforced by parties of approximately similar ideologies), it would not be surprising if questions of overall management of the future of Canada-US relations should include the prevention and resolution of disputes.

Where new institutions could work

The present favorable political temperature (with the recent "shamrock summit") is therefore appropriate for examining possibilities to improve on existing conflict resolution machinery and for designing those new institutions necessary if the common future is to be conceived effectively, with a cooperative spirit at the core of the relationship. A summary view of the areas where existing mechanisms function well, inadequately, or where new institutional arrangements are needed, would include the following.

1. Trade and investment issues.
2. The legal interaction of two federal systems facing extraterritorial claims and diverse law enforcement habits and standards traversing the frontier.
3. Boundary waters and related transboundary resource and environmental matters.
4. Oceanic boundary and resource challenges on the Atlantic, the Pacific and in the Arctic.
5. Continental security questions with a concern for the use of Canadian airspace and surface terrain in aid of the defence of the North American continent and with particular reference to the nuclear question.
6. The cultural/communications dilemma and its sensitive management.
7. Joint political processes — ministerial and parliamentary.

While each of the above will be examined for the institutional requirements they pose, or for the administrative experience already present in certain aspects of their historic position in Canada-US relations, it must be said at once that the primary instrument for the daily management

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of the immense intricate network of relationships has been, and probably will continue to be, traditional diplomacy.

Traditional diplomacy important

But even here the special character of that diplomacy includes the natural tools from telephones to one-hour air flights to Washington by multitudes of public servants, from almost every department of the Government of Canada and from many of the provinces as well. Of course, reciprocal interventions move northward also from their United States counterparts. In short, the modern foreign office, while still managing to assert a lead role in representation and negotiations on behalf of sovereign states, is nevertheless only one source to satisfy the voracious demands for expertise, and which, therefore, requires other participants outside the family of professional diplomats. The further reorganization of the Department of External Affairs in recent years, where political and trade issues now are married within a single policy/administrative complex, has provided new levels of perception and presumably of operational competence in these diplomatic dealings where trade questions are involved. However, if the modern foreign office stands for anything it is the ability to see the national interest writ large, to envision the whole, and with that professional experience to employ its traditional skills, particularly the bargaining/negotiating process — itself never to be underestimated in any clash of national interests however cordial the forum.

Having accepted this traditional role of diplomacy in dispute avoidance, it remains quite clear that experience has dramatized the inadequacies of the hurried, quotidian and generalist approach. There may be no substitute perhaps for much of this "ad hocery" and, indeed, so much of life in action represents, in many situations, a summation of single decisions in the context of traditions and policy. Even so, the business of states surely represents more than congeries of instant satisfactions. That business has medium- and long-term designs and concerns where the short-run and the *ad hoc* simply will not do as the optimum approach to durable problem solving. Inevitably, of course, professionals often are resistant to serious change if change cuts across the use of well-tried methods and skills without promising superior results. Inevitably, too, since ego and power are happy partners, sharing authority is not a voluntary act of much attraction.

However, delegations of authority to transnational institutions are sufficiently well understood to warrant serious consideration whenever a situation seems ripe for the experiment. Only they can assure the corporate memory and administrative continuities which complex permanent situations require. And the present reopening of the debate over trade relations with the United States inevitably should stimulate a questioning of appropriate procedures for managing these relations, institutionally, whatever substantive form they take as outlined in the Discussion Paper or otherwise. The occasion also invites — as the above list suggests — some consideration about several other vital areas of Canada-US interests where existing or new institutional arrangements seem apposite and necessary either to be freshly designed where none yet exist, or to be improved upon where some machinery already is in place.

Trade and investment issues

It is quite clear that to embark upon any of the options in the Discussion Paper — free trade, trade enhancement/comprehensive agreements, sectoral/functional approaches, the status quo — must lead to considering the "management" of the resulting system and to the prevention of conflicts and disputes as well as arrangements for their settlement when necessary. The present plethora of *ad hoc* demarches when trouble arises simply will not suffice for the future whatever degree of so-called "integration" (a "fighting" word) may be involved. While the General Agreement on Tariffs and Trade in Articles XXII and XXIII, and the practices built upon these Articles through the creation of dispute settlement "panels," already has demonstrated that Canada and bilateral trade conflicts can be effectively disposed of within GATT, nevertheless reports on three recent Canada-US disputes suggest that they could have been avoided, possibly, had appropriate bilateral fact-finding and advisory machinery been in place — and quite lawfully under the GATT system.

The three cases, it will be remembered, were United States prohibition of imports of tuna and tuna products from Canada with the Canadian complaint of January 21, 1980; the Panel report about a Canadian complaint with respect to the import of certain automotive spring assemblies (September 25, 1981); and, finally, the United States charges concerning the administration of the Canadian Foreign Investment Review Act, particularly supplier source limitations (January 15, 1982). Although the "judgments" of these Panels are marked "restricted" and "limited distribution," there is public knowledge, of course, that Canada succeeded with its two complaints and the United States found Panel support in challenging the operations of FIRA on Canadianizing sources of supply for the investing owner. Arguably the GATT Panel system under Articles XXII and XXIII has worked quite well although the binding character of the awards is not direct and certain in law, but in any case is so treated by the parties as a quasi-obligation within the GATT system. The long-term role of investment by both countries in each others' economy will need these close monitoring structures.

Little formal machinery

No other formal machinery for Canada-US trade disputes and their settlement appears to exist except for the unused arbitral provisions of Article X of the Boundary Waters Treaty. For other resources, of course, the old and new Pacific Salmon Agreements, the 1923 Halibut Convention and similarly the Fur-Bearing Seals Treaty and its Commission set up in 1958, all are in place. But these have no bearing on the general structure of trade relations or the expectations for their possible reshaping in accordance with the Discussion Paper as well as perhaps other alternatives for improving access to US markets.

It will be of some interest to antiquarians that the 1854 trade reciprocity arrangements between the Province of Canada (as it then was) and the United States, as well as the 1911 proposals which cost Laurier his power, seemed in neither case to have proposed specific machinery to administer these intensive and integrative relationships, apart from the normal bureaucratic systems represented by

Settling economic disputes

customs and revenue officials administering the new schedules item by item. But perhaps those were more "primitive" times from 1854 to 1866, while the 1911 proposals in a more advanced and complex setting, because of Borden's victory, never matured into an agreement.

In short, it is difficult to imagine any of the now-suggested approaches to degrees of reciprocal access to markets, or to the recording of transboundary investment activities and necessary transnational safeguards, which would not have permanent machinery to carry on basic research and monitoring functions to help any such system operate effectively. At the very least a joint secretariat/commission is required for this economic adventure. Remembering that tariffs are steadily diminishing under the GATT system, the really serious problems now are the increasing variety of non-tariff barriers in their many guises from government procurement policy to local content regulations to the use or misuse of safety and health regulations, quotas and environmental standards, all of which are replacing as obstacles to trade the classical tariff structures of yesteryear.

Federal complications

To these more obvious phenomena must be added the complexities provided by both federal systems and including an additional inhibiting factor, namely that in Canada there are barriers to interprovincial trade which may have indirect consequences on any Canada-US arrangements at the "federal to federal" level. Hence there is a central need to consider adequate machinery, impartial and professionally superior, jointly staffed and financed, but quasi-autonomous in its spirit and organization. It would engage in common fact-finding and reporting with alerting procedures to warn both parties of difficulties in the short-, middle- or long-term looming ahead and finally, and wherever requested, it would have the technical capacity to give *advice* to the parties in specific situations.

Unless something of this order of administrative imagination is contemplated and proceeded with, in tandem with the substantive explorations and later possible negotiations themselves, trouble, and very early, can be expected. Experience with the Trade Statistics Committee of 1971 demonstrates how important it is to prevent difficulties on basic data questions, where differences of definition, terminology and concept can distort perceptions on both sides of the line as to what are the facts with respect to any disputed situation. Having resolved the conceptual framework that Committee now operates without difficulty and it has made the Canada-US figures about balance of trade on current account available and acceptable to both parties without confusion or rancorous misunderstandings. Given the complexities which are bound to arise in the process of dealing with these trade/investment issues as the negotiations proceed and agreements are sought, and given the *present* immense network of trade/investment activities, it may be wise to create such an agency at once and not to await the long process of reaching agreement on the new era as contemplated by the Discussion Paper.

For one thing there already is a serious need for common fact-finding today in so many of these economic/trade/investment relationships. The experience gained at this time would be of substantial value to managing any system

of enlarged access which the three proposals in the Discussion Paper contemplate. Even the *status quo* would benefit from such an institutional design for the reasons already made clear. Certainly the present variety of irritabilities might be minimized by joint fact-finding which often puts to rest powerfully held misconceptions where rhetoric urgently needs to be replaced by arithmetic. There is good reason to believe that the experience of the International Joint Commission with its common fact-finding, alerting and advisory functions, would be as relevant to trade/investment monitoring and data-gathering as it has been for seventy years in helping to administer so delicate a transboundary resource as fresh water.

It may be a serious misjudgment of both the opportunities and the perils ahead — particularly following the Quebec Summit — not to prepare for the effective administration of the process toward economic "integration," whatever the degree, that now seems inexorably underway. The Quebec understanding to eliminate certain "specific impediments to trade" suggests the need for such machinery immediately.

Legal/administrative transboundary complex

It is only in recent years that Canadians have become aware of the large degree of interaction in the legal/administrative/judicial/law enforcement interactions between the two neighbors. Most conspicuous among these sensitivities has been the debate over extraterritoriality. Generally it appears to have arisen first in the antitrust field when the US Supreme Court, and US antitrust theorists generally, adopted the "effects" doctrine, by which the normal territorial theory of state jurisdiction was enhanced by asserting a reach for US antitrust laws beyond the territory of the United States whenever the behavior abroad by nationals or non-nationals, corporate or otherwise, had "effects" on competition and market forces in the United States. Naturally, the large network of US subsidiaries in Canada, even though they were performing acts otherwise lawful in Canada, was vulnerable to this doctrine; but perhaps even more disturbing was the reach of the US claim to include Canadian nationals behaving quite lawfully *in Canada* — although the recent Memorandum of Understanding assuring advance consultation may be positive as a mitigating approach. To this antitrust reach must be added, of course, the various export control regulations which the United States applied also to its subsidiaries and nationals abroad in relation to countries proscribed, e.g., by way of "war" regulations or punitive policy measures usually associated with economic disciplinary objectives.

In general the Canadian position, although still debatable, was limited in its extraterritorial reach to treason, bigamy, piracy, hijacking and possibly counterfeiting. To that extent the Canadian experience was comparatively more "modest" in its claims for offshore reaches of its legal system even for its own nationals. Of course, war crimes, should they be litigated, as with piracy by the Law of Nations, may become a justiciable issue in the criminal law of Canada even though the events took place elsewhere — but no one knows what the Dechenes Royal Commission

The events of December 1984 and January 1985

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Bilateral Relations

USA

Garrison Diversion Project

Canada, both through the government and environmental agencies, made last-minute lobbying efforts in December to have the Garrison Diversion project either halted or altered to meet Canadian concerns over the transfer of possibly harmful fauna and biota from the Missouri River into the Hudson Bay drainage system (see "International Canada" for October and November 1984 and previous issues). Recommendations from the US Garrison Commission were expected to meet Canadian objections and to offer alternative proposals for the much-needed irrigation in North Dakota. Construction of the disputed Lonetree Reservoir had already been halted (at the suggestion of an interim Commission report), primarily because of cost savings to the US federal government, rather than because of Canadian pressure (*Winnipeg Free Press*, November 29, December 4). Reports indicated that the alterations would result in a paring of costs from \$1.3 billion to roughly \$850 million. The decision not to allow water to flow north into the Hudson Basin was greeted with enthusiasm by anti-Garrison groups in Canada, who regarded the Commission's recommendations as meeting Manitoban environmental concerns. However, while the tentative decision was open to amendment following a mid-December hearing in Minot, North Dakota, analysts suggested that the Commission's recommendations would stand. The preliminary report also stated that the Commission expected that there would be no "modification of its recommendations on configuration of principal supply works, deferral of irrigation in the Hudson Bay drainage, and total area to be irrigated" (*Winnipeg Free Press*, December 13). The pursuance of modifications on a bilateral basis and joint provincial/state meetings were also recommended.

Speaking on CBC radio November 30, Garrison Focus Office coordinator Robert Clarkson called the recommendations a "full recognition that Canadian and Manitoban concerns that have been expressed for these many years are justified." Recognizing the weight carried by the Commission, Mr. Clarkson characterized the recommendations as a "major turn-around," while acknowledging that

the US Senate had come to realize that further appropriations were growing ever more unlikely without provisions for major alterations to the original diversion scheme. For this reason, both environmental and monetary concerns had played an effective part in the Commission's decision. While the governments of Canada and Manitoba had lobbied in Washington, continued Mr. Clarkson, much-needed help had come from other groups similarly fighting the project — the Audubon Society, environmental organizations, the Committee to Save North Dakota and Manitoban citizen's groups (External Affairs transcript, December 5).

Garrison Diversion Conservancy District Manager Alvin A. Kramer expressed the hope that the Commission's final recommendations (due January 1, 1985), would address Canadian concerns while allowing construction to proceed. Stressing continued research, Mr. Kramer stated that several problem areas had already been examined and the development of "proper solutions" would allow Garrison construction to "continue to its full-scale development in future years . . . Only through technical monitoring and technical reviews, can we bring about conclusions that will be desirable both for Canada and for North Dakota" (*Winnipeg Free Press*, December 5). Also making efforts to secure completion of the project, North Dakota Governor George Sinner called upon the State legislature to adopt a resolution urging the Commission to permit the Lonetree Reservoir to proceed (*Globe and Mail*, December 10).

Despite continued strong support from the US congressional delegation at the hearings in North Dakota for a continuation of the project, including testimony from past-Governor Al Olson, the Commission ultimately decided to abide by its initial recommendations. This included the decision to abort the construction of Lonetree, a particularly harsh decision in the eyes of the North Dakota spokesmen. North Dakota's Governor George Sinner characterized the reduced project as "compromised to the point of insanity" (*Winnipeg Free Press*, December 14).

Garrison supporters reacted to the Commission's decision with stern criticism, with North Dakota counsel Murray Sagsveen calling it "close to a total defeat."

Spokesmen cited the possibility of years of continued environmental study and lobbying for congressional authorization. Commission chairman David Treen, who himself had called for the continuance of Lonetree, stated that the Commission had "bent over backwards to accommodate Canada" and had, in the process, "effectively scuttled" Garrison (*Winnipeg Free Press*, December 15). Opposition groups reacted favorably, gratified by the 8-4 voting margin within the Commission on the Lonetree problem. Some credit for the decision was given to the efforts of US agencies lobbying in unison with Canadian efforts, including both the Audubon Society (for environmental reasons) and those concerned with cutting government spending. It was noted that nearly twenty years of government-to-government negotiations had preceded the Commission's recommendations (in addition to a lengthy series of diplomatic notes between Ottawa and Washington). While not bound to do so, US Interior Secretary William Clark had previously indicated his willingness to accept the Commission's recommendations, and it was not expected that Congress would put forward new opposition (*Montreal Gazette*, December 19).

Visit of Prime Minister to US

While in New York on a mission to secure increased foreign investment, Prime Minister Brian Mulroney delivered an address December 10 to an audience of US financial representatives. The speech was designed to assure members of the US industrial and economic establishment that Canada was once again an attractive place for foreign investment. "Our message is clear, here and around the world: Canada is open for business again," he told the Economic Club of New York, in announcing his government's intention to dismantle the National Energy Program (NEP) and to change the Foreign Investment Review Agency (FIRA) to the more marketable Investment Canada (see this issue, Policy — Foreign). For better bilateral relations, Canada and the US must "minimize friction, remove needless irritants, and maintain a healthy and vigorous relationship based on mutual understanding, constant and open communications, and a respect for our individual needs and interests" (PMO statement, December 10). To his end, the pro-US remarks were a reaffirmation of the Conservative government's desire to reestablish a "special relationship" between Canada and the US in order to facilitate cooperation in the fields of trade, investment and energy. Reiterating the "enormous benefits" to be accrued by both nations through closer ties, the Prime Minister called for the implementation of various initiatives to strengthen those ties. However, he also stressed the need for Canada to continue its presence in multilateral institutions (in defence, disarmament, and international development) in order to retain an international voice strictly Canadian. The Prime Minister outlined several areas in which the new government wished to rebuild Canada's international image — as a "free, tolerant and independent nation; as a reliable trading partner; as a good place to invest and do business; as a people committed to the entrepreneurial spirit; and as a nation that honours its commitments to its allies."

Touching on foreign investment, the Prime Minister indicated that the new government would be less interven-

tionist and more outward looking. This same outward policy would extend to trade liberalization, he added. And while Canadianization would remain an objective of energy policy, the government would move away from the previous Liberal government's "back-in provision" of retroactive expropriation. Mr. Mulroney defended his pro-US stance, stating that statements of friendship were not "tantamount to servility," nor should they be equated with a loss of sovereignty (*Globe and Mail, The Citizen*, December 11).

The Prime Minister also indicated that there would be a visit to Canada by President Reagan in March 1985 for bilateral talks. He hoped that this would be the start of a series of such meetings, to run parallel with senior-level consultations between Canadian and US officials (both Ministers and cabinet Secretaries). While the address was greeted enthusiastically, especially the announcements with regard to FIRA (which Mr. Mulroney characterized as an indication of "misguided belief that regulation by politicians and bureaucrats was superior to decisions of individuals and firms competing in the global market place") and the NEP, the Prime Minister added that Canada would vigorously remain a sovereign nation, always "vigilant to ensure the protection of our integrity and interests." He pointed out several areas of possible contention in which Canada would continue to pursue its own ends, particularly the potential break of the Canadian UAW from its US parent, and the need to fight against protectionist trends — the "mutual adversary" of both the US and Canada (*Toronto Star*, December 11, *La Presse*, December 12). He added that Canada would seek "trading arrangements which provide fair but also secure access to the US market, unfettered by initiatives aimed at problems caused by other countries but inadvertently hurting Canadian companies." Canada's trade partners would be faced in future with a "fair system" — "one game . . . and one set of rules . . . These shall not be changed after the game has started to the detriment of any of the players."

Gulf of Maine Decision

A decision rendered by the International Court of Justice in The Hague in mid-October on a water boundary dispute between Canada and the US resulted in a compromise on territorial allocation (see "International Canada for September and October 1984). Following the decision, however, the US proceeded to request a year's delay in its implementation. The area under dispute was the Georges Bank, highly lucrative for the fishing industries of both Canada and the US. Interviewed by CBC radio November 30, Canadian Eastern Fishermen's Federation Executive Director Allan Ballard expressed surprise that the US, after rejecting an earlier government-to-government agreement on the issue, would stall on the agreed-upon World Court decision. While expressing his own satisfaction with the final agreement establishing a definite demarcation, despite the fact that some traditional fishing grounds would now be inaccessible, Mr. Ballard pointed out that the line was a compromise. The line would be of greater benefit to Canada, he added, because of Canada's more organized and controlled fisheries planning (External Affairs transcript, December 6). He regarded a US request for delay as indicative of poor stock rebuilding management, the result of which would be over-fishing in the area under considera-

tion. He also stated that US threats to boycott Canadian produce (through countervailing duties) would be counterproductive, and Canada would remain committed to resource protection and "long-term" harvesting. With bilateral discussion essential for successful management of the stocks (both for Canada and the US), a moratorium could only "delay the inevitable" and discourage the growth of the fisheries industry, he concluded.

Both in a *scrum* December 3 and in the Commons December 5, External Affairs Minister Joe Clark stated that the Canadian government had not wished to have the boundary dispute go to court, and would have preferred a decision achieved through bilateral negotiation. However, the US, he said, forced the case before the World Court, and Canada now regarded that Court's decision "as final." In a supplementary question, George Henderson (Lib., Egmont) asked the Prime Minister whether the government would deal "directly" with President Reagan and his administration to effect a management and conservation agreement based on "sound," mutually beneficial management principles. Mr. Mulroney responded that he would continue "to advance the cause and interests of Canadian fishermen" in the matter.

Following a request to the Prime Minister for a delay from Maine's Senator George Mitchell (Democrat), the US position was outlined by the Senator on CBC radio December 5. Senator Mitchell stated that a moratorium would provide both countries with a chance to "assess the economic impact of the decision to prepare for and to conduct the negotiations necessary to arrive at a meaningful, long-range agreement on management and conservation." It would, he added, also minimize "disruption." Mr. Mitchell was highly critical of what he perceived to be a Canadian attitude of "We've won," which, he added, did not "reflect the realities of the situation." While complaining that Canada did not have a bilateral fishing agreement with the US, Senator Mitchell did concede that an earlier agreement negotiated with the Carter administration had, in fact, been vetoed by Congress. However, he concluded by stating that a moratorium would allow continued cross-boundary access, to the benefit of both US and Canadian fishermen (External Affairs transcript, December 7).

After studying the official request for a delay in implementation from the US State Department (received December 7), the government (through External Affairs Minister Joe Clark) indicated its intention to refuse a suspension in adopting the World Court decision (*Globe and Mail*, December 11, 12). Said Mr. Clark, "that is the position of the government of Canada; we do not envisage agreeing to a moratorium." The refusal was repeated in the Commons December 13 by Stewart McInnes (Parliamentary Secretary to Minister for International Trade), who added that Canada had "serious doubts" with regard to the US proposal. (The US administration did not dispute the "final and binding" nature of the boundary decision.) Said Mr. McInnes, the government wished to avoid a return to "unrestrained fishing" which might threaten the area's resources. The objective, he added, would be to manage the resource in order to maintain it and, if possible, raise it to previous levels. In consultation with the industry, the Fisheries and Oceans Department was "working on an analysis of the resources in the Canadian zone."

Cruise Missile Tests

Although reduced in scale from the Cruise missile testing protests of 1984, Canadian disarmament groups quickly organized a series of demonstrations during this two-month period when official word was received that a second round of test flights would resume in January (see "International Canada" for February and March 1984). The flights were announced by the Defence Department December 9 (although External Affairs Minister Joe Clark had stated in the Commons December 7 that the flights would indeed take place "on 48-hour notice"), when it was stated that a series of three unarmed Cruise flights would be conducted in northern Canada between January and March 1985. The first was to be a "captive" flight, with the Cruise missile attached to a B-52 bomber as a guidance system, and flying over "unpopulated" areas. Protest groups, while admitting that the testing was now "a fact", indicated that they would continue to pressure the government for a discontinuance of the Cruise flights (*Globe and Mail*, December 8).

The testing came against a background of attacks on the Cruise in the Commons by Pauline Jewett (NDP, New Westminster-Coquitlam), long-time opponent of nuclear deployment and Cruise testing. Questioning External Affairs Minister Joe Clark December 5 on a statement offering a tentative consideration for proposing to the superpowers a ban on further Cruise missile deployment, Ms. Jewett asked if this indicated a government willingness to join those NATO members advocating a moratorium on Cruise deployment in Europe. Mr. Clark stated, however, that the recent agreement between the US and the USSR to resume arms talks was too important to be jeopardized by an independent effort on Canada's part.

Confirmation of the January 15 flights was received January 13, and several anti-Cruise groups hastened to organize some form of symbolic protest, but had little hope of delaying the tests. Greenpeace Canada indicated its intention to stage a protest in Alberta near the testing site. At the same time, a legal challenge to the tests on the grounds of an infringement of the Charter of Rights, initiated last spring by Operation Dismantle, had yet to receive a Supreme Court decision. However, the tests were carried out, with the B-52 bomber, equipped with four Cruise missiles, flying from North Dakota through the Canadian test corridor in northern British Columbia, Alberta and Saskatchewan (*Globe and Mail*, *The Citizen*, January 14). NDP spokespersons remained strong in their condemnation of the testing, with leader Ed Broadbent stating that the testing was "inconsistent with established Canadian policy in the past of not having anything to do with nuclear weapons." Ms. Jewett regarded the testing announcement as timed to coincide with a recess of Parliament in order to prevent vociferous opposition and political discussion.

The January 15 "captive carry" flight, the forerunner of two solo "live launch" flights scheduled for later this spring, experienced no difficulties during the testing of the electronic guidance system according to Defence Department spokesmen (*Globe and Mail*, *La Presse*, January 16). While the US and Canadian military expressed their satisfaction with the tests, a coalition of six protest group representatives gathered in Ottawa to make a unified statement

against the Cruise. Speaking for the Canadian Conference of Catholic Bishops, Bishop Adolphe Proulx termed the government's willingness to carry on with the tests a commitment to a "military strategy that is not only morally bankrupt but dangerous." Stressing the need for Canada to develop an independent military strategy, neither a "tool" of the Pentagon nor NATO, Bishop Proulx expressed doubts that NATO would insist that any member nation follow through on testing if it opposed them publicly. He added that government agreement to continue testing represented a "non-commitment" to disarmament and was a "symbol of surrendering our sovereignty" in defence policy.

Star Wars Strategy

While President Ronald Reagan first announced his Strategic Defence Initiative (SDI) research program, commonly termed "Star Wars," in his address to the nation March 23, 1983, the Canadian government had not yet reached a Cabinet consensus as of December 1984 on whether to support the US initiative. SDI involves the proposed development of an orbiting defence with the capacity to destroy enemy nuclear missiles — a nuclear "umbrella." Speaking in Brussels in mid-December, External Affairs Minister Joe Clark stated that discussions were being held within Cabinet to formulate a decision. "We're a new Government with some differing views on the question," he added (*Globe and Mail*, December 15). Despite the implications of SDI, particularly with regard to the militarization of space, Defence Minister Robert Coates spoke in favor of the program. Regarding SDI in the light of a possible boon to Canadian industry, Mr. Coates said that Canada should become involved from the earliest stages to reap possible future benefits for Canada's business community (*The Citizen*, December 20). Differing with the External Affairs Minister on the immediacy with which the problem of space militarization must be addressed, Mr. Coates suggested that should the superpowers fail to reach an agreement on the subject, Canada should help the US develop the necessary technology. Mr. Clark had expressed concern that Canada be firmly apprised of all aspects of any future objectives and requirements of the SDI program. He also downplayed the possibility of the North American Aerospace Defence (NORAD) becoming involved directly in developing anti-ballistic missile defence systems. (Canada and the US are presently engaged in negotiations over a modernization of NORAD and the North Warning Line.) Mr. Coates pointed out that the US lobby for the program, since it formed a prime consideration in the US/USSR talks in January (see this issue — Disarmament), was strong and represented a new technology market of which Canada should take advantage in its initial stages.

Responding to questions in the Commons December 20 from Jean Chrétien (Lib., Saint-Maurice) on the SDI and its "dangerous developments," Prime Minister Brian Mulroney stated that Canada remained a firm adherent to the 1967 outer space treaty and would continue to "press incessantly for the elimination of all instruments that damage the cause of peace." He acknowledged at that time that the government had not received an official request from the US administration to participate in any way in the "research." Without outlining a firm stand, the Prime

Minister countered by castigating SDI opponents as virulently anti-American. However, in an end-of-year CTV interview December 23, Mr. Mulroney admitted that he would "be less than enthusiastic" about Canadian concurrence in any US program involving the militarization of space, without condemning SDI at the present research stage. He did add, though, that while Canada would defend its "autonomy and integrity at all times, and in all circumstances," it did not necessarily follow that harassment and vitriol need be heaped on "our neighbor" (PMO transcript, December 23). He also stated that his government would not "acquiesce in anything that was not in Canada's national interest." He reiterated that such a proposal as one calling for Canadian concurrence had not yet been put forward by the US.

Amid rising opposition to the Star Wars concept, President Reagan reiterated his determination to go ahead with the program, regarding it as a "militarily and morally necessary" means of deterrence. Such "advanced defensive technologies," he stated, would "provide a better basis for deterring aggression, strengthening stability, and increasing the security of the US and our allies" (US Embassy [Ottawa] transcript, January 3, *Montreal Gazette*, January 4). However, the President continued to stress that SDI was not to be interpreted as a "bargaining tool" in the US-USSR arms talks, but would proceed over Soviet objections. Despite assurances that SDI was designed to eliminate the need for nuclear defence (made in conjunction with other assurances that consultations with allies would be part of the plan), most opponents to the scheme remained unconvinced, both of the program's feasibility and its stated objectives.

SDI reappeared in the Commons January 21 and 22. On January 21, responding to opposition questions, External Affairs Minister Joe Clark stated that "prudence" dictated a US continuation of the SDI strategy while superpower negotiations continued. He added that, being "hypothetical," SDI did not contravene existing arms control agreements since it was only at the research stage. He did state, however, that any future construction or implementation of a system might breach such treaties. Opposition leader John Turner called upon Mr. Clark January 22 to review with the Cabinet the advisability of urging the superpowers to include the initiative on their agenda for arms talks. Mr. Clark responded that the government's previous decision not to intervene had proven effective, and would remain in force as long as the superpower stalemate had ended. Canada must, added Mr. Clark, refrain from taking actions in Canada "which would have the effect of putting those talks off the rails."

Outside the Commons, both Mr. Turner and Pauline Jewett (NDP, New Westminster-Coquitlam) criticized the government's stand. Mr. Turner called SDI a "potentially destabilizing element in the whole nuclear theatre," while Ms. Jewett regarded the government's acceptance of the research an indication of a refusal to "take any initiative in de-escalation" (*Globe and Mail*, January 23). Additional criticism came from the Ottawa-based Canadian Centre for Arms Control and Disarmament, whose spokesman John Lamb also saw SDI as destabilizing, with Canadian "complacency" unacceptable in the face of the potential dangers. Mr. Lamb stated that "military hardware programs

build bureaucratic momentum during the research and development phase, making later control efforts almost impossible." SDI was cast as a "crash program" to gain ascendancy over the Soviet Union, concluded Mr. Lamb.

West Coast Salmon Agreement

After nearly twenty years of on-again, off-again negotiations between Canada and the US, a tentative agreement on salmon fisheries on the West Coast was reached in mid-December. Subject to ratification, the agreement in principle was expected to be accepted by both governments. Fisheries Minister John Fraser expressed his satisfaction with the conclusion of the negotiations, stating on CBC radio December 16 that discussions among himself, the Commons Standing Committee on Fisheries and Forestry, and industry representatives would follow the formal initialling of the documents. Further detailed study of the agreement on his part, said Mr. Fraser, would result in recommendations for application. While it was noted that the US had withdrawn from a previous tentative West Coast agreement (1982) — at the insistence of Alaska — Mr. Fraser suggested that the present, improved relations with the US would remove such obstacles to a final solution. Both negative and positive reactions were received from Canadian and US fishing concerns, some Canadians expressing a sense of having compromised too much in the interest of sustained amicable relations, while others recognized that the complexities of the agreement would produce longer-term benefits — a rebuilding of stocks, both for US and Canadian fishermen (External Affairs transcript, January 7).

The agreement was reached after a short period of intensive negotiations, the result of promptings from both President Reagan and Prime Minister Mulroney. It rests upon the basic principle of eliminating "interception fisheries," whereby fisheries of one country would reap the salmon spawned in the other country, upon their return from international waters. In annexes to previously agreed-upon principles, the treaty divides the West Coast into sections governed by "detailed regulations," but remains an essentially compromise agreement (*Globe and Mail*, December 17).

Speaking in the Commons December 18 after the announcement of the tentative agreement, Ian Waddell (NDP, Vancouver-Kingsway) was harshly critical, characterizing it as a "caving in" to American demands. Responding, Mr. Fraser stated that "a great deal of hard work" on the part of Americans and Canadians had finally resulted "in one place, and on one piece of paper, an accord which is going to go to both governments." Asked whether the treaty would be referred to committee prior to ratification, Mr. Fraser said that the objective was the rebuilding of stocks, primarily to the benefit of Canadian fishermen, who had in the past borne the burden of depleted resources. Previously, he added, "proper conservation measures and proper catch allotments [had not been] accepted."

US ambassador to Canada Paul Robinson hailed the agreement as a major example of the ability of the US and Canada to cooperate on a contentious bilateral issue — to the benefit of both countries. His remarks prefaced a joint US-Canada press release officially announcing the agreement January 17. It was expected that ratification by each

nation would be concluded prior to the 1985 salmon fishing season. The agreement "establishes the basis for long-term bilateral cooperation in salmon management, research and enhancement," with conservation and stock rebuilding of prime concern. As well, a bilateral commission was established to monitor interception fisheries. Designated areas were mentioned for harvest divisioning and sharing, including the Fraser, Taku, Stikine and Yukon Rivers (US Embassy news release, January 17).

Despite criticism in the Commons December 24 from Ray Skelly (NDP, Comox-Power River) that insufficient referral to committee would be possible, Prime Minister Brian Mulroney responded that after fifteen years of negotiations, it was necessary to "proceed as quickly as possible" in the interests of both Canada and British Columbia fishermen in particular. He added, however, that such an expeditious process did not "preclude any further discussion or consultation." The argument on further discussion and referral to committee resurfaced the next day in the Commons, when Opposition Leader John Turner requested that the final text of the treaty and background material be submitted to committee members. Fisheries Minister John Fraser indicated that such a request would be undertaken, although a final decision rested with Cabinet. Mr. Fraser stated that the agreement, as presently worded, was "the best that we can get and it is in the public interest of this country to accept it." While a compromise, the treaty was not a concession, but rather an "enhancement of the salmon resource" — the establishment of a "conservation regime."

Official US pronouncements at the signing were optimistic over the "acceptable compromise." Said Department of State counsellor Edward Derwinski (representing Secretary of State George Shultz) January 28, the agreement, besides bringing mutual benefits, was a "symbol of the renewed spirit of practical cooperation in [bilateral] relations." He added that the treaty was an important achievement for both nations, but would require continued compromise and cooperation to overcome thorny management problems (US Embassy text, January 28).

Nuclear Contingency Plans

Concerns were raised, both in the media and in the House of Commons, during January over reports that the US had developed contingency plans for the deployment of nuclear depth charges on Canadian territory in the event of war (other allied countries had been mentioned in the document as well). Defence analyst William Arkin, of the Washington-based Institute for Policy Studies, first brought the plan to public notice, stating that it was to be found in an annual memorandum authorizing deployment of nuclear devices outside of the US (and signed by President Reagan). Mr. Arkin noted that the Canadian contingency placement contained in the "Nuclear Weapons Deployment Plan" would be the result of a state of war involving the US, rather than peacetime, or a condition of alert (*The Citizen*, January 11). The depth charges would be utilized in anti-submarine activities, both on the west (BC) and east (NS) coasts of Canada at bases housing Aurora anti-submarine aircraft.

Criticism took the form of portraying Canada as a possible "nuclear sandwich" between the US and the

USSR, should the Soviet Union regard Canada as a launching pad for US nuclear weapons targeted at Soviet submarines in the event of hostilities. Several editorials noted that a nuclear-armed Canada might provoke Soviet fears of an imminent US breach of the nuclear threshold. The other chief concern was the apparent lack of consultation between the Pentagon and the Canadian Department of National Defence over the plan. Most critics of the plan called for firmer guidelines on the deployment, with a greater emphasis placed on prior confirmation (before the emergence of a crisis situation) of a Canadian commitment to accept the weapons (and the concomitant utilization of US personnel in their handling). Defence Minister Robert Coates stated that no Canadian approval had been given, and would be necessary for the contingency plan to go into effect. He also noted that his department had been unaware of the presidential authorization given in the US memorandum (*Globe and Mail*, January 15).

When the Commons resumed January 21, the contingency plan was again criticized during the Question Period, particularly by NDP members. Pauline Jewett (NDP, New Westminster-Coquitlam), questioning Defence Minister Robert Coates, stated that the lack of prior government-to-government consultation represented a US attitude toward Canada of a nation not having a "need or right to know," as an "extension of US territory." Mr. Coates stated that Canada had received "assurances" that Canada would be consulted with regard to such plans in future. He also called the US plan an "old document" dating back to 1975, while Mr. Arkin had already pointed out that it had been updated annually and had received the signature of President Reagan. Mr. Coates stated that, concerning the possibility of reaffirming to the US administration Canada's policy of no nuclear weapons on Canadian soil, "there are no such plans."

The next day in the Commons, Ms. Jewett questioned External Affairs Minister Joe Clark, insisting that consultation "at times of crisis is far too late, because [Canada] would have to say yes." Mr. Clark reiterated that Canada had obtained from the US a "firm guarantee" of prior consultation, and a proviso for a Canadian refusal to accept deployment on Canadian territory. "If it were considered in the interest of Canada, the Government would exercise that right to refuse," he concluded.

Statements made January 23 by NATO Secretary-General Lord Carrington while visiting Canada touched on the issue, when he stated that the US had an obligation to consult with its allies over contingency plans for deployment of nuclear weapons on foreign soil prior to the emergence of a crisis situation. An international emergency and the threat of war would necessarily make a Canadian refusal to accept US nuclear weapons extremely difficult, given the short time frame for obtaining a Cabinet decision (*Globe and Mail*, January 24). Mentioning Lord Carrington's cautionary remarks, Len Hopkins (Lib., Renfrew-Nipissing-Pembroke) called upon the Defence Minister for an "absolute commitment" to Canadian involvement in "even the initial discussion stages" of contingency planning. However, Mr. Coates could only reiterate that Canada would be "consulted."

Interviewed by the CBC radio January 25, Mr. Clark acknowledged that developing a more efficient means of

Canada-US consultation on US plans for nuclear deployment was required. However, he also stated that such an attempt "may simply be an impossible thing to do." He expressed doubts as to the likelihood of developing "longer lead time," given the fact of a "technology that is quick." A "practical process" of communication between the two governments would have to overcome this "horror of any potential conflict," Mr. Clark added. An examination would also have to be made as to how best to circumvent the "technical clock . . . involved" (*Globe and Mail*, January 28).

Freer Trade

The question of liberalized trade between the US and Canada remained one of the chief topics during this two-month period, with the ongoing debate between pro- and anti-free traders receiving extensive coverage both in the press and in government statements. Canadian editorials were divided on the advantages (or disadvantages) that might result from a freer trade relationship. While some advocated a middle-of-the-road approach ("serious reconsideration"), and others came down on the side of protectionism (outlining the pitfalls to be encountered by already-weak industrial sectors), most were in favor of some form of liberalized trade. Perhaps one of the strongest pleas for barrier reduction, or indeed abolition, came from a *Financial Post* editorial December 1, in what was a clear denouncement of the *status quo*. The editorial endorsed, over a phase-in period, the breakdown of tariff and non-tariff barriers, allowing Canadian companies an adjustment period. Of prime concern, continued the argument, was the danger of allowing "inefficient" industries to remain protected. Those firms surviving in a free trade environment would be those of most benefit to the Canadian economy — innovative, efficient and outward-looking. Resources must be expended on those industries with the capacity to survive.

From early December, government representatives, including External Affairs Minister Joe Clark and International Trade Minister James Kelleher, outlined the official position on the bilateral free trade issue. Cautionary, their statements were intended to walk a middle path between opposing camps, yet they indicated a lean toward more liberalized trade and closer economic integration with the US. Similar views were expressed, perhaps more forcefully, in the private sector by various analysts. (See also the article on economic integration with the US by Anthony Westell in *International Perspectives* for November/December 1984, as well as the transcript of a *Canada AM* interview broadcast January 16).

Speaking before the Standing Committee on External Affairs and National Defence December 3, Mr. Clark stated that no official negotiations between Canada and the US had begun. However, he added, the government was continuing to examine proposals made by the previous government on particular aspects of sectoral free trade and the issue remained "alive." While indicating to the US Canada's intention to examine alternative options, the government was preparing a discussion paper on the trade issue for public debate — a "comprehensive presentation of options" (see below). Mr. Clark stressed that the world's *status quo* would not work, and international changes

would have to be faced and taken "advantage" of, if Canada were to benefit. Mr. Clark called for presentations from those who had, in the past, expressed concerns over perceived threats to Canadian "integrity," "sovereignty" and issues of Canadian nationalism (Standing Committee Minutes, December 3).

International Trade Minister James Kelleher made a more detailed, yet similar, speech before the Institute for Political Involvement December 3. While the address centred on national economic renewal, a major portion was devoted to the Canada/US trade relationship. In that segment, Mr. Kelleher reiterated the inevitability of reducing trade barriers in a world of ever-increasing interdependence, and once again stressed the importance of unrestricted access to the US market. While outlining the various advantages and disadvantages of four main approaches to new bilateral trade arrangements with the US, the Minister concluded by opting for the fourth. After considering (and implicitly dismissing) a trade enhancement agreement, sectoral accords, and a "functional" arrangement removing particular barriers, Mr. Kelleher explored (and appeared to support) a "comprehensive free trade area agreement." Consistent with GATT, such an agreement would phase out specific bilateral barriers. However, it would require intensive consultations between government and industry to address the issues of industrial competitive strength, adjustment measures and concerns with regard to Canadian identity. The major push, however, would remain the acquisition (and security) of access to the US market (International Trade Minister statement, December 3).

Through January the US International Trade Commission conducted public hearings on the issue of sectoral free trade and its impact on American industry — a preliminary assessment of possible repercussions. With the Commission's report expected in March, economic analysts speculated that the debate would be just as divided as it had been in Canada — with sectors of the manufacturing industry generally in favor of freer trade (furniture manufacturers and the brewing industry), but most industries (especially those struggling under fierce foreign competition, such as petrochemical, forestry, steel and optical fibre producers) pressuring Congress for increased protection (*Financial Post*, *The Citizen*, January 5, *Globe and Mail*, January 16).

In a CBC interview January 13, Carl Beigie, former President of the C.D. Howe Institute, and George Ball, former US Under-Secretary of State for Economic Affairs, discussed the future of Canada/US trade negotiations. Both opted for a longer-term perspective on the part of both government and industry on free trade. Mr. Ball suggested that Canadian fears of a loss of sovereignty were exaggerated, since the "amount of political derogation of sovereignty on either side would be very low indeed." He further added that a change in the direction of economic policy would not fundamentally alter political will. However, while agreeing on the basics with Mr. Ball, Mr. Beigie indicated that the sovereignty issue was a prime concern in Canada — an "attitudinal" part of the discussion, and that in order for a free trade agreement to operate effectively, some form of "dispute-settlement mechanism" would necessarily have to be established — thereby creating some

form of inter-governmental "framework." This framework, he added, would contribute inevitably to political links. While Mr. Ball pointed out that the EEC operated effectively without an abdication of sovereignty, Mr. Beigie noted that Canada could afford to risk a certain degree of sovereignty in return for a more "efficient economic structure" with which to operate in the world marketplace (External Affairs transcript, January 16).

The government's discussion paper "How to Secure and Enhance Canadian Access to Export Markets" was released January 29. It contained, in addition to recommendations for the international market, specific suggestions on the US/Canada bilateral trade relationship. The result of consultations between the federal and provincial governments and the private sector on the most effective means of promoting Canadian export trade, the paper, said International Trade Minister James Kelleher, would be used for establishing future trade policy. While the first two sections dealt with the international trading environment and general conditions for market opportunities, and the future of multilateral trade negotiations (especially GATT), the third part examined options in the US/Canada market. This third section sought to develop "arrangements" which might "complement and reinforce" bilateral trade simultaneously being examined under multilateral negotiations. This centred, as earlier statements by the government had indicated, on the "enhancement" and "securing" of the US market. Without "preconceived conclusions," the government issued the paper as a basis for future consultations, suggesting possible options for the bilateral relationship similar to those outlined by Mr. Kelleher in his December address (see above). The paper also mentioned areas of focus for those consultations including; market access, competitiveness, the micro-economic and sectoral investigation, as well as the "political-cultural sovereignty dimension." In conclusion, however, in trade policy terms, the immediate focus would rest with preparations for a new round of multilateral negotiations and "the potential of possible new approaches to Canada-US trade relations" (External Affairs Discussion Paper, External Affairs communiqué, January 29, *Globe and Mail*, January 30).

Afghanistan

Canadian Statement

Marking the fifth anniversary of the Soviet invasion of Afghanistan, Acting Secretary of State James Kelleher (International Trade Minister) reiterated in late December Canadian concerns for the restoration of Afghanistan's "independence, sovereignty and genuine non-alignment." Canada viewed with "deep concern" the continued military occupation of that country by Soviet troops, the statement added. Mr. Kelleher, while noting the "serious refugee problems" created by the occupation, acknowledged the ongoing international efforts (on the part of the UN, NATO, the Commonwealth, the Non-Aligned Movement and the Islamic Conference) to resolve the situation through the withdrawal of foreign forces in the search for an "acceptable solution" (External Affairs communiqué, December 27).

Cambodia

Vietnamese Attacks

The Canadian government issued a statement December 28 condemning armed attacks which had taken place that month by forces of the Socialist Republic of Vietnam on civilian camps within Cambodia. Of particular concern, stated Acting Secretary of State for External Affairs James Kelleher, was a December 25 attack on the Rithysen/Nong Samet camp of the Coalition Government of Democratic Kampuchea (CGDK). Attacking with tanks and heavy artillery, Vietnamese personnel accounted for 100 casualties and necessitated the removal of approximately 60,000 refugees to safety in neighboring Thailand. (The latest attack followed three others on CGDK camps earlier in December.) Mr. Kelleher stated that the Vietnamese assaults were a "violation of the principles of international conduct," and indicated that nation's continued refusal to conform to resolutions passed by the UN calling for withdrawal of Vietnamese troops from Cambodian territory.

Canada, while expressing its concern for the welfare of affected Cambodian and Thai nationals, stated that the attacks placed an "intolerable burden" on the international community in providing humanitarian relief. Finding the incursions "unacceptable," Canada called upon the Vietnamese Republic to immediately cease "all hostile activities" within Cambodia's borders and to "respond constructively" to settlement proposals (External Affairs communiqué, December 28).

China

Trade Promotion

In a January address delivered in Ottawa to the Canada-China Trade Council, International Trade Minister James Kelleher spoke of the need for increased Canadian initiatives to expand Canada's share of the Chinese market. The Minister stated that the Government was considering an expanded program of assistance to those small- and medium-sized businesses engaged in export to improve performance. "We are now reassessing the federal trade assistance programs at their disposal," he said. He stated that China, with a largely untapped trade potential, would receive an expanded force of Canadian trade commissioners. Specifically, an increase in the commercial staff at the Peking embassy, now "sorely overstretched," was imminent. In addition to a greater number of trade officers, larger expenditures would be allotted to cover the expenses of an influx of Canadian government and business representatives to China — as well as expanded facilities at the Canadian embassy in Peking following construction of a new building. Mr. Kelleher cautioned Canadian exporters that the Chinese market had been the "toughest . . . Canadian business has tried to crack," the result of the problem in communication between two nations of very different cultures. "Red tape," added the Minister, was another problem to be confronted, with China maintaining a large bu-

reaucracy with which foreign exporters must deal. Also mentioned was China's traditional reluctance to utilize large foreign commercial credits for the financing of imports (International Trade Minister statement, January 21, *Globe and Mail*, January 22).

While recognizing that China was beginning to adopt some aspects of capitalist development, Mr. Kelleher stressed that the country would remain a "centrally-planned economy." However, this "pragmatic socialism" offered opportunities for foreign countries and exporters, he added, and for Canada this rested primarily in the fields of science, technology and management techniques. Mr. Kelleher pointed out that while China offered significant opportunities, albeit "specific" rather than "generalized," it was a market that would take time to develop. Mentioning the "uncertainty factor," the Minister stated that China's present stability seemed likely to continue, much to the advantage of foreign entrepreneurs.

Cyprus

Peacekeeping

Speaking on December 14, Canada's Deputy Permanent Representative to the UN P.D. Lee delivered to the Security Council a statement signaling Canada's continued endorsement of the UN Peacekeeping Force in Cyprus (UNFICYP), whose mandate was at that time being extended. Mr. Lee, noting the twenty-year history of Canada's involvement with peacekeeping efforts on Cyprus, stated that the Canadian government's commitment stemmed from a combined interest in both peacekeeping and "peacemaking." Canada confirmed its intention to participate further in the peacekeeping role of UNFICYP for a six-month period (the length of its renewed mandate). In order to achieve peace and security for Greek and Turkish Cypriots, the international community (chiefly through the UN) must continue to expend efforts in hopes of achieving a negotiated settlement. Mr. Lee commended UN Secretary-General Perez de Cuellar's success in obtaining from the disputing parties an agreement to meet "within agreed parameters" in January 1985. Canada, he continued, recognized both Mr. de Cuellar's determined efforts in bringing the parties together and the willingness of both Greek and Turkish representatives to refrain from forwarding impossible demands (Canadian Delegation to UN press release, December 14).

The Canadian government issued a further endorsement of the projected Greek-Turkish talks in an External Affairs communiqué of December 17, wherein External Affairs Minister Joe Clark stressed the need for "confidence building" measures. The meeting between the leaders of the two Cypriot communities, President Spyros Kyprianou and Mr. Rauf Denktash, represented an opportunity, said Mr. Clark, to work toward a solution through "a spirit of compromise." (The high-level talks were renewed following a five-year standstill.)

However, the four-day joint talks held in New York seeking a reunification of the Greek and Turkish communities of Cyprus proved abortive in their first stage, when

Greek-Cypriot head of state President Spyros Kyprianou and Turkish-Cypriot leader Rauf Denktash failed to achieve agreement in their negotiations. Arranged under the auspices of UN Secretary-General Perez de Cuellar, the talks ended January 20 with both sides charging the failure to the other. Cypriot government officials indicated that while these initial talks had not achieved the desired result, efforts would continue in future toward reunifying Cyprus. Mr. Perez de Cuellar expressed the hope that a second meeting would soon take place, and both sides agreed to maintain direct contact (*Globe and Mail*, January 22).

The Canadian government expressed its concern over the failure of the direct negotiations January 29, when External Affairs Minister Joe Clark spoke of his regret over the lack of progress in reaching a mutually-satisfactory settlement to the Cyprus situation. However, Mr. Clark continued, "the present setback [should] not be allowed to impede progress." He called upon both communities to resume talks toward achieving a "negotiated settlement" (External Affairs communiqué, January 29).

Egypt

Diplomats Recalled

Canada's Ambassador to Egypt, John Schioler, along with two other embassy officers, was recalled in mid-January by the Department of External Affairs following allegations of currency transaction discrepancies. Mr. Schioler was replaced temporarily in Cairo by Pat Black, adviser to Undersecretary of State Marcel Masse, acting as chargé d'affaires until the appointment of a new ambassador. A departmental internal audit had uncovered discrepancies between rates paid for Egyptian money and rates submitted to External Affairs by the Cairo embassy. Reports indicated that profits being made were the result of Egypt's system of currency rules, which maintain more than one official exchange rate (*The Citizen*, January 19, *Globe and Mail*, January 21). A departmental spokesman stated without elaboration that the recalls were the result of an "internal management decision." External Affairs Minister Joe Clark, informed of the situation upon his return from a Mexican visit, stated that the recalls were a "disciplinary action" and had resulted from a "breach of departmental regulations." While under continuing investigation, the matter had prompted measures to prevent similar occurrences in future, he added (*Globe and Mail*, January 22).

Departmental spokesman Sean Brady later stated that the recalls and reassignments had arisen from the manner in which "departmental regulations were being interpreted at the embassy" in Cairo. He added that no "contravention of Egyptian law [had been] involved, and the three Canadian officials were not associated with black market money transactions (*The Citizen*, January 23).

Development Projects

The Canadian International Development Agency has undertaken three development projects in cooperation with Egypt, it was announced by External Relations Minis-

ter Monique Vézina January 21. Designed to assist agricultural development and food production, and to improve water supply, the projects provide opportunities for Canadian commercial penetration of the Egyptian market. The agricultural response program (along with its \$5 million fund), said the Minister, was designed to offer "quick and flexible responses" to Egyptian requests for assistance in the areas of equipment, research material, breeding stock and extension services. The program was geared toward small- and medium-sized projects.

Another program involved data collection for an Egyptian integrated soil and water improvement project in the Nile delta. Land rehabilitation was the objective of the project (with a Canadian contribution of nearly \$2 million for related studies and surveys).

The third project represented a \$1.5 million Canadian support role in the preparation of a master plan for water supply and sanitary drainage in the Giza Governorate. The Canadian role involved technical assistance in the fields of feasibility studies, surveys and project recommendations (CIDA communiqués, January 21, 22).

El Salvador

Development Aid

Speaking before the Standing Committee on External Affairs and National Defence (SCEAND) December 3, External Affairs Minister Joe Clark indicated that Canada would resume direct development aid to El Salvador. Such aid had been suspended in 1982 because of ongoing civil strife and El Salvador's inability to guarantee the safety of Canadian nationals administering the aid. Emergency relief had, however, continued. While recent funding had been channelled through NGOs for private projects, the commencement of negotiations between the government of El Salvador and the Canadian International Development Agency (CIDA) for the resumption of direct assistance had been authorized, Mr. Clark told the Committee. The Minister pointed out that resuming direct country-to-country aid was consistent with the Canadian view that Central American problems stemmed from poor socio-economic development. Mr. Clark's statements were made along with a multitude of other answers to questions from committee members relating to foreign policy that same day (Standing Committee Minutes, December 3, *The Citizen*, December 4).

France

Ministerial Visit

International Trade Minister James Kelleher paid an official visit to France in early December, and met with his French counterpart, Mme. Edith Cresson, for bilateral trade discussions. As well, the Minister led a Canadian delegation to the Canada-France Economic Commission (December 3), and addressed the Canada-France Cham-

ber of Commerce (December 5) — both meetings held in Paris. The visit, said Mr. Kelleher, was intended as a promotional effort on behalf of Canadian exporters involved in the French market, and as an opportunity to advance the Canadian government's drive for increased foreign investment (External Affairs communiqué, December 3).

India

Disaster Relief

The question of possible Canadian emergency relief assistance to India following the disastrous leakage of poisonous gas (methyl isocyanate) from a Union Carbide subsidiary plant in Bophal, India, was raised in the Commons December 5 by Liberal foreign affairs critic Jean Chrétien (Saint-Maurice). Mr. Chrétien, expressing the "horror" felt by Canadians over the tragic accident, asked External Affairs Minister Joe Clark what kind of assistance Canada would offer India. While noting that the Government "shared the horror," Mr. Clark responded that no decision had been reached, "if, indeed, a response is appropriate in terms of aid or other assistance to the people of India." Environment Minister Suzanne Blais-Grenier added, both that day and on December 7, that measures had been taken to ensure that such an accident would not occur in Canada. (Union Carbide operates plants in Quebec.) Ms. Blais-Grenier added that she had instructed her department to meet with provincial and private sector representatives to "reassess . . . emergency measures to make sure that they are effective."

Ivory Coast

Ministerial Visit

External Relations Minister Monique Vézina paid a visit to the Ivory Coast January 8-11, meeting with government officials for discussions on both international political issues and bilateral cooperation. During the visit the Minister co-chaired the second meeting of the Bilateral Commission examining general relations between Canada and the Ivory Coast, and signed a new General Agreement on Development Assistance. As well, Ms. Vézina inaugurated the Polyclinique Sainte-Anne-Marie in Abidjan, constructed with Canadian support (External Affairs communiqué, January 4).

Japan

Clark Meetings

External Affairs Minister Joe Clark, accompanied by MP Mary Collins (PC, Capilano) in her capacity as liaison official with the Asia Pacific Foundation, was in Japan in mid-December for bilateral trade talks, and pressed for

increased Japanese investment in Canada. Speaking December 19 before a joint meeting of the Canada-Japan Society and the Canadian Chamber of Commerce in Japan, Mr. Clark stressed that Japan would be of prime concern in the Conservative government's anticipated foreign policy review. The Minister told the group that Canada intended to strengthen its ties with the Pacific Rim, and with Japan in particular. This strong regional focus, he said, would require the development of policy instruments to "advance social, economic and political cooperation." With Canada-Pacific two-way trade surpassing that between Canada and Atlantic partners, Mr. Clark indicated that the Canadian government intended to improve trade relations with Japan (through expanded investment) in order to provide that country with the opportunity to capitalize on Canada's "educated workforce, well-developed infrastructure and access to the vast and lucrative North American market." In an effort to ease Japanese fears of possible detrimental effects on Canada-Japan trade of improved relations with the US, Mr. Clark noted that the revitalized relationship between Canada and the US was neither "exclusive nor exclusionary." At the same time, he added, Canada and Japan should work in concert to deter the spread of international protectionist sentiment. This could be done through a strengthened commitment to multilateral trade negotiations. Mr. Clark concluded by stating that recognition of Canada-Japan interdependence would, in the near future, be given concrete expression in a series of government-to-government talks on issues ranging from science and technology, through research and development, to energy and trade. The same points were covered in a subsequent speech December 20, delivered by Mr. Clark to the Keidanren — the Association of Japanese Business Organizations (External Affairs statement, December 19).

Meeting that same day with Japanese International Trade and Industry Minister Keijiro Murata, Mr. Clark reiterated his government's desire to promote Japanese investment. He also reaffirmed Canada's commitment to remain a "reliable source of supply for primary and processed resource materials," providing prices remained sufficient to ensure the viability of the Canadian resources sector. The Minister also noted that Canada would like to see an increase in the export of manufactured goods. As well, Mr. Clark spoke to Mr. Murata of the opportunities open to both countries through cooperative efforts in product technology, and stressed the benefits to be realized through the newly-created Investment Canada (External Affairs communiqué, December 20).

Very "business-like and straightforward" discussions between Mr. Clark and Japanese External Affairs Minister Shintaro Abe centred on bilateral commercial relations as well (*Globe and Mail, Le Devoir*, December 20). Mr. Clark pointed out that Canada had invested large amounts in developing resource production facilities (primarily for the exportation of coal) to ensure a stability of resource availability and deserved in return a like stability of market. Both Canadian barley exports and the oft-postponed joint liquefied natural gas (LNG) project also figured in the talks. Without making specific commitments, Mr. Abe indicated that a Japanese feasibility study of a Candu reactor purchase was imminent. Mr. Abe also expressed his satisfac-

tion with Canadian reassurances that closer Canada-US ties would neither adversely affect trade relations with Japan nor violate GATT regulations.

The subject of academic relations between Canada and Japan was given attention when Mr. Clark announced the establishment of an annual institutional research award, the *Canada-Japan Research Award*. Accompanied by a \$50,000 grant, the award was to be made to a Japanese organization or institution involved in original research concerning Canada or Canadian relations with Japan (External Affairs communiqué, December 20). The award, to operate in conjunction with previously established academic cooperation programs, was designed to encourage the publication of Japanese-language research and promote a greater understanding of Canada within Japan's academic community.

The Clark initiative received support from the Chairman of the Canadian Pacific Basin Economic Council, Eric Trigg, in a interview December 20. Mr. Trigg, noting the burgeoning growth of the Pacific Rim market, characterized the Ministerial visit as "an excellent move by the new government" (External Affairs transcript, December 27). He stated that problems with the Japanese market arose when Canadian exporters tried "too hard to push some of the products that are the hardest ones for us to sell." Canada should, he said, endeavor to reduce costs and learn more about Japanese markets in order to identify more distinctly what is required and then produce it. Mr. Trigg agreed with Mr. Clark's assessment of the Pacific Rim as an area of major growth, seeing Canada's future as "inextricably tied" with Japan. However, on the subject of FIRA and Investment Canada, Mr. Trigg felt that Japan, despite minor complaints, had never regarded FIRA as a serious impediment to Japanese investment.

Mexico

Ministerial Visit

External Affairs Minister Joe Clark visited Mexico January 15-18 and met for consultations with President Miguel de la Madrid, his Mexican counterpart Bernardo Sepulveda and other government officials, including the Ministers of Industrial Development, Transportation and the Treasury. Discussions, while centred on the Canada-Mexico bilateral relationship, also covered the situation in Central America and the Contadora peace initiative (for which process Mr. Clark indicated continued Canadian support). Mr. Clark further expressed Canadian endorsement for a multilateral disarmament meeting (involving Argentina, Greece, India, Mexico, Sweden and Tanzania) held in late January in New Delhi. While stressing the continued central role necessarily to be played by the superpowers, Mr. Clark stated that the six-nation meeting would "play an important role in favor of world peace" (External Affairs communiqué, December 17, *The Citizen*, January 18).

The dangers of protectionist tendencies were a major theme in an address delivered by Mr. Clark January 18. The Minister stated that freer world trade was essential for

economic growth, both for industrialized and developing nations. The new Canadian government, he said, aimed to expand Canada's exports of goods and services. (At present, Mexico maintains a favorable trade imbalance with Canada.) Speaking to an audience in a country strong on protecting its domestic industries, Mr. Clark added that "the narrow, short-term benefits that might be won from protectionist policies present a direct threat to sound and equitable economic development" (*The Citizen*, January 19). Mr. Clark called for Mexican "collaboration" in bilateral efforts to liberalize trade. The Minister's meetings with Mexican officials had resulted in an indication of a new willingness on Mexico's part to remove some import restrictions now in place.

Upon his return to Canada, Mr. Clark reaffirmed in the Commons January 25 the Canadian commitment to Contadora he had outlined while in Mexico. He stated that Canada had provided the Contadora group with "a detailed proposal" of suggestions for improving the process and for developing a peacekeeping mission, for which Mexican External Affairs Secretary of State Bernardo Sepulveda had expressed appreciation.

The Netherlands

Visit of Defence Minister

Defence Minister J. de Ruyter of the Netherlands visited Canada January 21-25 for discussions with his Canadian counterpart, Defence Minister Robert Coates. Mr. de Ruyter was accompanied by Netherlands Defence Chief of Staff General G.L.J. Huyser. Mr. de Ruyter also met with External Affairs Minister Joe Clark and International Trade Minister James Kelleher. The talks centred on the situation within the NATO alliance, as well as the bilateral concern of military materiel cooperation. Following the discussions, Mr. de Ruyter toured several Canadian military and industrial establishments (Royal Netherlands embassy communiqué, January 21).

The Philippines

Visit of Agapito Aquino

The brother of slain Philippine opposition leader Senator Benigno Aquino, Agapito Aquino, was in Canada in early December to assure the Canadian government that the "democratic alternative" remained alive in the Philippines. Interviewed by CTV television December 7, Mr. Aquino stated that meetings with External Affairs officials and Liberal foreign affairs critic Jean Chrétien had resulted in an increased awareness on the part of Canadian politicians that there existed a possibility of "sudden elections" should President Marcos's continued ill-health prove fatal. Looking to Canada as one of the "big democracies" with whom the Philippines shared "values," Mr. Aquino wished to portray the democratic option in his country as the only acceptable alternative to the Marcos "authoritarian reg-

ime." Should elections prove necessary, Mr. Aquino called for Canadian support of opposition forces, temporarily united in the face of a possible disappearance of President Marcos from the political scene. Mr. Aquino stressed that the opposition was in favor of democracy and a "pluralist society." When questioned on the possibility of a military takeover, the Senator stated that such an event was unlikely and would only be possible with the encouragement of the US, since a military coup "would not serve the interests of anybody." However, added Mr. Aquino, opposition forces were prepared for such a scenario, holding out the possibility of a general strike which could "paralyze the entire country" (External Affairs transcript, December 10).

South Africa

Visit of Bishop Desmond Tutu

Nobel Peace Prize winner Bishop Desmond Tutu of South Africa visited Canada in late December to meet with government officials, church and human rights groups, and the press in an effort to gain increased Canadian support for international measures to discourage the South African regime's apartheid policy. Seeing violence as the ultimate response to a South African refusal to negotiate with the black majority, Bishop Tutu hoped to consolidate international support to force an accommodation. He addressed a group of parliamentarians in Ottawa December 20, including External Relations Minister Monique Vézina and Secretary of State Walter McLean. Stating that no neutrality existed in the fight against apartheid, Bishop Tutu suggested that "you're either on the side of the oppressor or the oppressed." In order to be successful, efforts to combat apartheid could not be "painless," he added. Tutu called upon Canada to assist in a "peaceful" move toward freedom for blacks in South Africa, noting that "we remember those who help us in the process of becoming free" (CJOH report [External Affairs transcript], December 20, *Globe and Mail*, December 21). He also pointed out that South Africa's new constitution did not represent change, but was in reality the reverse — the disenfranchisement of a significant portion of the nation.

Having met with Prime Minister Brian Mulroney later that day, the Bishop told reporters at a press conference that Mr. Mulroney had taken his recommendations into consideration. Bishop Tutu pointed out the importance placed on foreign investment by the South African regime which, he added, represented leverage for foreign investors seeking the end of apartheid. Portraying economic involvement with South Africa as a "moral issue," he stated that to invest was to "partake in a vicious system." In addition to diplomatic and political pressure, nations such as Canada must apply economic pressure on the South African government. The Bishop said that "people mustn't use us as an alibi for not doing what they know they ought to do" (*Globe and Mail*, December 21).

Making a statement in the Commons December 20, Jim Manly (NDP, Cowichan-Malahat-The Islands) endorsed the message of Bishop Tutu, and reiterated the call

for economic pressure by Canada. He agreed with the Bishop that apartheid would be dismantled, "either by negotiation or by violence." He added that Canada "should hasten the negotiation process, and the chance for a peaceful solution, by applying economic pressure . . . If Canadians do not want to be complicit in the injustice and inhumanity of apartheid, and if we want South Africa to avoid a blood bath, we should use the full range of economic pressures, up to and including sanctions."

Responding to a question in the Commons the next day on the likelihood of specific pressures, Prime Minister Brian Mulroney expressed his appreciation of Bishop Tutu's views, and their "helpfulness" in the government's anticipated review of foreign policy. Mr. Mulroney indicated that the question of Canada's relationship with South Africa would be "very carefully re-examined."

Turkey

Aircraft Sale

Questions were raised in the Commons in early December over an intended sale of Canadian military aircraft to its NATO partner Turkey, especially at a time of heightened regional tension between Greece and Turkey (e.g., the situation in Cyprus). The deal involved the gift of twenty used CF-104 Starfighters as part of a Turkish purchase of Buffalo STOL aircraft. In the Commons December 5 (and again on December 6), Derek Blackburn (NDP, Brant) questioned External Affairs Minister Joe Clark as to the possible repercussions of the deal. Mr. Clark responded that it had been the "practice for some time" for NATO members to make available to other members military aircraft superceded by newer models. He stated that, to his knowledge, the offer had been made to both Greece and Turkey. However, when pressed by Mr. Blackburn on the potential for precipitating a "blow-up in the eastern Mediterranean which [might] end the southeastern flank" of NATO, Mr. Clark responded that Canada "would not be entering into those kinds of arrangements if [it was] thought there was a significant danger of Canada's involvement heightening the tension or making it more dangerous."

In a scrum outside the Commons that same day, Mr. Clark reiterated his assertion that the practice of offering replaced aircraft to fellow NATO nations was a longstanding one and unrelated to negotiations on other questions. He also stated that there would be no sale should it be found that such a measure would contribute to an increase in regional tensions between Greece and Turkey. However, Mr. Clark added that in his opinion nothing had happened recently that would cause any "augmentation" to existing tensions. A similar offer had been made to Greece, although details may have differed because of differing needs, he concluded (External Affairs transcript, December 6).

Mr. Clark indicated in the Commons December 6 his intention to investigate allegations made by Mr. Blackburn that Turkey had demanded repairs and alterations to the

twenty aircraft — to the sum of \$40 million for the “upgrading of the airframes, overhauls of the engines, and new paint jobs” — before accepting the gift. Despite assurances by Mr. Clark that the deal would not exacerbate Greek-Turkish tensions, the Greek Ambassador, Megalo Konomos, was reported to have expressed to the Canadian government his displeasure and apprehension over the acquisition by Turkey of the aircraft. He also called for an allocation to Greece of ten of the twenty surplus CF-104s (Radio-Canada [External Affairs transcript], *The Citizen*, December 14). Ambassador Konomos stated that the delivery of all twenty jets to Turkey would disturb the balance of power between the two countries. As well, Mr. Konomos said that his government had expressed its interest in the planes in the summer of 1984. However, Defence department spokesmen stated that Greece had indicated no interest in receiving any of the planes when the original offer was made both to Turkey and Greece. Defence Minister Robert Coates added that as late as an early December NATO meeting in Brussels, Greek Prime Minister Andreas Papandreou had expressed no concern over the issue.

Nuclear Reactor Bid

A bid by Atomic Energy of Canada Ltd. (AECL) to build a nuclear reactor in Turkey (on the Mediterranean coast) received support from Defence Minister Robert Coates during a brief visit to Turkey in early December. Mr. Coates pressed for a favorable response to the AECL proposal during talks with government officials. Changes in the bid requirements made by Turkish Prime Minister Turgut Ozal's government had insisted that the successful contractor finance, build and operate the plant upon completion (until initial costs had been recovered). Despite the altered proposal, AECL remained in the bidding. So, too, did Kraftwerk Union of West Germany and a joint offer from Westinghouse Corp. of the US and Mitsubishi of Japan (the latter being a late offer). A successful bid could involve a deal worth up to \$2 billion (*Globe and Mail*, December 3). By mid-January, official confirmation of an accepted bid still remained. However, reports indicated that Turkish Energy Minister Sudi Turel had stated that a “protocol agreement” had been reached with AECL. Such an agreement, while not a confirmed contract, was the equivalent of an offer of intent, and provided AECL with the exclusive right to continue negotiations with Turkey. Officials of AECL awaited confirmation of the protocol agreement from their office in Turkey (*Globe and Mail*, January 18).

USSR

Soviet Jewry

On December 10, the thirty-sixth anniversary of the UN Universal Declaration of Human Rights, statements were made in the Commons on the plight of Soviet Jewry. Sheila Finestone (Lib., Mount Royal) called for signatories to the Declaration, including the USSR, to fulfill their pledge to respect the “fundamental freedoms . . . of thought, conscience, religion and belief.” Ms. Finestone noted that “we continue to witness violations of these high

principles around the world, particularly in the Soviet Union.” She called upon the Canadian government to press the Soviet Union for an end to harassment of Jews (particularly with regard to emigration for the purposes of family reunification), and “the proliferation of official anti-semitic material.” Fred King (PC, Okanagan-Similkameen) also used the anniversary to castigate Soviet policy on the Jewish population, noting that the “basic human right to transmit one's own language and culture is denied only to Soviet citizens of Jewish” faith. Such a campaign to destroy Jewish culture within the Soviet Union deserves the condemnation of all concerned Canadians, Mr. King added.

Fishing Agreement

A Canada-USSR fishing agreement signed in May 1984 called for the Soviet purchase of approximately \$12 million worth of Canadian processed fish products in exchange for East Coast fishing rights. However, the Canadian government expressed its dissatisfaction with the fact that the USSR had failed to meet the purchase quota. A spokesman for the Fisheries and Oceans Department, interviewed by CBC Radio December 31 (date of the agreement's expiry), stated that sales for 1984 had accounted for only \$1 million of the purchase commitment. While there had been no sales for the remaining \$11 million, the spokesman stated that both the External Affairs and Fisheries departments would endeavor to secure future sales by pursuing the matter into 1985. He added that several factors had contributed to the Soviet inability to meet the quota. These included a signing late in the fishing season of the agreement which prevented a Canadian catch sufficient to meet the proposed order, a Soviet failure to specify required product preparation, and a Soviet refusal to pay the price requested. However, the Canadian government, in recognition of the extent of the Soviet market for Canadian fish products, indicated its intention to renegotiate the East Coast fishing agreement for 1985 — and provide for the unspent \$11 million (External Affairs transcript, December 31).

West Germany

Ministerial Visit

In conjunction with a visit to France, International Trade Minister James Kelleher was in West Germany December 5-7 for talks with government and private sector officials. On December 5 the Minister addressed the Uebersee (Overseas) Club in Hamburg, a group representing international interests in the fields of banking and business. The next day Mr. Kelleher met in Bonn with the Ministers of Defence, Economics, and Agriculture, later speaking before another group of industrialists and financiers. He was in West Berlin on the last day of his visit to attend an Interpost Conference of Canadian diplomats in West Germany (External Affairs communiqué, December 3).

Multilateral Relations

Africa

Canadian Famine Conference

A conference held in Ottawa January 7-8 and organized by the North-South Institute and Inter Pares (with the cooperation of the Emergency Coordinator for African Famine David MacDonald), examined the long-term crisis in Africa and sought avenues to maintain public awareness. International experts on development, aid and the environment were drawn from government, NGOs and academe to contribute to the two-day discussions. One of the sharpest criticisms of human mismanagement in Africa was delivered in an address by John Tinker of Earthscan (a British information group). Mr. Tinker issued a warning that "drought, famine and environmental bankruptcy" were predictable and caused by "human stupidity and mismanagement." However, he added, "if humans caused them, humans can prevent them" (*The Citizen*, January 8 and 9). Unsound agricultural and environmental policies (both of African governments and international aid agencies) were blamed for the present famine crisis, he stated. Increasingly, said Mr. Tinker, Africa had converted vast tracts of land from subsistence farming to the production of cash crops for export (often in an attempt to gain much-needed foreign currency). However, the result was often over-farmed soil. With African economies hard-pressed to repay foreign debt, the resultant "interlinked crises" provided a "vicious recipe for political and military instability." Mr. Tinker concluded with a call for both African governments and Western aid agencies to develop a new strategy for the continent — one which would have as its objective food self-sufficiency. With less emphasis placed on government-to-government assistance and more on the use of NGOs as intermediaries, and greater willingness on the part of African governments to alter traditional policy, such an objective might prove possible.

The conference also heard criticism of Canadian media coverage of the African famine, where claims of short-term views and inadequate research were put forward by CBC correspondent Brian Stewart (himself present during the Ethiopian crisis), who saw too great a reliance upon US coverage. While Mr. Stewart called for increased Canadian coverage, other conference participants put forward addi-

tional recommendations for an alleviation of the crisis, including an end to linkage of aid to the purchase of Canadian goods and services. A greater reliance upon the capacity of African representatives to analyze their own predicament was also advocated. As well, a proposal for the establishment of a self-sufficiency food fund (handling public contributions over the long-term and administered by both public and private sector representatives), a suggestion put forward by Herb Breau (former chairman of the Parliamentary Task Force on North-South Relations), was greeted positively by those in attendance.

EEC

Newsprint Agreement

A Canada-EEC agreement regulating newsprint quotas was signed in Brussels December 28, in which the EEC was required to "bind in GATT a 650,000 tonne duty-free quota," 600,000 tonnes of which would be allocated to Canada (External Affairs communiqué, December 28). The agreement followed a period of intense lobbying by Canada to secure an adequate access to EEC markets for Canadian newsprint. Canada had appealed to GATT on the matter in the spring of 1984, having previously failed to conclude successfully ongoing negotiations with the EEC (see "International Canada" for August and September 1984). A GATT decision had required both parties to meet for further discussions on access terms, resulting in a December meeting in Brussels between Canadian International Trade Minister James Kelleher and European Commission Industrial Affairs Vice-President Etienne Davignon. Canadian officials described the allotment as sufficient to maintain Canada's "traditional market share" for newsprint. The EEC agreed to provide for the "full and effective use" of the quota.

Seal-Product Ban

With a 1982 European Parliament ban on the pelts and products from harp and young hooded seals exported from

Canada set to expire on October 1, that Parliament had established a committee to provide recommendations on a proposed extension or emendation of the ban. In response, the Canadian sealing industry had begun to lobby the Canadian government to secure an agreement to use East Coast fishing rights as leverage in convincing the European Parliament to cancel the ban. (Canada's sealing industry has declined dramatically in value in recent years, much of the blame going to world opposition to the seal hunt.) The Canadian Sealers Association has called for the government to cut European fishing quotas as a "get tough" measure (*Globe and Mail*, January 18). While such a move might prove one option out of many, the Government has already instituted hearings of the Royal Commission on Seals and the Sealing Industry (with multinational members). The commission, conducting public hearings throughout Canada (as well as the US and the UK), will be announcing its findings prior to the European Parliament's vote in the fall of 1985.

European Management Forum

Canadian Competitiveness

The Geneva-based European Management Forum (EMF), an economic research foundation, released its annual study of international competitiveness in mid-January, and Canada had improved its position over the previous year (see "International Canada" for December 1983 and January 1984). While still below the assessment for 1981 and 1982, the 1984 position rebounded to seventh place (out of twenty-eight nations) from the 1983 place of eleventh (out of twenty-two). The results were derived from a mid-1984 survey, involving criteria based on both "hard statistics" and "subjective judgments" (*Globe and Mail*, January 15). The same ten broad categories of "principal factors," each given a range of percentile scores, were used as in previous studies. Of particular note in Canada's improved performance was the score in the category of natural resources endowment, which this year included forestry data — a Canadian strongpoint. Canada also improved in dynamics of the market, as well as in financial dynamism (including capital availability). It was noted that Canada improved its percentile scores in all ten categories. The US moved to the number one position from last year's third, trading places with West Germany.

However, Canadian Manufacturers' Association President Laurent Thibault noted that despite the improved competitiveness, much remained to be done on the "fundamentals." Trouble was noted in some of the indicator areas in relation to the rate of improvement of other countries, notably in productivity growth, industrial unrest, and the extent of both government and the tax burden, according to Mr. Thibault. Canada received once again the lowest position for its acceptance of foreign investment, which significantly affects the category of outward orientation, although the recent change of the Foreign Investment Review Agency (FIRA) may significantly alter that score in the study for 1985 (as well as recent indications of government concern over taxation and government spending).

Latin America

Trade Initiative

A meeting sponsored by the Canadian Association-Latin America and Caribbean (CALA) and the Brazil-Canada Chamber of Commerce was held in Ottawa January 22. With the Ministers of External Affairs, External Relations and International Trade in attendance, the meeting provided the private sector (both Canadian and Latin American business representatives) and government officials an opportunity to discuss trade relations between the two areas. Prior to the talks, CALA issued a paper which outlined the dominant concerns of the Latin American participants, including several areas of friction (*Globe and Mail*, January 21). CALA called for greater attention by the Canadian government to the two-way trade relationship. It stated that while the Latin American economies were experiencing a period of difficulty, Canada's present response might affect future acceptance of Canadian exports (in relation to its foreign competitors). It suggested both trade and tax incentives and direct financial assistance. Strongly supportive of trade promotion and joint ventures, the sponsors of the meeting criticized recent government cuts in administrative budgets in trade and economic representation. An increased number of trade commissioners in the Latin American region was also advocated (as well as increased export financing). CALA concluded that "a balanced increase in both imports and exports can only be realized through Canada's long-term commitment to foster and participate in the economic development of the hemisphere on the basis of mutual benefit."

Meat Import Act

Global Restrictions

Following a year of high levels of beef imports in 1984 (along with anticipated high levels for 1985), the government invoked the Meat Import Act in order to reduce imports of beef and veal during the coming year. The decision was announced jointly December 21 by the Ministers of Agriculture and International Trade, who determined that a global import quota of 66.5 million kg. would be imposed for 1985. This, according to an External Affairs communiqué of the same day, represented the equivalent of Canada's Global Minimum Access Commitment under GATT. Canadian cattle producers had in the recent past complained of the surge in imports of subsidized beef, especially from the EEC, although other countries were involved (see "International Canada" for August and September 1984). However, the result had been an August declaration of countervailing duties by Canada on selected disputed products. The most recent decision rested upon the determination that "significantly reduced returns to Canadian cattle producers" had resulted from the subsidized imports. While announcing the global quotas, the Ministers added that consultations with those countries exporting affected products to Canada would be initiated immediately. Negotiations would seek an arrangement

whereby the restrictions might be dropped "while safeguarding Canadian industry from unfair and damaging import competition." It was noted that the quota would be shared by exporters according to previous market shares over the years 1979-1983.

NATO

Defence and Foreign Ministers Meetings

Defence: A NATO defence ministers' meeting was held in Brussels December 4-5, which concluded with a commitment to improve conventional forces and a decision to continue with the deployment in Western Europe of US medium-range nuclear missiles, pending a US-Soviet arms agreement. While the ministers appealed to the NATO Secretary-General for proposals on developing conventional defences, they also approved a program for the improvement of ground facilities and ammunition supply (*Globe and Mail*, December 6). Without committing additional revenues, several member countries agreed to change budget priorities. Canada's Defence Minister Robert Coates told his counterparts that Canada sought a larger role in the NATO alliance, and would begin with an expansion in manpower and a modernization of military equipment. Mr. Coates added that the Canadian government had undertaken a "reappraisal" of Canada's position within NATO and its future contribution. As well, the Defence Minister reiterated the Canadian commitment to increase the rate of growth in its defence budget, but on an extended timetable (see "International Canada" for October and November 1984). Reserve strength increases were an additional possibility, added Mr. Coates, while the government intended to reinforce its air force personnel stationed in West Germany. This would mark an attempt to correct "certain manpower deficiencies that have an effect on the efficient operation and support of both our land and air forces in Germany," he said.

During the meeting, Mr. Coates committed a Canadian 5,000-man contingent to NATO northern flank exercises in Norway for 1986. The Canadian Air-Sea Transportable Brigade (CAST) was intended as support for Norwegian defence in the event of armed conflict. The official announcement of this deployment (mentioned earlier by the previous Liberal government) was regarded by NATO delegates as an indication of the new Conservative government's intention to upgrade Canada's armed forces, especially in view of its estimated cost of approximately \$20 million. However, Mr. Coates added that the new government would not "consider itself to be bound by ceilings, set by its predecessor, on the number of Canadian Forces personnel stationed in Europe in peacetime" (*Globe and Mail*, December 7). Upon his return to Canada, Mr. Coates reiterated the government's intention to strengthen Canada's defence forces. Responding to questions in the Commons December 12, the Defence Minister stated that the government would carry out the "total programs" of both the CF-18 purchases and the patrol frigate con-

structions. He added that, while initiated by the previous Liberal government, the programs would, under the new government, ensure that the aircraft were "real fighting planes" and the frigates "real fighting ships."

Foreign: External Affairs Minister Joe Clark attended a later NATO foreign ministers' meeting in Brussels December 13-14. Without any great optimism, US Secretary of State George Shultz briefed the ministers on US strategy for the January US-Soviet talks in Geneva. Mr. Clark stated that, with regard to those talks, "a very realistic estimate of what can occur and how quickly it can occur" was absolutely necessary. As well as the coming US-Soviet talks, the meeting included a forceful call by Mr. Shultz for the acceptance by Belgium and the Netherlands of the immediate deployment of US medium-range nuclear missiles (as Italy and West Germany had already done). Mr. Clark looked for a united NATO front in order for the US to meet the USSR from a position of strength, stating that should changes prove necessary in the general NATO agreement, "those changes should flow from, and not necessarily precede, discussions at Geneva." However, on the actual strategy of the US at the Geneva discussions, Mr. Clark responded that detailed decisions would most likely not be determined "until virtually the day they begin" (CTV, CBC television [External Affairs transcripts], December 13).

Visit of Secretary-General

NATO Secretary-General Lord Carrington of Britain visited Canada January 20-24, meeting for discussions with the Prime Minister and the Ministers of External Affairs and National Defence. Lord Carrington also met with parliamentarians of both chambers involved with foreign affairs and defence. The talks centred on NATO and Canada's continued commitment to the alliance, as well as the general state of East-West relations and international arms control. In addition, Lord Carrington addressed several Canadian groups during the visit (External Affairs communiqué, January 11). Speaking with External Affairs Minister Joe Clark, the Secretary-General stressed NATO solidarity as US-Soviet arms talks progressed. While both men agreed that the negotiations would be "long and arduous," it was noted that NATO allies must proceed with nuclear deployment in order to allow the US to bargain from a position of strength. Lord Carrington advocated a stronger political role for NATO, seeing it as an opportunity to develop a multilateral forum for political discussion — not merely a military alliance (*The Citizen*, January 22).

In an address delivered in Toronto January 23, Lord Carrington reiterated his call for unity of effort on the part of the western alliance and stated that NATO must make it clear that "the search for arms control and disarmament [is] a part of our security policy, and not an alternative to it." NATO's approach must remain integrated, he added, and Canada made a significant contribution both politically and militarily. On the political plane, Canada provided "special knowledge of and insight into Soviet affairs," disarmament, and diplomacy within both the UN and the Commonwealth. However, Lord Carrington did express a desire to see Canada do "a bit more to contribute to our common defence" (as prepared for delivery, January 23).

Policy

Aid

Famine Relief

As in the past few months, emergency relief aid to African nations, particularly Ethiopia, remained at the forefront of Canadian media and government attention (see "International Canada" for October and November 1984). While the focus was on feeding the starving in Africa, there were concerns expressed by relief organizations that the public consciousness was becoming attuned to an apparent shift in policy from longer-term development aid to immediate emergency relief. Speaking on CBC radio December 2, Oxfam national secretary Lawrence Cummins stated that any such trend toward a concentration on short-term relief at the expense of long-term development would be "unfortunate." Mr. Cummins commented on apparent mixed signals from government (a \$50 million Ethiopian emergency relief fund preceded by extensive foreign aid cutbacks), stating that there was an increasing "commercial emphasis" over "pure development." However, while the extent of the Ethiopian famine pushed the issue of longer-term development aid toward the background, it remained in the minds of those agencies concerned with preventing recurrences of the Ethiopian predicament. Bernard Wood, head of the Ottawa-based North-South Institute, stated that the emergency had stilled many of those advocating greater tied aid (often used as an export subsidy), which Mr. Wood characterized as "indecent." He added that the lesson to be learned from Ethiopia was to "untie the hands" of such aid agencies as CIDA in order to develop longer-term planning in aid allocations (External Affairs transcript, December 6).

Similar concerns were raised in the Commons December 18 by Lynn McDonald (NDP, Broadview-Greenwood) following the return of a three-party delegation from Ethiopia. Ms. McDonald stated that although Canada should "intervene massively with emergency food aid," it should not cut back on development. The same massive intervention should be devoted, she added, to efforts toward food self-sufficiency in the African nations — such as "reforestation, agricultural improvement and water projects." With the technological expertise and "food riches" of

Canada, the nation should continue to "give generously," stated Ms. McDonald.

While concerns had been raised that the outpouring of assistance from the private sector that had been sparked by television coverage of the famine would dwindle over time, such had not proved the case. Contributions continued to come from both individuals, existing NGOs and hastily-improvised relief organizations. However, in mid-December a British relief official alerted his government that portions of Canada's food aid (in this case skim milk powder and grain) were being diverted from the starving to the black market, both in Ethiopia and in neighboring Sudan (*Toronto Star*, December 13). Although the official charged that the aid diversion was becoming an "organized trade," he did not elaborate on whether the Ethiopian government was involved in the black market sales other than to state that it was preventing the aid from reaching rebel-controlled areas. The External Affairs Department instructed its embassy in Addis Ababa to investigate the allegations, and learned that there had been no instances of "widespread abuses." A department spokesman admitted that in any program involving large amounts of aid, a certain amount is always lost. This "fact of life" had already been mentioned in the Commons on several occasions. External Affairs Minister Joe Clark stated that it was "most unlikely" that the reported food being sold was "of Canadian origin" (CTV report, December 13). CIDA president Margaret Catley-Carlson reiterated that while in every relief effort some diversion of food or funds would be evident, the "vast majority" of aid would get through. Such problems were, she stated, symptoms of underdevelopment. Instances of theft, corruption and black market profiteering were inevitable, she concluded (*Globe and Mail*, December 15).

While discounting the allegations, Canada's African Famine Relief coordinator, David MacDonald, added that if it were found that there had been an abuse of the dimensions reported, Canada would take action to stop such practices. Speaking on CBC television December 18, Mr. MacDonald reported that during his tour in Ethiopia, he

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encountered no instances of diversion of Canadian contributions. The aid, he said, was being "well and effectively used" (External Affairs transcript, December 19). In a subsequent CTV interview, Mr. MacDonald stated that no documentation of abuse had been found, although difficulties arose when sending aid into a country torn by civil strife. (Many of the hardest-hit areas in Ethiopia are under guerilla control.) Acknowledging that aid was probably reaching "no more than two million" of the seven million affected Ethiopians, Mr. MacDonald stressed his positive impression of the efficiency "both of the Relief and Rehabilitation Commission of the government, as well as all the volunteer organizations" (External Affairs transcript, December 19).

The problem of monitoring Canadian aid, an issue raised by Oxfam official David Gallagher following a visit to the rebel-held areas of Ethiopia, was mentioned again by Canada's UN ambassador Stephen Lewis during a CBC interview December 19. Mr. Lewis, while admitting the logistical difficulties involved, stated that meetings recently held at the UN had resulted in the placing of six monitors in a UN coordination effort. Relief was entering famine regions in rapidly increasing quantities, and was also managing to penetrate the areas of greatest political conflict and to overcome problems of "accessibility," he added. Effective monitoring would, he stated, allay fears of diversion on any large scale (External Affairs transcript, December 27).

A further suggestion for expediting the delivery of aid was brought forward by David MacDonald December 19, when he spoke of a possible role for Canada as "peacemaker" between the Ethiopian government and the secessionist forces in Eritrea and Tigre. The civil war, he added, was a continuing impediment to the distribution of food (*The Citizen*, December 20). While Ethiopia had not expressed "interest" in such a Canadian role, Mr. MacDonald stated that he felt the Canadian government would "look favorably" on a peacemaking initiative. He also mentioned Canadian uncertainty over the issue of a proposed Ethiopian resettlement program, designed to move large portions of the drought-stricken northern populations to the south. Mr. MacDonald stated that while Ethiopia was "very anxious" to receive Canada's support for the plan, the Canadian government had not yet determined the "extent to which [it] could or should" support the resettlement.

By the end of January criticism was mounting that the Ethiopian government was refusing to distribute aid evenly — neglecting the rebel-controlled areas. The CBC television program *The Journal* of January 22 charged that the Ethiopian government was withholding relief from Eritrea and Tigre as a political measure against the secessionist forces. Most aid had reached the government-backed relief centres, while those in the two northern provinces were forced to secure food through more circuitous routes. Canada used NGOs for delivery into the two centres of conflict, and did not rely upon the Ethiopian government for the most part. However, relief agencies such as Oxfam called upon the Canadian government to initiate further relief efforts directed particularly to those areas allegedly not receiving sufficient supplies. When questioned in the Commons on *The Journal* documentary, External Relations Minister Monique Vézina responded that Canada would remain committed to its decision to offer relief without

requiring the "Ethiopians to come to an agreement first." She also noted that fully two-thirds of Canadian aid was already being distributed by NGOs. A full report from Mr. MacDonald was expected in early February.

Defence

Canadian Patrol Frigate Program

While attending a NATO defence minister's conference in Brussels in early December (see this issue — NATO), Defence Minister Robert Coates once again indicated the government's intention to strengthen Canadian defences through both an increase in forces personnel and a modernization of existing weaponry. While reiterating Canada's determination to increase the rate of real growth in the defence budget, Mr. Coates stated that a reappraisal of Canada's position within the NATO alliance would be undertaken. On a more positive note, the Minister mentioned specifics — namely the warship replacement (CPF) program. Commitment to this program was reaffirmed in testimony before the Standing Committee on External Affairs and National Defence December 4, when Defence Department official Larry Davies stated that the department would be spending \$7 million on the project's "definition phase." This program follows the previously announced (1983) six-frigate construction project (*The Citizen*, December 5). Both the number of additional frigates needed and the question of updating weapons control systems would be examined in the study mentioned by Mr. Davies. The study was also intended to analyze changes that need be made to the first six frigates in light of "technological advances." Criticism had been levelled at the state of "advancedness" of the technology being employed in the construction of the first six frigates, but industry officials involved in the construction process (US-owned Paramax Electronics Inc.) stressed that while some components were "mature," others were on the "cutting edge of technology," the *Citizen* report continued.

However, by late January snags began to appear in the initial stage of the CPF program, particularly the emergence of delays. Differences over "design problems" had emerged within the administration of the Saint John Shipbuilding and Dry Dock of New Brunswick (awarded the construction contract), ending with the resignation of president Andrew McArthur. (Several Paramax engineers had previously resigned over differences on quality control.) The resulting reorganization of responsibilities (including an addition of US experts), said a Defence Department official, would not significantly alter the proposed construction timetable (*Globe and Mail*, January 29, 30). Discussions between company officials and the Defence Department were held in Ottawa to examine the time schedule and negotiate expected delays. Defence Minister Robert Coates stated that the anticipated delays (outlined by company chairman J.K. Irving in the discussions) would not be "major." Mr. Coates later added that the delays might result in an alteration in the delivery date from the original 1989 to 1992, since the construction firm would have to "re-

examine the whole operation." He stated that the design problems encountered by the firm were related to the frigates rather than to their weaponry (*The Citizen*, January 31).

Disarmament

UN Nuclear Freeze Declaration

The debate over Canada's negative vote on a UN proposal for a nuclear freeze on November 21 continued through December. Speaking in the Commons December 4, External Affairs Minister Joe Clark responded to a request from Pauline Jewett (NDP, New Westminster-Coquitlam) to "free himself from the Pentagon and its control," by stating that the government would not consider altering its stand on the declaratory vote at a later date. Mr. Clark had earlier defended Canada's Disarmament Ambassador Douglas Roche's UN vote on the grounds that Canada did not wish to harm the unity of the NATO alliance (see "International Canada" for September and October 1984). As Ms. Jewett resumed her questioning December 6, Mr. Clark stated that for Canada to "act independently" would be "irresponsible and counterproductive" in the disarmament process between the superpowers.

A more detailed explanation for the Canadian refusal to support the freeze declaration was delivered in an address by Douglas Roche before the UN Association in Canada that same day. Mr. Roche stated that no consensus had been reached on the issue of effective implementation, and for that reason present proposals were inadequate in several respects. Canada, said Mr. Roche, placed more emphasis on a resumption of arms negotiations as a more "realistic" measure. The government doubted the "practicability" of the declaration as presently advocated. The very diversity of the UN voting, he added, indicated the need for continued debate (External Affairs statement, December 6).

On December 10, the NDP brought forward a no-confidence motion in the Commons on the issue of Canada's negative vote on the declaration. After a lengthy statement, NDP Leader Ed Broadbent concluded by quoting External Affairs Minister Joe Clark that Canada had "to define ourselves and not let ourselves be defined by notions that others might have of us." Citing the negative vote as influenced by Washington, Mr. Broadbent stated that he agreed with Douglas Roche that the superpowers were being forced into new rounds of arms negotiations by mounting world pressure against the continuing arms race. Such opposition could be best shown by moves such as the UN declaration, added Mr. Broadbent. While Opposition Leader John Turner offered a lengthy response (including a Liberal-backed amendment calling for superpower discussion of the issue, but no concrete support for the NDP motion), the government speakers reiterated the stand outlined by the External Affairs Minister and Mr. Roche in earlier statements. In particular, External Relations Minister Monique Vézina outlined the three objectives of the government stand toward disarmament (which would not, she said, have been served by the proposed

declaration). These included the "resumption of superpower discussions, non-proliferation, and a test-ban." However, despite a lengthy continuation of the debate, replete with stinging inter-party recriminations, the no-confidence motion was defeated later in the day 179 to 25.

On December 12, Canada (along with the US and ten other nations) once again cast a negative final vote at the UN on the resolution, which, however, passed 129 to 12 with eight abstentions (*Globe and Mail*, December 13). The Soviet Union voted in favor of the resolution, which called for a mutual, verifiable freeze on nuclear weapons production and deployment.

Superpower Talks

As the US and USSR geared for their January talks in Geneva to discuss future arms control negotiations, Canada considered its position in the process as a middle power and NATO ally. Caution was the byword in statements issued by government officials, especially those made by External Affairs Minister Joe Clark who repeatedly stressed that "independent" action on Canada's part might "throw a spanner" in the negotiations (e.g., in the Commons December 6). However, in late November Mr. Clark had indicated in the Commons (November 30) that Canada might possibly make a representation to the superpowers to include on their agenda the issue of banning Cruise missiles from their arsenals. He added that should such a representation be made, it would follow careful consideration (*The Citizen*, December 1). When pressed in the Commons December 5 by Pauline Jewett (NDP, New Westminster-Coquitlam) to propose the ban, Mr. Clark responded that although the suggestion was under "very active consideration," the time was "inopportune" for Canadian independent initiatives. In a scrum the next day, the Minister stated that, upon "serious consideration," there could be no "positive contribution" from Canada through any measure to influence the superpower agenda — such as a joint letter to Mr. Shultz and Mr. Gromyko (External Affairs transcript, December 7).

While on a visit to London, England, in mid-December, Mr. Clark stated that Canada had no established peace plan to present either to the US or the USSR when they met in Geneva. He added that while there existed no need for specific third-party proposals, Canada would assist through "modest proposals" to further arms control (*Globe and Mail*, December 12). He stated that Canada would endeavor to induce other nations to sign a nuclear non-proliferation treaty as the superpowers entered their negotiations. Mr. Clark also echoed statements made by US Secretary of State George Shultz, that the superpower talks should not raise any expectations of "sudden breakthroughs" or disarmament "miracles."

With the objective of developing a formula for resuming formal negotiations on offensive and defensive weapons, the superpower talks between Mr. Shultz and Mr. Gromyko began in early January in Geneva. Prior to the talks, Soviet leader Konstantin Chernenko had made clear the Soviet position that a US insistence to continue with the SDI (Star Wars) program and a militarization of space would prove "irreversible" and "fraught with baneful consequences" (*New York Times*, January 6, 7). For their part, the US insisted on a continuance of the SDI strategy of

defence, while intending to negotiate on offensive weapons. However, without having "illusions," Mr. Shultz stated that he had been empowered to present some "very reasonable positions" to the Soviet delegation.

Canadian opinion on the progress of the talks continued to be cautionary, anticipating a lengthy process of negotiation and compromise before any results became visible. Interviewed on CBC radio January 7, Geoffrey Pearson, head of Canada's Peace and Security Institute, stated that the talks, rather than working on specific weapons trade-offs, would be an attempt to establish a "framework for sustained negotiations." He added that following the prior breakdown of talks, both superpowers had come to understand that public opinion and the dangers involved in advanced weaponry and technology necessitated a return to negotiations "indefinitely." Limits and restraints had become mandatory (External Affairs transcript, January 8).

In a similar vein, External Affairs Minister Joe Clark welcomed the outcome of the two-day talks (January 7-8) as an "important step forward" — both nations agreeing to engage in nuclear arms negotiations (strategic, intermediate and space). The agreement, he added, would have "far-reaching and positive implications" in the peace process. Canada would continue to work constructively toward "durable, effective and verifiable" arms control agreements. However, Mr. Clark stated, the course to follow would be both "long and arduous." The objectives in future negotiations included a prevention of the militarization of space, a termination of the arms race on earth, and a reduction of arms in conjunction with a "strengthening of strategic stability." The same sentiments, while elaborated upon, were later expressed in a statement to the House of Commons January 21 (External Affairs communiqué, January 10, External Affairs statement, January 21).

By the end of January the superpowers had established a timetable to resume nuclear and space arms negotiations. Discussions would begin in mid-March in Geneva, ending the thirteen-month stalemate. In a joint US-USSR communiqué, it was announced that the Soviet delegation would be headed by V.P. Karpov, head of the previous team of negotiators. The US delegation would be headed by President Reagan's representative on talks to reduce East-West tension, M. Kampelman. The US team was expected to concern itself primarily with a reduction of offensive weapons, while the Soviet delegation would most likely centre on an elimination of the US SDI defensive proposal (*The Citizen*, January 28).

Environment

Acid Rain

The ongoing debate about the international scope of the acid rain problem continued through December and January, as various Canadian officials and representatives of environment groups made statements calling for harsher controls on pollution. In a late November policy paper developed by the Ontario Federation of Labor, the

group called for a more "aggressive" governmental approach to the acid rain problem and suggested that Canada refuse to wait for US action. The paper called for stricter controls on polluters and federal legislation on air quality standards (*The Citizen*, November 23). While citing US procrastination as cause for additional concern (see "International Canada" for April and May 1984), the Federation stressed the need for continued bilateral cooperation. However, it continued, Canada must begin to proceed unilaterally in order to demonstrate to the US its "serious intentions." A "vigorous program of emission reductions" should be adopted independent of any US initiative (or lack of). This same attitude was expressed by US Senator George Mitchell (Maine) during a December visit to Ottawa, himself a firm supporter of the fight against acid rain. He stated that Canada's "positive and constructive" approach was appropriate, even though Canada should act independently in the immediate future, should bilateral negotiations fail (*Globe and Mail*, December 1).

More controversial remarks were made by Environment Minister Suzanne Blais-Grenier December 17 during a meeting in London, England, for an environmental conference. In what appeared to be a sharp divergence from previous government policy, she stated that Canada would no longer be in the vanguard of nations pressing for multi-lateral acid rain controls. Ms. Blais-Grenier said that acid rain should be considered a bilateral issue, and need not be included on the agenda of every international environmental meeting (*Globe and Mail*, December 18). She added that she had not mentioned membership in the "30 percent club" (those nations committed to a percentile reduction in emissions) to either Britain or the US. However, the Minister said that the statements did not reflect a reduction in Canada's commitment to reduced acid rain, but rather a personal approach that was more in favor of "consensus . . . and bilateral agreements."

The comments raised criticism in the Commons December 19 from former Liberal Environment Minister Charles Caccia, who asked the Prime Minister whether they represented a shift in policy. Mr. Mulroney responded that the government still maintained a commitment to combat acid rain on the global level, it being "clearly international in scope." However, he added, the seriousness of the problem required efforts on every possible front, including bilateral arrangements. And for that reason, said Mr. Mulroney, he had indicated to President Reagan his desire to place the acid rain issue "on the top of the agenda" for their Quebec meeting in March of 1985.

Mr. Caccia, presently Liberal MP for Davenport, concerned over the need for a united Canadian front on the question of acid rain while President Reagan met with Prime Minister Mulroney this March, called for all interested Canadian groups to support the Prime Minister in his representations to President Reagan on the urgency of the situation. Addressing the Conservation Council of Ontario January 30, Mr. Caccia, while continuing to criticize government cuts in environmental spending (as well as the Environment Minister's London comments), stated that Canada would have a prime opportunity to "make its case" during the talks (*Globe and Mail*, January 31). He added, however, that Canada must embark upon its own cleanup

(including heavy industrial polluters and auto emissions) in order to convince the US administration of its seriousness on acid rain pollution.

Foreign

Investment Canada

In an effort to revamp the attractiveness of Canada in the eyes of foreign investors, the Conservative government initiated both a name change and a new direction for the Foreign Investment Review Agency (FIRA). Now called Investment Canada, the review agency was designed to reflect the government's policy of welcoming foreign investment and to allay suspicions that FIRA had been inimical to such investment. Despite the fact that the large majority of proposals submitted to FIRA had received approval, its name had become associated with hostility rather than promotion. Prime Minister Brian Mulroney's "Canada is open for business" fall address, delivered to a US audience, was the measure for the new agency. The legislation to create Investment Canada was introduced December 7 by Industry Minister Sinclair Stevens. With a more "positive mandate," the agency would reflect the government's campaign to encourage investment, both foreign and domestic, he stated.

Mr. Stevens, in tabling the legislation to establish the Investment Canada Act, asserted that greater investment would lead to greater economic growth and increased prospects for employment (*Globe and Mail*, December 8). (Later in the month, Mr. Stevens estimated that the value of the abolition of FIRA could run to \$1 billion per year, through the less stringent review process.) However, the Minister noted that the government intended to "retain the authority to ensure that major acquisitions by non-Canadians are of net benefit to the [Canadian] economy." The significance in the new Act resided for the most part in the words "net benefit," replacing the previous "significant benefit" in the FIRA Act. In future, those proposals whose benefits outweighed costs would be accepted. While the number of proposals subject to review would be reduced, the entire review process would be simplified and speeded up. Some of the alterations in the Act included:

- a raising of the thresholds for acquisition review;
- clearer, "more effective" rules for establishing the status of corporations;
- an elimination from review of most investments establishing new businesses in Canada, as well as the acquisition of existing businesses by non-Canadians not having an "important impact" on Canadian economic, industrial or cultural interests;
- new authority to review investment in "culturally sensitive sectors";
- a recognition of the distinction between acquisitions of Canadian businesses whose majority of assets reside in Canada and those whose Canadian assets form part of a "larger transaction" occurring outside Canada; and

— an effort to reduce delays in decisions through firm deadlines, a simplification of the decision-making process, and the provision of advance consultation to potential investors (Investment Canada communiqué, December 7).

Some of the screening principles of FIRA remained in effect, in the determination of "net benefit." Factors such as "compatibility with cultural policy," "effect on international competitiveness," would join those criteria such as Canadian participation and the impact on the Canadian economy.

Debate in the Commons lasted for several days, with opposition members criticizing the proposed legislation as giving too much authority to the Minister, Mr. Stevens, under whom Investment Canada would operate. Liberal Leader John Turner called for less "monopolistic" power in the hands of one minister, with the power spread through a Cabinet committee. For his part, the Prime Minister strongly supported Investment Canada, stating that it would be more in tune with the present era, with "positive dimensions" far removed from the "retrograde and regressive provisions of FIRA." Mr. Stevens concluded by stating that Investment Canada would provide Canada with "necessary investment dollars," be they Canadian or non-Canadian, needed to establish "productive plants, machinery and jobs." With debate on general principle ultimately curbed by the government, over protests from the combined opposition, the proposed bill passed to the Standing Committee on Regional Development for study (*The Citizen*, January 31).

Extraterritorial Measures

On December 3, legislation was introduced in the Commons designed to provide the government with power to respond to "unacceptable" claims of extraterritorial jurisdiction by foreign governments and courts. The proposed Foreign Extraterritorial Measures Act would allow the Canadian government to respond "effectively" to judgments made by foreign governments or courts which "intruded" on Canadian jurisdiction (see "International Canada" for December 1983 and January 1984). When announcing the Act, Attorney General John Crosbie and External Affairs Minister Joe Clark, noted that similar legislation was already in force in numerous other countries. While emphasizing that the legislation was intended "as a measure of last resort," the Ministers noted that should diplomatic efforts fail or in the event of "irreconcilable policy differences," the Act would be invoked. Under the new legislation, the Attorney General would be provided with the authority to "prohibit compliance" with those extraterritorial measures taken by foreign governments and judged by Canada "unacceptable." As well, the Attorney General could, if judged necessary, prohibit the "production of evidence to foreign tribunals which purport to exercise extraterritorial jurisdiction." In the area of foreign antitrust judgments, he could also prevent the recognition or enforcement of such having extraterritorial scope, and could provide for the recovery of damages paid abroad in a Canadian court (Government of Canada news release, December 3).

When the Bill was discussed in the Commons December 13, Mr. Crosbie reiterated its utilization only as a "mech-

anism of last resort." Focusing primarily on areas of conflict in the application of law with the US, the Minister stated that the bill would protect Canadian sovereignty, especially involving bilateral problems of an antitrust nature. (While Canada already has an antitrust agreement with the US, the new Act would resolve some of the "underlying jurisdictional differences".) Mr. Crosbie added that the Bill would give Canada the "muscle" to support its objections to those foreign government measures with "unacceptable extraterritorial scope."

Human Rights

UN Declaration Anniversary

On December 10, marking the thirty-sixth anniversary of the adoption and proclamation of the Universal Declaration of Human Rights by the UN General Assembly, representatives of all three political parties rose in the Commons to commemorate the signing of the Declaration. Speaking for the government, Deputy Prime Minister Erik Nielsen recognized Human Rights Day 1984 and stated that the Declaration had provided all nations with "a common standard of achievement" as well as a "yardstick to measure the compliance by governments with the international standards of human rights." He reiterated Canada's continued commitment to the rights proclaimed in the Declaration — civil, political, economic, social and cultural. Mr. Nielsen also mentioned Canadian participation in two UN-sponsored rights-related programs, International Youth Year and the UN Decade for Women World Conference (July 1985). Mr. Nielsen's endorsement of Canadian efforts to promote human rights was supported by Herb Gray (Lib., Windsor West) and Jim Manly (NDP, Cowichan-Malahat-The Islands), both of whom emphasized the global aspect of inalienable rights for every individual.

Immigration

Illegal Aliens

In early December, Immigration Minister Flora MacDonald stated that the Conservative government would undertake a "global" review of immigration policy, rather than continue with attempts to strengthen the system piecemeal. The Minister noted at that time that, especially with regard to the problem of illegal aliens within Canada, the ad hoc approach had not proven effective (*Globe and Mail*, December 10). Ms. MacDonald acknowledged that despite a tradition of "compassion" with regard to immigration as a factor in Canadian development, the country had experienced "a certain nervousness" in times of economic recession. The position of illegals (estimated at nearly 50,000) would be reexamined, she stated, although the "integrity" of the system would be retained. Ms. MacDonald noted that illegals should not anticipate amnesties as a permanent solution because they invited "further deviations from the rules and regulations."

However, by December 21, the Minister announced an extension of the Long-term Illegal Migrants Review until July 3, 1985 (with the program already having received other extensions). In making the announcement, the Minister stated that the lengthened timeframe would allow illegals to "regularize" their situation in Canada, following a series of representations for a further extension. "Fair and sympathetic consideration" would be given their cases under the partial, conditional amnesty, added the Minister. She noted that most of the cases which had come forward, had received favorable decisions under the terms of the program. At the same time, the criteria used in the decision-making process remained constant (Employment and Immigration release, December 21, *Toronto Star*, January 3).

By the end of January, the Immigration Minister had directed her officials to halt deportation hearings on those illegals who had come forward under the amnesty but had failed to meet the five-year period of undetected residence within Canada (*Globe and Mail*, January 23). Illegals with an inadequate residence period would now be considered for possible landed immigrant status. Further consideration (on several levels — local, regional, committee and ministerial) would also be given on "compassionate and humanitarian" grounds for those illegals rejected under the terms of the program, stated an Immigration Department spokesman.

Defection Regulations

In early January the Immigration Department announced changes to be made with regard to "self-exile" defections from East-bloc countries. The amendments (part of a larger package) placed increased restrictions on that class of defectors from the Soviet Union and East European communist countries eligible to apply to immigrate to Canada from any country other than their own (*Globe and Mail*, January 7, *Winnipeg Free Press*, January 8). With the changes, these defectors would be required to establish to Immigration officials that danger of prosecution existed upon a return to their native country (this not having previously been necessary). With regard to the self-exile class, an Immigration Department spokesman stated that the rules would "narrow down the field," in order to "concentrate on those in greatest need." The new criterion was criticized by various groups representing immigrants, which asserted that the new restrictions would curtail successful applications for immigration. It was also noted that proving possible prosecution upon return to an Eastern European nation would be all but impossible. The campaign by the refugee groups expressing their concern at the "tightening" of controls proved effective, when on January 11, Immigration Minister Flora MacDonald announced that steps had been taken to initiate a rescission of the regulation on self-exiles. She stressed that Canada would "remain a haven for those fleeing oppression and we want that clearly understood." The Minister added that the regulation had originally been introduced with the understanding that it was a "minor amendment" not causing "any change in the number of self-exiled people accepted into Canada" (Employment and Immigration release, January 11, *Toronto Star*, January 12).

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(supplied by External Affairs Canada)

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will soon recommend or how a Court will decide should such issues arise. Nevertheless, the Law Reform Commission has in its recent report on Extraterritorial Jurisdiction (working paper 37) clearly recommended broadening the claims of Canadian law to include certain forms of criminal/commercial activities abroad as well as embracing war crimes, wherever committed, and as defined by the Law of Nations.

Bounty-hunting

Equally important is the penetration of varieties of US legal processes into the Canadian system, sometimes properly and occasionally not so properly. Good examples of an improper reach, and clearly appreciated by the US federal authorities, have been the seizure or "kidnapping" or unlawful holding and taking of persons from Canada against their will to the United States by "bounty-hunter" types of writ holders empowered under certain state laws (e.g., Florida) to seize and return those on bail who have escaped the jurisdiction. The two cases recently experienced by Canadians — one quickly repaired by US federal authorities — reflected some state rules that courts will not examine how the accused was delivered to the Court from an attempted evasion of his bail, and those courts will try the case whatever violation of a neighbor's sovereignty and legal system may be alleged. Obviously such situations cannot encourage a cordial contribution to North American amity — however unsympathetic may be the normal Canadian response to "jumping bail" at home. Clearly something is wrong and the federal government in the United States has not been entirely successful so far in using the international law supremacy of its federal courts to override this state-authorized bounty-hunter scenario more appropriate to Hollywood than to the streets of Toronto — although it can do so where federal jurisdiction is asserted.

Police cooperation, the sharing of confidential law enforcement data, and the recent negotiations directed to compelling discovery and disclosures in transnational criminal litigations, together with the Canadian Foreign Extraterritorial Measures Act recently enacted by Parliament and blocking the production of records for the use of foreign tribunals, are all to be seen as facets of a multi-dimensional legal interconnection between two federal neighbors embracing fifty states and ten provinces. Indeed, these matters possibly present even more difficulties than the above complexities suggest because they are associated with such questions as the residual authority of the states in US constitutional law and by the very extensive areas of exclusive provincial jurisdiction in the Canadian constitutional system.

Ad hoc inadequate

It is quite evident that all of these complementary, interacting and frequently conflicting legal procedures and normative requirements cannot operate without frequent confusion and conflict. Dramatic reaction and overreaction often overshadow the daily diet of cordial cooperation which marks so much of the relationship. Clearly the time has arrived when permanent monitoring and coordinating machinery must replace the unsatisfactory *ad hoc* attempts at formal or informal conflict avoidance, which too often

operates in severe instances minimally, if at all. If to extradition problems when amending the 1976 Treaty are added the as-yet incomplete coverage of securities/commercial/criminal transactions as the basis for extradition, it will be evident that both countries have a web of both supportive and conflicting legal standards and procedures that must be reconciled and harmonized if unfairness and occasional sharp disputes are to be avoided.

Many of these conflicts, as in the anti-trust field, are related to trade/investment questions. It is unlikely that the creation of a US-Canadian Joint Economic Commission, as recommended above, would suffice without a strong legal component within its fact-finding, alerting and analytical/advisory functions. For these reasons the institutional marriage of both the joint economic commission concept with a legal/administrative commission mechanism seems to be a logical one. It would prevent the economic side from operating in isolation from the legal issues involved and, correspondingly, the legal coordinators and fact-finders would operate with economic offences, real or putative, national or binational, very much in mind as they pursue the art of legal systematic harmonization. The consequences of such a united perception would be not two commissions but possibly a single commission to be known as The Canada-United States Joint Economic and Administrative Commission with its two sections on trade/investment questions and legal/procedural issues working side by side, independently where necessary, but always available for complementary activities in aid of general conflict anticipation and the dispute settlement process.

Bar Associations' concerns

Finally to this legal framework should be added for consideration the recommendations of the Joint Committee of the Canadian Bar Association and the American Bar Association which studied dispute settlement in recent years and issued a unanimous report adopted by both Associations in 1979/80. One basic recommendation involved a kind of legal "common market" for pollution disputes with access to the Courts on both sides of the boundary wherever the injured party or the polluter was located, and applying the law of the place of the action or of the injured party's jurisdiction. New Jersey, Colorado and Montana already have adopted such access legislation based upon this Report, but modifying the concept as to the applicable law, while Ontario recently was considering analogous legislation and that Bill may some day soon be enacted, thus providing an example for other Canadian provinces.

That Report also recommended a major step toward arbitration or adjudication for the interpretation of treaties affecting Canada and the United States and where the parties are in dispute with respect to their obligations under such instruments. In the absence of agreement to arbitrate, the Report proposed the option of going to the International Court of Justice. Experience with the Special Chamber in the recent Gulf of Maine Case may provide something of a model for the possible implementation of this recommendation. These matters, too, could be supported and monitored by the Joint Commission proposed here. Neither federal government has as yet responded to this Report.

Boundary waters and related issues

The general success of the International Joint Commission over a seventy-year period always has required public support, governmental confidence and six able Commissioners with staffs to fulfill the Commission role the Treaty provides for (there are three Commissioners from each country). What has happened to the Commission in recent years suggests that it can accomplish its regulatory and advisory duties well, if it is given the opportunity, as for example, in the Garrison Diversion, in water quantity and quality in the Poplar River, in monitoring and coordinating efforts with respect to water quality in the Great Lakes, in settling the Skagit River-Ross Dam dispute between British Columbia and Seattle and, more generally, in becoming a potential environmental Ombudsman along the entire boundary system from Maine/New Brunswick to Yukon/Alaska.

The other side of this favorable record has been the reluctance of both governments to entrust the Acid Rain issue to the Commission — although it has already a significant role with respect to atmospheric pollution in several References since the 1960s and more particularly in the provisions of the 1978 Great Lakes Water Quality Agreement where the word "atmosphere," in relation to atmospheric pollution, was intended as a clarion call to action.

This is not the place to discuss the failure of both governments to have given a timely Reference on the Acid Rain/Long Distance Transport of Pollutants to the Commission. But it is the opportunity to regret the neglect to agree on such a Reference before the question became so politicized as to discourage even activists favorable to the Commission from mounting a determined effort to have such a Reference agreed upon. But that is still the proper way for both governments to proceed.

Nevertheless, the passivity of governments over the past half dozen years, in relation to the Commission's potential, as represented by the delays in appointments of Commissioners and in the decline in the number of References, remains inexplicable. A kind of politics of myopia seemed to have set in at the very moment when imagination and foresight were required to safeguard the integrity of an entire mid-continent environmental system. The Boundary Waters Treaty of 1909 was a great achievement and the Commission very largely became a success as a result of both countries' confidence and their good judgment in using it over the years, although on the vital regulation of "levels and flows" — dams, diversions and the like — the IJC's mandate is compulsory and no Reference is required. A testing time is at hand for the effective employment of this most durable and successful of Canada-US institutions. It remains a potential model for other institutions which may develop if the Canada-United States geo-economic reality is to be reflected in creative measures for the long-term management of a common continent by two sovereign states.

The appointment of William Davis for Canada and Drew Lewis for the US to report on "the laws" and the general situation in both countries concerning Acid Rain, and to make recommendations within a year, is both a

"plus" and a "minus." It is clearly a "minus" from the point of view of long overdue action by both countries, and the blame has not always been on one side — although the present impasse owes more to the politics and economics of Acid Rain in the US than to Canada. To pretend the issue is not urgent and threatening is to do a disservice to widely held scientific perceptions and a shared common sense. The "plus" is provided by the possibility that Messrs. Davis and Lewis can use this opportunity to lay the basis for a consensus on terms and funding for a Reference to the International Joint Commission. Coming from these two men it would be an offer that both governments could not refuse. For without a Reference to the IJC systematic transboundary approaches at every level of government are unlikely to be explored fully and facts agreed upon, all of which are necessary to ground strong executive and legislative action.

Oceanic boundary and resource issues

While the International Joint Commission in the Passamaquoddy Bay study of 1959 on Tidal Power and in the B. C. Point Roberts Inquiry and Reports of 1973-75, including the Pacific Coast Gulf Islands, indicated that the IJC can operate with reference to offshore matters as well as with respect to its more readily perceived jurisdiction on the land mass, it seems unlikely that Congress or Parliament, or the executive branches of either government, would encourage an oceanic jurisdictional extension for the Commission.

Nevertheless, Canada and the United States face the need to operate, for 200 miles seaward from their coasts, not only the new Gulf of Maine single maritime boundary, but those yet to be determined: the Beaufort Sea in the Arctic; the Dixon Entrance marking the seaward extensions of the Alaska-Canada boundary; and the seaward line of the Juan de Fuca boundary presently running from the mainland to Vancouver Island. It is unlikely that these maritime delimitations can carry out the intentions of the parties, as to the living and non-living resources, the water column and the seabed and subsoil — with the related navigation, pollution and scientific research interests as understood in the as yet unratified 1982 Law of the Sea Convention — without adequate machinery to perform these difficult, complex and long-term boundary monitoring functions.

For these reasons — and assuming that the IJC is not the chosen agency, at this time, to have its jurisdiction extended seaward by executive agreement if not by treaty — it may be urgent to consider the creation of a new Seaward Boundary and Resources Commission. Of course, there would have to be some consideration given to the need to have separate panels for each of the four boundary areas: the Gulf of Maine, Beaufort Sea, Dixon Entrance and Juan de Fuca. Moreover, a like Commission, with appropriate panels, could also be used to perform similar functions once other seaward boundaries are settled with states now involved with Canada in parallel situations: Greenland, France and possibly the Soviet Union. The experience in common fact-finding with the North

Atlantic Fisheries Organization added to the record of the IJC as well as the particular Pacific successes with the Halibut and Fur-Bearing Seals Commissions should all provide a readiness for such an exercise.

Even the recent failure, but positive earlier record, now hopefully restored, of the Pacific Salmon Commission, should provide much encouragement. Of course, this is not the moment to forecast the future of the new Salmon Treaty and its Commission. It has its own regional panels. The place of the continuing Halibut Commission also must be considered. Clearly these are vital though secondary questions to be fitted under the larger umbrella of a joint Boundary/Resources Commission which can only be of benefit to both countries as the many responsibilities and dividends begin to emerge from these extended oceanic boundaries. Indeed one of the larger paradoxes of the new Law of the Sea — whether the 1982 Convention comes into force soon or not — is the virtual worldwide acceptance of the new 200-mile fisheries and/or economic zones. For acquisitive though they may be on the one level, these principles compel neighbors to undertake, in concert, conservation, environmental and other constructive measures to preserve a common coastal heritage now shared more intricately and more broadly than ever before.

Continental security questions

From the Ogdensburg Agreement of 1940 forward until the mid-1960s the central agency for canvassing Canada-US security questions, in their large and smaller aspects, became the Permanent Joint Board on Defence (PJBD). Along with formal and informal agreements on defence production arrangements during World War II and afterwards, these melded with the NATO family of obligations and then, later, with a more sharply focused North American perspective, into the NORAD Agreements from 1957 onward. It is common knowledge that while the PJBD resolved many vexatious situations and taught the two neighbors the art of daily accommodations on the issues of continental security, the machinery itself was essentially "unintegrated," since the Board did not pretend to evolve an "independent" secretariat or membership comparable to the IJC. Moreover, the Board had no "executive" authority as such and its tone and effectiveness was heavily dependent on the quality of its leadership — notably for Canada, General A.G.L. MacNaughton. No one today doubts the difficulty of restoring those heady days of his leadership as well as of his then influential and senior opposite numbers from the Pentagon. Hence, the PJBD, while continuing to serve usefully, is today perhaps a secondary instrument on the level of defence policy-making — perhaps even on high technical matters. "Nuts and bolts" well tended are the mainstay of its present reputation.

Major issues such as the Cruise missile and nuclear obligations under NORAD/NATO on Canadian land or Canadian airspace may be touched upon at PJBD meetings but major policy, or a fundamental advisory role here, does not any longer seem to command its agenda. There is, however, reason to believe that a serious upgrading in the rank of its representation and leadership could do much to

restore the Board to a more persuasive position, particularly as Canada and the United States now freshly examine the nuclear option within Canadian airspace and on sovereign Canadian territory.

The absence of a first-class and influential forum in the defence cooperation field, with continuity and senior personnel, may lead increasingly to the kind of misunderstandings that have marked the pre- and post-Quebec Summit debates and impressions about the extent of Canada's nuclear commitment — and the degree of freedom for the United States to use Canadian airspace and terrain in present and future defence requirements. These ambiguities are likely to escalate unless policy, structures and detail, are worked out systematically by the PJBD or some other mechanism.

The cultural/communication challenge

If "economic sovereignty" is the concern of classical nationalists observing the movement towards greater trade collaboration whatever the nomenclature, it is the cultural component which may soon be to the forefront in the age of intrusive media from that most media-oriented of civilizations catapulting ideas and images in a ceaseless flow to Canadian homes and minds. A number of cross-boundary legal problems already have arisen from the simplicities of TV advertising/taxation questions, to Canadian content regulations by the CRTC with their effect on the import and use of US programs.

More important, however, may be the age of direct broadcasting, small dish satellite antennas for home use combined with a total computer/communications network where boundaries generally become as intangible as the atmosphere itself. What are the disputes of the future that should be considered today to safeguard vital cultural, privacy and communications interests in Canada without pretentious and futile interruptions of a shared North American richness using the common electronic instruments of the age? Certainly with the cooperation of the International Telecommunication Union (ITU) some discipline in the hemispheric use of frequencies can be expected with reasonable equity in ITU regulations. But none of this prevents a free society and its members from selecting what it chooses to read, to watch and to hear.

Of course, broadcasting controls as well as patents, copyright and trademarks already have been found wanting in safeguarding this novel involvement with the hardware and software of the communications revolution. New legal measures to safeguard reasonable proprietary interests, transboundary and domestic, are now being designed to protect the inventiveness of Canadians, their privacy (personal and commercial), and for securing a priority, under reasonable conditions, for Canadian cultural creativity. Indeed the proliferating issues arising here from book publishing and copying to broadcasting, from computer software to data bank sharing may find a necessary legal/cultural/administrative focus in the agency recommended above, uniting economic and legal issues in the proposed Joint Economic/Administrative Commission.

Joint political processes — ministerial and parliamentary

The two countries have had a curious mixture of positive and negative experiences with ministerial committees and parliamentary groups with neither having a formal legal foundation. Certainly the Ministerial Committee on Joint Defence created in 1958 and the Ministerial Committee on Trade and Economic Affairs (1953) do not seem to have had the continuity and success for policy-making that was once anticipated for them — if Professor William Willoughby's summation of the experience is taken as a benchmark for measuring their achievements. On the other hand the Canada-US Interparliamentary Group seems to have been more successful in maintaining a degree of continuity with committees and agendas covering, generally, defence/security matters, economic and trade issues, and environmental questions. Its influence also involves the rather striking contrasts between the supremacy of the party system in Canada, where Cabinet government backed by majorities almost always has its way, and the US Congressional mechanism, where the Senate and the House of Representatives, coequal with the Executive and the Judicial branches, are thus also "supreme" but effectively so only in part of the legislative process, e.g., money bills and trade/budget/taxation or that critical step in treaty-making where the Senate with its power to "advise and consent" has the "last word." Professor Willoughby's illustrations of the Group's agenda, procedures and achievements generally suggest a favorable grade. Indeed, it is said that the recently signed 1985 Pacific Salmon Treaty would not have been possible but for the political groundwork of recent years prepared by the Interparliamentary Group including key members from Pacific coast states and regions, US and Canadian, particularly political leaders from the States of Alaska and Washington.

The experience of both countries with the recent NORAD/North Warning System Agreement and the Pacific Salmon Treaty, the first signed and the second ratified in Quebec on March 18, now demonstrate an important constitutional/political weakness in the Canadian treaty-making process. For while the executive has power to negotiate, sign and ratify, Parliament should have some chance to speak before and during that process, not when agreement is a *fait accompli*. This issue has troubled many and answers should soon be found to it in the name of appropriate Parliamentary participation in vital foreign policy economic and defence arrangements.

Constitutional hurdles

These political processes pose, perhaps, the most ambiguous of all models to develop for this new era of Canada-US cooperation and the search for effective means of dispute avoidance and settlement. Article X of the Boundary Waters Treaty, for example, does provide a procedure today for the arbitration of "any question" in dispute between the two countries but the agreement to go to binding arbitration in each case requires the prior two-thirds consent of the Senate. Not one case has ever come before the IJC, under Article X, since the Commission began to meet in 1912. Indeed, and more generally, the Senate treaty-

making power long has been a formidable unknown in the evolution of Canada-US relations. It is comparable to, but essentially more important than, the treaty implementation authority of the provinces, where since the *Labour Conventions Case* of 1937 — however slowly modified it may be in time — it is clear that although Canada may negotiate, sign and ratify in relation to any matter, "implementation" depends upon the distribution of powers set out in Sections 91 and 92 of the Constitution Act of 1867.

This combination of US Senate authority over treaties, the power of Congress and of states and provinces in important substantive areas affecting trade and economic questions, as well as legal standards and procedures, will always render very complex the evolving of Canadian-US economic/legal joint institutions whatever the amiable environment of the time. But a prudent combination of imaginative political processes — the now (as suggested in Quebec) regular annual meeting of the Prime Minister and the President and more systematic, regular meetings of the principal ministers concerned, to which might be added a possible consultative Biannual Assembly, for example — and specific fact-finding, advisory and alerting institutions as described above, should provide a moderate ensemble of instruments for an increasingly intermeshed North American fact. Sovereignty is still the watchword but degrees of co-mingling are the inevitable fate that awaits prudent leadership on both sides of that generally peaceful but sometimes difficult frontier. Since 1814, Canada and the United States happily may not have memories of deadly quarrels, but Canadians will not be misunderstood if they are cautiously watchful as they move toward higher degrees of intertwining that clearly may be of benefit to both peoples in an insecure age, but for which less freedom of action thereafter is the price to be paid. The old world of Europe may have a lesson or two, even in these uncertain years of the Common Market, which suggests that intimate economic relations supported by elaborate institutions need not diminish the images and the reality expressing the uniqueness of each sovereign member.

These proposals are not a one-way street. The United States, no less than Canada, has a vital interest in demonstrating to an often skeptical world that her imperial power is no barrier to living in equality and harmony with a so-much-less powerful Canada. Her trade and investment concerns require the application of liberalized and safeguarding measures for all the practical and symbolic reasons that now underlie the United States' foreign trade policy.

More fundamental: if Canada and the United States are now to face this new era of the continental fact *with realism* these institutional arrangements are necessary to safeguard against the natural anxieties of Canada. Indeed in world eyes Canadian sensibilities henceforth become a litmus test of the US's ability to manage its power so as not to eviscerate culturally, distort economically, or eliminate strategically, the identity and will of a premier friend, ally and neighbor.

In this watershed time for Canada proper institutions become indispensable to assuring that vital one-to-one relationship which alone can protect the viability of the Canadian future. □

Bilateralism in a multilateral world

by John M. Curtis

The renewed interest in Canada's international trade policy has been striking. Business and labor groups, scholars, editorial writers and commentators have been adding their voices to the historically very small number of Canadians who had earlier addressed this issue. Well-publicized reports on Canadian trade policy during the 1970s by the Economic Council and the C.D. Howe Institute, and in the early 1980s by the Senate Committee on Foreign Affairs, receded from public view rather quickly, as did much of the research by academics and the work of a few other commentators. Internal problems of nation-building, political, cultural, and economic, came to dominate Canadian thought and attention. Only occasionally did events abroad that had a direct and clear impact on the country engage Canadians and their political leaders. International affairs, generally, were on the back burner.

During this period of intense inward focus, patterns of world production and trade, and the condition of the world economy and its institutions, continued to change. Macroeconomic policy was not as effective in maintaining growth, controlling inflation, or minimizing unemployment as it had been in the 1950s and 1960s. Competition in significant parts of the manufacturing sector from Japan and the Newly Industrializing Countries (NICs) also began to cause severe labor dislocations in certain sectors of Canada's economy, aggravating those already caused by rapid changes in technology. Natural resource-based products from new sources in the world, sometimes subsidized by governments and aided by improvements in transportation and communications, came increasingly into international markets while global demand for products such as copper was declining as substitutes were introduced. Exchange rate volatility and more particularly the misalignment of currencies also had a considerable impact on world trade.

International protectionism overstated

All of these developments combined in the first half of the 1980s to increase protectionist pressures in the world trade system. Surprisingly, given the depth of the recession and the indebtedness of certain countries, this protection was more often threatened than actually invoked. Nevertheless, protectionist pressures appear to have influenced decisions on investment and trade and on the location of production. Such import restrictive actions as were taken were often directed at particular countries

(Japan, for example) and at protecting specific sectors (automobiles, steel, footwear). New trade practices, such as countertrade and domestic sourcing requirements, also emerged.

While these forces were at work within the international trade system, Canada's domestic economic policies tended to evolve during the 1970s almost independently. Few fundamental adjustments in the structure of Canada's economy appeared to be necessary, partly because the areas in which Canada was traditionally strong continued to contribute to a Canadian merchandise trade surplus. With a relatively comfortable balance-of-payments situation, and with a strong and growing government sector, economic policy attention in Canada during this period focused less on economic growth than on the distribution of income, as well as on inflation and those policies thought best to control it. Those structural policies that were pursued — increased regulation in many sectors of the economy including energy, foreign investment and fisheries, for example — usually led to higher costs and thus less efficiency in terms of international competitiveness. Further, research and product development in those areas of traditional Canadian strength such as agriculture, forestry and metals began to lag relative to efforts in other countries, while Canada's labor markets continued to be characterized by disruptions and inflexibility.

The dramatic slowdown in world economic activity especially after the second oil price shock of 1979, accompanied by an even greater decline in the volume of international trade, contributed to a sudden worsening of the performance of the Canadian economy in terms of growth and employment by the early 1980s. Continuing lacklustre economic performance has now led Canadians to reconsider some fundamental tenets of postwar domestic and international economic policy. This on-going reexamination has included trade policy and, in particular, Canada's economic relations with its overwhelmingly largest trade partner, the United States. In many ways, Canadian-US relations largely define Canadian foreign policy, although

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it is not always seen this way by Canadians. Nowhere is this truer than in the economic area, where the relationship is broader, closer, and more complex than that between any other two countries of the world.

Chimera of bilateralism

This reexamination in Canada of its trade and other relationships with the United States is to be welcomed, coming as it does after the period of national introspection referred to above. Yet some aspects of the current reexamination of the Canada-US relationship are worrying. While the direction is right — this country must follow policies that take better account of the interdependence of the two economies — some of the arguments being put forward in support of a completely new order of bilateral relationships appear to be based on misperceptions or overstatements, including the view that a choice has to be made between dealing with the United States on a bilateral or on a multilateral basis or that Canada can somehow opt out of the multilateral system in favor of some exclusive, bilateral relationship with the United States. In fact, an appropriate trade policy towards the US can and should involve both approaches and others as well.

Since the Second World War, Canada has conducted its trade relationship with the United States largely through the multilateral system. The General Agreement on Tariffs and Trade (GATT) has represented the main trade agreement between the two countries. Access to each others' markets has been on the same terms as that available to other GATT members, and many bilateral disputes on trade matters have also been dealt with in the larger GATT forum under its rules and procedures. At the same time, Canada and the United States have created several purely bilateral trade arrangements which have complemented the underlying multilateral framework. Although few in number, these bilateral arrangements, involving automobiles, defence production, and agricultural machinery, govern important sectors of cross-border trade. With respect to several other sectors, such as civil aircraft and components, Canada, the United States, and a group of some twenty countries also have concluded trade arrangements open to others should they wish to join and accept the obligations involved. Both countries maintain a certain degree of unilateralism in their trading policies as well, raising trade barriers unilaterally when imports surge and threaten a particular industry or sector, lowering them to fight inflation or to help developing countries, and increasing or reducing subsidies to firms or farmers for both social or economic development reasons.

Careful assessment of objectives

Given this context, the central trade policy question for Canada is not whether or not there should be some type of completely new, special trade arrangements with the US. It is rather about what emphasis should be put on various approaches open to this country in further developing and securing our trading relationship with the US. The answer to this question of emphasis is not clear-cut — certainly not as clear-cut as many engaged in the current debate about free trade with the United States would have us believe. It depends very much on an assessment of how

Canada's trade policy objectives can best be achieved, as well as on a view of likely US interests and objectives. It also involves a clear appreciation of the interests of other major trading partners of our two countries. Further, while an appropriate trade policy for Canada is necessary, it will not be sufficient in itself to improve Canada's economic performance. Domestic, as well as international, policies will have a major impact on how this country's economy functions.

A central objective of Canada's international trade policy has been, at least since the 1930s, to secure as open and stable access to foreign markets as possible for Canadian exports. This objective has increased in importance. With new technology, many manufacturing processes require larger units to be efficient, and the Canadian domestic market is not large enough to absorb all domestically produced output or sufficiently attractive to attract or retain large amounts of international investment capital. Economies of scale and specialization of production are needed to ensure international competitiveness, essential both to maintain viability in the Canadian market and to penetrate markets abroad. The output of many of Canada's natural resource-based industries, always greatly in excess of the amount consumed domestically, also provided a compelling reason for Canadians to continue to support a system of open international markets.

Canada's nearest, largest and wealthiest (albeit not the fastest-growing in a longer-term perspective) foreign market is the United States. For most sectors and almost all regions of the country, access to the US market is critical. Successive Canadian governments have sought to improve access to foreign markets and especially to the US market for many sectors, particularly those of relative strength, in exchange for reductions in Canadian trade barriers. US trade policies towards Canada, on the other hand, have been approached more broadly in terms of larger, more global American interests. These differing but generally parallel Canadian and US approaches to trade with each other came together after the Second World War. As the smaller country in the relationship, it was thought that Canada would gain better access to US markets with the negotiating support of other countries wanting similar access to the US market than if it dealt bilaterally with its larger neighbor. History tended to bear this approach out. Canada and other countries, working through the GATT, succeeded in negotiating the US tariff down from an average of 50 percent in the 1930s to 3 to 4 percent by 1987, and brought significant international discipline to bear on many US non-tariff measures. For the United States, guardian of the western world's economic and political system, this cooperative approach to trade policy was not only consistent with its overall leadership role but also resulted in significant reductions in other countries' barriers to its exports of goods, services and investment.

Arguments for a US deal

As the Canada-US relationship comes under scrutiny again, particularly from the Canadian side, do the economics and politics of 1985 suggest a stronger emphasis on bilateralism? Should Canadian trade objectives be now cast more in the institutional form of a free trade agree-

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ment with the United States, a trade enhancement arrangement, or reductions in trade barriers in certain sectors or with respect to certain barriers, rather than in terms of multilateral arrangements?

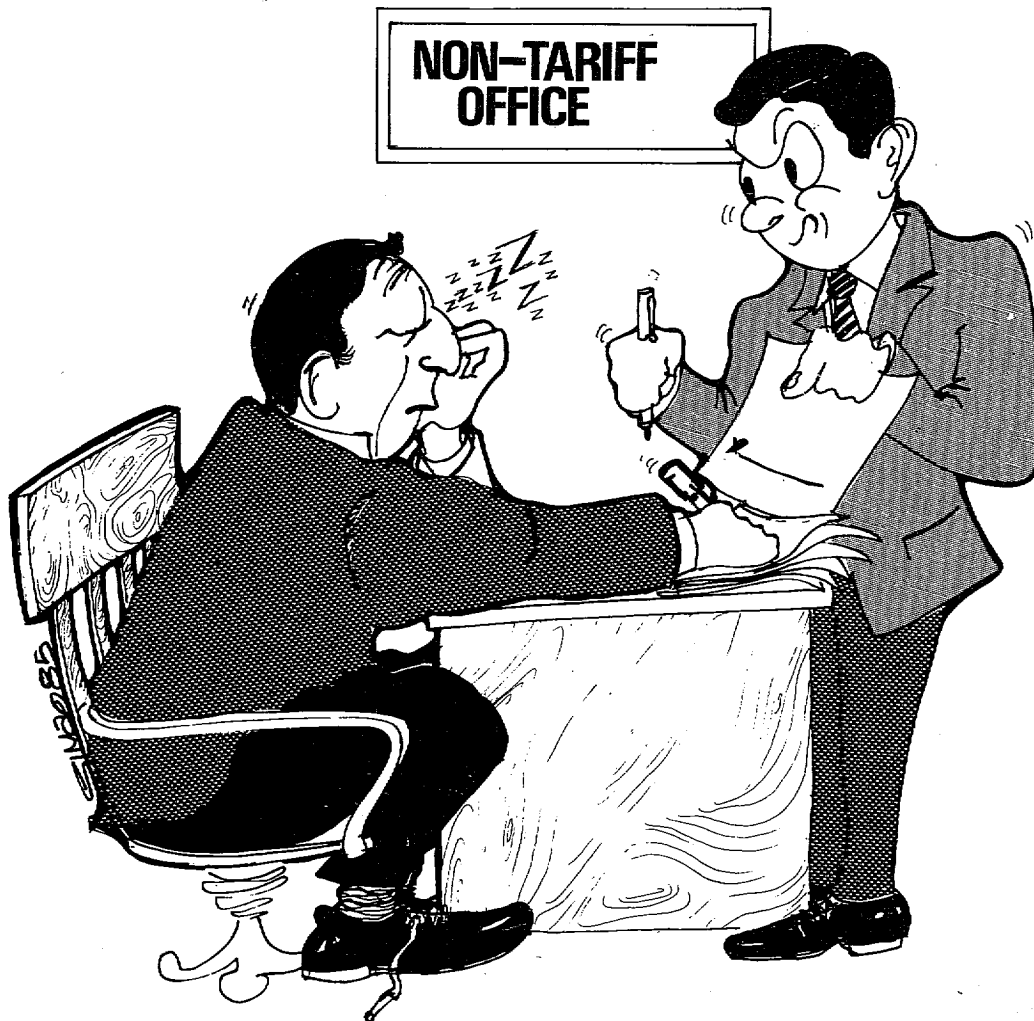
The case being made by those favoring more emphasis on the bilateral rather than on the multilateral approach for Canadian trade policy might be summarized as follows.

1. More rapid progress in limiting the impact of US trade barriers, particularly non-tariff barriers that are increasingly affecting Canada severely, would be made within a bilateral arrangement; that is, there is more likelihood of a trade deal being made bilaterally between Canada and the US than on a multilateral basis among all trading countries.
2. The US now appears to be ready to make a deal on trade liberalization with Canada and with certain of its other trading partners, such as Israel, on a one-on-one basis.
3. The manufacturing sector, particularly in Canada, would be rationalized to better face off-shore competition both in its own markets and offshore if it were organized on a North American-wide basis.

4. Economic gains to Canada would be large, perhaps as much as 7 to 10 percent over a period of years, if barriers to cross-border trade were eliminated on both sides.
5. Fuller and more secure access to the US market would solve many of Canada's regional economic disparities and tensions between the two levels of government in Canada.
6. Arrangements to liberalize trade bilaterally with the United States would have fewer negative consequences for Canada's trade relations with third countries now than in earlier periods.

A strong case can be made in support of each of the arguments listed above. Mounting threats of US protectionism do appear to be affecting adversely Canadian investment, production and employment performance. The multilateral system does seem both frayed and cumbersome at present, and the United States appears to be very receptive to successive proposals on bilateral trade relations made since 1983 by the Canadian government. Yet many of the above arguments can be, and have been, overstated in public discussion to date.

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Making a US deal

High price for Canada

The foremost consideration is whether the United States on a bilateral basis could or would remove those trade barriers which affect Canada most severely. Among US barriers in question are the still not inconsequential tariffs on many imports, countervailing and dumping duties and "Buy America" purchasing practices at both the federal and state level. While the removal of these barriers would presumably be discussed during negotiations with the Americans, it is not clear why or under what conditions the US might be willing to give up these policy instruments. Canada, for example, might well in the course of bilateral negotiations be asked to bring its still significant tariffs into line with US tariffs, even if over a longer time period, to accept limitations on subsidy practices so as to avoid US countervailing action, and to give up domestic purchasing preferences in order to get US movement on these same barriers. Some Canadians might consider these possible limits on Canadian policies to be too high a price to pay for improved and more secure access to the US market. Some Americans, likewise, might consider that the massive US fiscal and trade deficits preclude any far-reaching "concessions" to Canada at the present time.

Second, the prospects for the evolution of the multilateral GATT system are probably better than is often suggested. True, the multilateral system has many weaknesses, and prospects for its improvement are unclear. GATT membership includes many countries with conflicting interests. The next "round" of trade negotiations, when it happens, will be anything but short or straightforward. New issues such as barriers to international trade in services are even more complex than the still unresolved "old" ones such as agriculture, trade in counterfeit goods, and the use of temporary or safeguard measures against unexpected surges of imports. At the moment no international consensus appears to have emerged as to which trade rules and practices should be included and on which agreement is likely in the next round of multilateral negotiations.

Still, the multilateral trade system is basically intact after the incredible pressures of the past ten years. No major country seems prepared to abandon the system; indeed quite the opposite. A decision to hold a new round of trade negotiations within GATT, more comprehensive than ever attempted before, will probably be confirmed at the Bonn summit early in May. Should a new round be launched within the year, enormous commitment in terms of skilled and knowledgeable people will be required. Since such individuals are relatively scarce, it is possible that at least on the US side, most would quickly become involved in multilateral, rather than in Canada-US, issues.

What about third parties?

Third, it is uncertain whether new preferential trade arrangements of a comprehensive or more limited nature between Canada and the US would be acceptable to the other major trading countries — to Japan and the European Community in particular. This consideration is perhaps of special importance to the US which would have to balance negative global fallout from proceeding bilaterally with Canada with the gains that it would achieve in working out special arrangements with this country. It is possible

that the US would decide to take the risk of offending the Japanese, the Europeans and others. But to state that if the US is willing to make a special arrangement with Israel, for example, it will make one with Canada is not valid. Canada in its own right is one of the world's major trading countries. The impact of some form of an institutionalized Canada-US free trade arrangement would have a significant impact on the broader world trading system.

Fourth, a closer examination is needed of the gains in Canadian productivity and in economic activity more generally that would come from an exclusively bilateral arrangement with the United States. While economic theory and recent empirical work does indeed suggest that efficiency gains in the Canadian manufacturing sector would likely occur because of increased economies of scale and product specialization, serious questions may be asked about the quality of entrepreneurship and management of the Canadian secondary sector and about the quality and attitudes of the Canadian workforce — two additional factors vital to the overall performance of the manufacturing sector. Unless Canadian industry can successfully adapt to take advantage of an open North American market, the 7 to 10 percent efficiency gains forecast for Canada probably will prove to be overstated.

Finally, while a bilateral Canada-US arrangement would have most impact on the manufacturing sector, it would have a less significant effect on many sectors of Canada's huge natural resource industries, sectors largely dependent on the smooth operation of the world trading system as a whole. These activities — fisheries, forestry, metals, wheat and oilseeds — need more research, less regulation, better management and improved communications. Few of these public policy requirements would necessarily be aided by a free trade arrangement with the US. In recognition of this fact, it is not surprising that in recent years leaders of Canada's outermost regions — traditionally the strongest advocates of some kind of free trade arrangement with the United States — have called for liberalized trade on a worldwide basis.

Are we wanted?

The debate on new Canada-US trade arrangements has now entered a new phase and is certain to be lively and perhaps acrimonious, influenced by judgments of the possibility of future developments as well as by different interpretations of a common body of facts. Even excluding those basic cultural, social and political considerations on which the arguments in favor of free trade with the United States have historically faltered in Canada, there is room for the experts to differ on the economic and trade relations impact of freer trade with our giant neighbor to the south. And even if Canadians can agree to pursue the objective of free cross-border trade, ideally in a mutually-reinforcing manner with out multilateral objectives and obligations, we shall have to remember that it takes two to make a deal. A clear assessment of Canadian interests, and how much support there is for free trade in each Canadian region and within the Canadian private sector, is only one-half of the equation. An equally clear view of what the United States might reasonably want from us, and how its longer-term interests in the world as a whole would be affected, is the necessary other half. □

A US view of freer trade

by Gary Clyde Hufbauer and Andrew James Samet

In a period of record US trade deficits and mounting frustration with the pace of multilateral negotiations, would the United States seriously consider a Canadian trade liberalization proposal? It might be more appropriate to ask, "Why not?" One objection is that other trade partners, primarily the EEC and Japan, would oppose the effort. A related objection is that a bilateral pact would undermine the General Agreement on Tariffs and Trade (GATT) and the multilateral approach to trade and finance that has served as bulwark and hallmark of post-World War II liberalization.

Until recently, US trade liberalization efforts were almost exclusively conducted in the GATT. Seven GATT rounds of tariff cuts and new codes to govern non-tariff barriers culminated with the Tokyo Round, concluded in 1979. The United States came away from the Tokyo Round with a feeling that the GATT process was barely capable of coping with non-tariff trade barriers. The policies of Japan and other trade partners came to be viewed as "unfairly" denying US business access to foreign markets. Now, as the US economy moves increasingly to a service economy — a trade sector not regulated by the GATT — and as US foreign investment increasingly becomes subject to host country restrictions with an adverse trade impact, US officials see even greater dangers of foreign actions that cut off US trade opportunities.

Multilateralism losing appeal

Another fact has encouraged US policy makers to take a new attitude — one less totally committed to multilateralism. The growing merchandise trade deficit, largely attributable to the high value of the dollar and faster US recovery, has sparked widespread concern about the existing trade order. In 1984 the US merchandise deficit doubled to almost \$125 billion, and the current account deficit reached a staggering \$100 billion. These numbers promise to grow ever larger throughout the 1980s as the federal budget deficit remains stubbornly above \$200 billion and the US becomes a debtor nation (far surpassing Brazil and Mexico). The trade deficit could easily lead to hysteria on Capitol Hill. The proposal for an across-the-board import surcharge is rapidly gaining adherents.

One consequence of these troubled times is that, while the United States has continued to affirm its commitment to the multilateral system, bilateralism has attracted renewed interest as a promising avenue of liberalization. The term "reciprocity," the scourge of the trade community in

the post-depression era, has won new converts. The US initiative most clearly along bilateral lines is the Caribbean Basin Initiative (CBI). The CBI, implemented in the 1982-84 period, involves an aid, trade and tax package, motivated by US fears that Soviet and Cuban subversion would spread chaos in the Caribbean region. It was reasoned in Washington that more economic progress would mean less fertile ground for political revolution. The trade provisions enable one-way duty-free entry for specified products from eligible Caribbean nations. The CBI represents a large-scale departure from the most-favored-nation principle — the kind of departure that the United States opposed when applied by the European Community to the Lomé Convention countries — and a GATT waiver is being negotiated.

Growing US bilateralism

More recently, the United States has moved towards a formal free trade agreement with Israel. The US Trade and Tariff Act of 1984 provides the explicit negotiating mandate for the administration. When the accord with Israel is finalized, it will be the first comprehensive bilateral free trade arrangement signed by the United States. (The 1964 Auto Pact with Canada is the only significant previous US experience with bilateral liberalization.) The 1984 Act also enables the United States Trade Representative to conduct free trade discussions, on either a sectoral or a comprehensive basis, with other countries. In addition to Canada, the United States has discussed bilateral liberalization with the ASEAN countries (Singapore, Hong Kong, Malaysia, Thailand and Indonesia). Furthermore, the United States has undertaken bilateral negotiations with Japan to liberalize beef and citrus barriers, to open telecommunications procurement and to reduce other non-tariff barriers such as customs procedures and standards. Recently, Japan and the United States agreed to eliminate all tariffs on semiconductors (a modest sectoral accord of sorts).

The US initiative to sign "bilateral investment treaties" (BITs) with a large number of developing nations

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A Reagan Round?

reflects strong concerns about the "trade-related performance requirements" (TRPRs) imposed by those countries on US direct foreign investments. These TRPRs often entail commitments on local sourcing and exports that adversely affect US trade flows. TRPRs were the subject of a 1983 GATT Panel report which concluded that the local sourcing requirements imposed by Canada's FIRA violated GATT Article III.

Two key items

Against this background, Canadian efforts to pursue bilateral trade arrangements with the United States would be warmly greeted by the Reagan administration. But whether the administration will take a Canadian initiative seriously depends on two factors: first, what type of proposal the Canadians put forward, and second, whether the Bonn Summit in May promises to inaugurate a "Reagan Round" of multilateral trade negotiations, called for by the President in his February 6, 1985, State of the Union address.

While the United States will react cordially to whatever Canada suggests, it is unlikely that the sectoral liberalization approach championed in 1983 by the Trudeau government, or any modified version of such an approach (including "functional" liberalization on such questions as antidumping and countervailing duty laws), will excite the Reagan administration. Liberalization along sectoral (or functional) lines envisages that concessions in each sector (or function) by Canada can be balanced by concessions in that same sector (or function) by the United States. Self-balanced packages seem achievable in only a few sectors. Thus, even as the Reagan administration undertook the ground work to negotiate on a sectoral agenda, including hearings before the Trade Policy Staff Committee and the International Trade Commission in January of 1985, the approach seemed stillborn. In fact, the Mulroney government appears to be shelving the sectoral effort.

Non-sectoral option

If a sectoral approach is discarded, the remaining option is a broader one to reduce tariff and non-tariff barriers. The broad agenda would include government procurement, countervailing and antidumping actions, es-

cape-clause proceedings and investment and services issues. Trade-offs would be made across sectoral and functional areas, long phase-in periods would be part of any agreement, and each party would want special measures to guard against undue loss of investment.

If the Mulroney government endorsed a sufficiently broad liberalization effort, it is unlikely that US concerns about the reaction of Japan or the EEC would deter the US. Indeed, the EEC, a free trade area itself, continues to grow, and new members Spain and Portugal await entry. How could the EEC challenge a Canada-US free trade area? The Japanese, meanwhile, run an enormous trade surplus with the United States. In 1984 the surplus was \$36.8 billion. With such a surplus, Japan would find little sympathy in the United States for any concerns about the trade impact of a North American accord. The only thing that could undermine US interest in a Canadian approach would be a new multilateral trade round that promised to cover the US agenda.

On the other hand, if the US-Canadian negotiations threatened to result in an isolationist "Fortress North America," EEC and Japanese objections would intensify dramatically, and legitimately so. Fears of a return by the United States to the protectionist trade policies of the 1920s and 30s could prove a critical blow to the multilateral system. In addition, Mexico, although not a GATT member, and unlikely to join in any North American negotiations, would also pressure the United States against adopting a trade relationship with Canada that would disadvantage Mexico.

However, the official US position holds that bilateral liberalization is complementary and not antithetical to the multilateral system. The GATT, for example, does provide for free trade areas under Article XXIV, and numerous free trade agreements are recognized by the GATT. Thus, couched in the right way, it would be entirely possible for the US to pursue multilateral liberalization in a Reagan Round and bilateral liberalization along the lines of a Mulroney initiative.

In short, the main obstacle to Canada-US negotiations on a larger market is not the EEC, Japan or the multilateral system. The main obstacle is cautious diplomacy on both sides of the border. □

Canadian business and free trade

by Jock A. Finlayson

In his classic 1939 study of the Canadian Manufacturers' Association (CMA), Professor S.D. Clark argued that the decision to proceed with the National Policy in the late 1870s was in significant measure a consequence of determined lobbying by the country's manufacturing industries. High tariffs were the hallmark of the National Policy, whose objective was to promote the development of Canadian industries through the use of trade barriers imposed against foreign, mainly US, competition. This policy was given strong support by most of the Canadian business community until well into the present century. The manufacturing sector, and central Canadian business generally, remained resolutely opposed to freer trade prior to the Second World War. Many US-owned firms established subsidiaries in Canada in order to jump the tariff wall and serve the Canadian market. With the arrival of postwar prosperity and the creation of a liberal international trade and payments system in the late 1940s and 1950s, Canadian business became more prepared to accept gradual and modest reductions in Canada's tariff and non-tariff barriers. However, few industries outside of the resource sector favored either multilateral free trade or bilateral free trade between Canada and the United States.

During the 1960s and 1970s Canada grew progressively more dependent on the United States economy as a destination for exports and a source for imports, and the seemingly relentless process of North American economic integration continued apace. By the late 1970s the views of central Canadian business, including manufacturers, on the question of trade with the United States was clearly beginning to change. Recently, such major national business associations as the CMA, the Canadian Chamber of Commerce (CCC), and the Business Council on National Issues (BCNI), have been seriously exploring the idea of freer Canada-United States trade. In the past two years, the CCC has passed a resolution expressing support for an effort to negotiate bilateral free trade by 1987; the BCNI has suggested that Canada and the United States sign a bilateral "Trade Enhancement Agreement" that would provide a framework for negotiations aimed at further liberalizing bilateral trade; and, most striking of all, the CMA has called on the Canadian government to consider negotiating a free trade agreement with the United States.

These developments highlight an important shift in the attitudes of much of the Canadian business community

toward trade and commercial relations with the United States. How did it happen?

Overview of Canadian trade

International trade is vital to the Canadian economy. As indicated in Table 1, exports have accounted for a growing share of Canada's economic activity over the past two decades. Exports are also more important to Canada than to other industrialized economies. In 1983, for example, they amounted to no less than 28 percent of Canada's gross domestic product, versus only 10 percent in the United States, 16 percent in Japan, and 22 percent in France. Of the seven leading non-Communist industrialized countries, only West Germany was more dependent on exports in 1983. Yet although Canada is unquestionably very reliant on foreign markets, it is hardly a dominant power in world trade. Indeed, Canada's share of world exports has been declining steadily, from 5 percent in 1970 to about 3 percent today. Many Canadian industries involved in exporting are "price-takers" in the international markets they serve, with no control over selling prices, and are therefore very vulnerable to changes in these markets.

Not only is Canada more exposed to the international economy than most other large industrialized nations, but it trades overwhelmingly with just one particular foreign market, the United States (see Table 2). No other two countries trade as extensively with each other, and the degree of integration that has been attained between the two economies is unique in the industrialized world. Bilateral trade totalled \$120 billion in 1983 and more than \$130 billion in 1984. Canada now sells almost three-quarters of its exports to the United States, a truly extraordinary export concentration by any standard. Canada also purchases about 70 percent of its imports from the US. For its part, the United States sells approximately 20 percent of its exports of goods and services to Canada, and obtains the same proportion of its imports from this country. Because

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A change of heart

the United States is only about one-third as dependent on foreign trade as Canada, there is a marked asymmetry in the relative importance of bilateral trade to the two economies. Each year the United States buys from Canada goods and services equal to up to 20 percent of Canadian output, while Canada's purchases from US suppliers amount to 2 percent of US output at the most.

Over the past fifteen years the United States has become more rather than less important to the Canadian

Table 1

**Exports of Goods and Services
as a Percentage of
Canadian Gross National Product**

1963	19.7
1968	23.0
1973	24.9
1978	27.2
1980	30.6
1982	28.4

Source: Minister for International Trade, *How to Secure and Enhance Canadian Access to Export Markets*, Discussion Paper, Ottawa January 1985. Government of Canada, *A Review of Canadian Trade Policy*, Ottawa, September 1983.

economy, despite attempts on the part of the federal government to diversify Canada's trade and to strengthen relations with other countries. The forces propelling Canada's commerce in a north-south direction are extremely powerful, and include the following:

- the United States is the wealthiest foreign market in the world;
- it is a huge market, with a population almost ten times larger than Canada's;
- geographic proximity makes the US attractive from the point of view of transport costs and servicing customers;
- common language, culture, and consumer tastes and lifestyles minimize the difficulties involved in trying to sell goods in the US;
- the extensive and longstanding linkages between the private sectors of the two countries provide a firm foundation for bilateral commerce.

In addition to these factors, since the 1940s Canada has enjoyed improved access to the United States market because of the progressive lowering of tariff barriers through GATT negotiations. By 1987, some 80 percent of Canada's industrial exports to the United States will be free of customs duties. (The comparable figure for US exports entering Canada will be 65 percent.) In light of this, why

then is there increasing concern, both in the Canadian business community and more generally throughout the country, about Canadian access to the United States market, and growing interest in the possibility of new bilateral trade arrangements?

Why the US market?

Several factors have led most of the Canadian business community to conclude that Canada should now consider negotiating a broad, bilateral trade agreement with the

Table 2

**Canada's Exports to Its Three Largest Markets
as a Percentage of Total Canadian Exports**

	1981	1983
United States	66.0	72.9
Japan	5.2	5.2
United Kingdom	4.1	2.6

Source: Minister for International Trade, *How to Secure and Enhance Canadian Access to Export Markets*, Discussion Paper, Ottawa, January 1985. Government of Canada, *A Review of Canadian Trade Policy*, Ottawa, September 1983.

United States. First, as noted earlier, Canadian industry has become more dependent on the United States as an export market. This has been magnified by the recent robust US economic recovery, which is largely responsible for Canada's own modest recovery since 1982. It is also widely recognized by Canadian business that the likelihood of Canada's making major inroads into new markets or obtaining better access to such industrial markets as Japan and Western Europe is very slim in current circumstances. Past efforts to diversify Canadian trade by increasing exports to other countries have not been notably successful. There is little reason to expect that significant new markets will soon open up to Canadian manufactured and high value-added exports. For many Canadian companies, this puts a premium on securing and, if possible, improving the access which they now enjoy to the United States.

A second reason for the increasing support in the Canadian private sector for a bilateral trade arrangement with the United States is US protectionism itself. The sharp escalation of the US dollar and the growth of highly competitive industries in other countries have put many American industries under severe pressure from imports. Canadian industries such as steel, lumber and copper recently have been threatened with US trade restrictions which, if implemented, would have done serious damage to the Canadian economy. With the 1985 trade deficit ex-

pected to reach \$130(US) billion or more, it would be remarkable if the forces favoring protectionist policies were entirely thwarted in their efforts to raise trade barriers in order to protect beleaguered US industries. No country has more to lose from the institution of higher trade barriers in the United States than Canada. Yet, in most cases, US trade restrictions are not even aimed at Canada, but are instead targetted at imports from newly industrializing Third World countries, Japan and Western Europe. Because Canada has no overall bilateral trade arrangement with the US, Canadian industries are extremely vulnerable to US protectionist actions. Whether in fact it would prove possible for Canada, in the context of a broad bilateral trade agreement, to negotiate exemptions or special treatment with respect to US non-tariff barriers (which have replaced tariffs as the main impediment to gaining access to the US market) is at present very unclear. Nonetheless, many in the Canadian business community appear to believe that the negotiation of new bilateral trade arrangements would provide Canada with an opportunity to circumnavigate the present American trade restrictions and import laws.

Trading blocs hurt

The rise of regional trading blocs is another development which makes a bilateral trade strategy more sensible from the perspective of Canadian business. Canada has long been a supporter of the GATT multilateral trade system and its principle of most-favored-nation (MFN) treatment. But the growth of regional trade arrangements has weakened this key GATT principle. Regional trade agreements boost trade among members and make it more difficult for non-members to export to the regional bloc. The trend toward regional trade blocs is most striking in the case of Western Europe. As the Canadian Senate Standing Committee on Foreign Affairs noted in its study *Canada-United States Relations* in 1982:

The European Community, with its common market, has grown from six to nine, then to ten, and possibly soon to twelve members. Add to this the Community's agreements for free trade in industrial products with the six remaining EFTA countries, and North America is confronted by a vast sixteen-country free trade network across Europe. This situation has not been reassuring for Canada or the United States.

Although regional free arrangements are permitted under the GATT, they serve to undermine the principle of non-discrimination or MFN treatment that was the cornerstone of the GATT. The share of world trade conducted on an MFN basis has declined from 90 percent in 1955, to 77 percent in 1970 and to perhaps 65 percent in 1980. The trade diversion caused by regional trading blocs has harmed Canada's exports to Western Europe. For example, whereas Canada sold almost 9 percent of its merchandise exports to Britain in 1970, this fell to less than 4 percent by 1982. The fact that regional free trade arrangements appear to be gaining popularity gives Canada another reason to explore the prospects for bilateral trade liberalization with its principal economic partner.

Those economies of scale

Finally, many Canadian industries realize that to compete in the increasingly interdependent global economy, they must achieve greater economies of scale and become more specialized. Secure access to a large, prosperous market will be essential for this strategy of rationalization and reorganization to succeed. At present, Canada is the only major industrialized country unable to offer its industries free and secure access to a market of at least 100 million people. Many Canadian industries are developing world product mandates which require that firms manufacture and export larger volumes of a more limited range of products. For most industries in this position, the Canadian market is too small to allow substantial economies of scale to be achieved. In addition, the tariff protection previously afforded to Canadian industry by Canada's traditionally high tariffs has been severely eroded through GATT negotiations, thus making it even more necessary for firms to become competitive and increase productivity. Before the last GATT negotiating round, average Canadian tariffs on industrial imports were almost 13 percent; by 1987, when the most recent tariff cuts are fully phased in, they will fall to less than 8 percent (although tariffs are considerably higher in some sectors). In the words of the Senate Standing Committee on Foreign Affairs,

Canadian industry [is now] in the worst of both possible worlds — with tariffs too low to be an effective protection and, at the same time, still without free access to a huge assured market as enjoyed by its competitors, the European Community, Japan and the United States.

For many Canadian companies, this is perhaps the most compelling reason of all to search for ways to strengthen Canada's trading relationship with the United States and to develop a new framework that will provide greater security for Canada's exports to the US market.

Business ambivalence

The increasing interest of the Canadian business community in the idea of a bilateral trade agreement with the United States is an important factor behind the recent efforts by the federal government to explore — albeit tentatively — the prospect of new trade arrangements with the United States. However, although there is unquestionably a trend toward stronger business support for bilateral trade liberalization, up to and including bilateral free trade, this should not be taken to signify that a business consensus has yet been reached on this contentious and longstanding issue. Some elements of the Canadian business community remain opposed to additional trade liberalization at the present time. Others are concerned that Canadian business may fail to pursue opportunities in non-North American markets if efforts are solely concentrated on the United States market. Nonetheless, the degree of support now evident within the Canadian private sector for significant new initiatives to strengthen and further liberalize Canada-United States trade is both unprecedented and growing, and this is likely to influence the policies adopted by the federal government as it seeks to improve relations with Canada's major economic partner. □

Book Reviews

Treading nuclear eggs

by John R. Walker

The Security Gamble: Deterrence Dilemma in the Nuclear Age edited by Douglas MacLean. Totowa, New Jersey: Rowan & Allanheld, 1984, \$29.95 (US) cloth and 14.95 (US) paper.

The Prevention of Nuclear War: A United Nations Perspective by William Epstein. Boston: Oelgeschlager, Gunn & Hain, 1984, 114 pages, \$20.00 (US).

This collection of essays, edited by Douglas MacLean, from a conference of the University of Maryland's Centre for Philosophy and Public Policy dwells on the paradox of nuclear deterrence. It is supposed to be the view of both superpowers, the United States and the Soviet Union, that they can make the cost of nuclear war so high that there is no possible benefit in waging it, thus deterring the other from war either conventional or nuclear. Put more philosophically, "If we believe it is moral or rational to have a deterrence policy, this means we believe it is moral or rational to be prepared conditionally to act in ways that seem to be immoral and irrational." Or in the phraseology of the US military in Vietnam, we should be prepared to destroy the world in order to save it.

This has begun to make a lot of people on both sides uneasy. McGeorge Bundy argues here that the uncertainty and fear this policy creates does deter war or nuclear blackmail, e.g., the Cuban missile crisis. He is in effect arguing the case for mutual assured destruction (MAD), arsenals on both sides so fearsome that they deter their own use.

But as Gregg Herken points out in the nuclear age there has always been a conflict between the "MADmen" and the "NUTS," the nuclear use theorists who have developed the counterforce strategies of today and who during the Reagan administration first publicly proclaimed the possibility of the limited, winnable nuclear war. And the upshot of all this is to fuel the arms race, making us less, not more, secure.

George H. Quester argues that traditional military psychology fuels the counterforce strategy of blasting the enemy's military bases rather than his cities. This offensive

strategy is more innovative than the status quo because it is not aimed at civilian centres too much. He blames it on both the US military and the obtuseness of Soviet strategy, which is so provocative it encourages offensive thinking in the US.

William Greider says that as a result of the perplexities of deterrence "we are witnessing today only the early stages of what could become a fundamental collision between citizens and their national government over the deepest moral questions."

These questions, particularly as raised by the National Conference of Catholic Bishops in the US, are discussed in several articles. The bishops' letter argues that retaliatory nuclear strikes against civilian populations are unacceptable, that first use of such weapons cannot be justified, and that limited war is highly questionable.

But David Lewis, Professor of Philosophy at Princeton, says all this may be philosophically fascinating, but in the real world nuclear deterrence is not paradoxical. It is "the vivid awareness" of our ignorance of what would happen in a nuclear war that is "the great safeguard" against nuclear adventures, on all sides, and has been now for over thirty-five years.

This interesting survey was compiled just after President Reagan announced his Star Wars initiative, a concept that could change all present strategies, if accepted by both sides. Bundy notes that anyone trying to neutralize thermonuclear weapons must be able to defeat them all or it just becomes another less effective form of deterrence. Quester notes that "by the curious logic of nuclear deterrence," to prepare to defend one's people is more menacing than to prepare to retaliate. And he seems to suggest the major rationale for Star Wars might be the contention that the Soviet Union has never really accepted the MAD strategy.

The second book is a short study containing an admirable summary of all the United Nations efforts to prevent nuclear war up until 1984. It is written by the well-known Canadian disarmament specialist, William Epstein, now a fellow at the UN Institute for Training and Research who has been intimately connected with UN efforts in this direction for some thirty years.

The latter part of his book deals in more detail with current efforts to obtain a nuclear weapons freeze, to halt the militarization of space, and to push for a world disarmament

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ment campaign. Epstein warns that "progress in disarmament and in international security must proceed in parallel," but with modern technology fueling the arms race spiral the prospects for halting nuclear proliferation have been worsening. He notes that "the single most effective restraint on the proliferation of these weapons — a comprehensive test ban — is no longer the subject of negotiations."

He concludes that "what is needed is not more resolutions, but more resolution." And he says in generating that political will, "the mobilization of an effective public opinion may be the only way to reverse the mad race to oblivion."

John Walker is Foreign Affairs Analyst for Southam News in Ottawa.

Disarmament without tears

by Peter MacDougall

In Pursuit of Disarmament: Conversion from military to civil production in Sweden (in two volumes) by Inga Thorsson. Stockholm: Swedish Government, 1984, 347 and 66 pages, no charge.

Defence contracts, it is held, act as a mainspring for demand by producing disposable goods. Obviously, advanced weapons systems have not much to contribute directly to the development of viable agricultural bases for developing economies. However, as posited by certain economists, defence contracts are integral to the solution of the problem of surplus labor and surplus capital in industrialized societies. An alternative to this "military Keynesianism" is indicated by Sweden's former Under Secretary of State Inga Thorsson. As production of goods and other resources devoted to the military are freed-up by economic conversion, goods and technological information become available for reallocation at a level and a context supportive of the global development strategy most beneficial to the poorer populations of the world. No doubt this could be seen as necessary in any serious attack on the causes of such recurring disasters as the drought in sub-Saharan Africa. It would possibly have a role similar to that played by the Marshall Plan in the late 1940s.

The question of security is, of course, paramount in any realistic assessment of the chances of this conversion process beginning in earnest in the near future. Nevertheless, it would be logical that any sincere negotiation for arms reduction would ensure that information about and understanding of this approach not be neglected. The 100 million people dependent on the defence sector of the global economy are the focus of any initiative. As Thorsson cautions, "Disarmament must not be seen as a threat to the future of these individuals (working in the defence industries) . . . It ought to be in the enlightened self-interest of all countries to implement a policy which would result in

the more rational utilization of resources." The determination of the proper balance between civilian and military resource allocation is a function of the public policy process based on informed discussion.

In essence, Thorsson advised those ten leading Swedish companies which produce about 80 percent of Swedish military equipment to begin to study the conversion process to civilian products. Her reasoning included the indication that military procurement, even maintained at current levels, has a tendency to crowd out those elements of competitiveness and technology transfer which are needed for a viable civilian industrial conversion process, and thus has implications for the broadest and most basic sense of security in a society.

The impact of conversion is recommended to be spread over twenty-five years from 1990 to 2015 and is expected to affect about 34,000 jobs in total, including 14,000 in the Swedish defence industry, less than 1 percent of the labor force. High technology firms with substantial R & D components would take the lead as "successful conversion is created by the interplay of technological development and knowledge of the market."

As Sweden exports few arms, the export dependencies are less predictable. This, along with Canada's greater reliance on market forces and lesser self-sufficiency in supplying defence needs, differentiates Sweden from the Canadian experience. Sweden is much concerned with maintaining neutrality and sovereignty, and these are strong aspects of defence policy.

The *Report*, though somewhat repetitious and long, is at the same time unique and pioneering. It does make a substantial official beginning to the process set out in 1981 by the UN Group of Experts chaired by Thorsson. Their assignment was to provide:

- description and analysis of the military sector of the economy and its relationship to and effect on the allocation of economic and social resources;
- proposals for raising the profile of economic conversion and the establishment of information and organizational support to coordinate the process nationally and *internationally*.

Particular recommendations made by Thorsson include the establishment of a public agency to coordinate restructuring of the defence industrial sector and to provide assistance as needed. A capital fund to finance conversion programs would be established, as well as a council for disarmament and conversion. An important aspect would be close cooperation between these efforts and the initiatives of unions and management. An international program to collect data on military and security considerations and conversion programs appropriate to local conditions is also stressed. A follow-up to the UN Group of Experts *Report* of 1981 is also recommended to further establish and promote global development and trade of benefit to developing countries.

The *Report* is published in English by the Swedish government publishing house. Information about its availability should be sought from the Swedish Embassy in Ottawa. A further volume of supporting studies is planned.

Peter MacDougall is a freelance writer living near Ottawa.

Learning to help

by Alexander Craig

Development Education in Canada in the Eighties: Context, Constraints, Choices (in Canadian and International Education, Vol. XII, No. 3) guest edited by Mathew Zachariah. Calgary: Faculty of Education, University of Calgary, 1983, 217 pages, \$5.00.

This special issue is the result of a conference on development education at the Faculty of Education, the University of Calgary, in July 1983. It is a huge topic, and the twenty-one papers present views from many different perspectives.

There is nonetheless broad agreement on what is meant by the term "development education." Angus Archer, a Canadian who is coordinator of the non-governmental liaison service at the UN in New York, chooses the definition advanced in the British government's Overseas Development Paper No. 14 in 1978: "We urge the term development education to describe those processes of thought and action which increase understanding of world-wide social, economic and political conditions, particularly those which relate to, and are responsible for, under-development. Its purpose is to encourage widespread involvement in action for improvement."

Some common threads appear in the discussion of the problems development education faces in Canada. One of the most serious arises from government funding. Jean Christie of Interpares put it in a nutshell: "How can we protect our independence as non-governmental groups while at the same time encourage the use of state funding for work we believe to be important? How can we work within existing structures, and at the same time challenge them?"

A book such as this is of course designed for a specialist market — in this particular case the "dev ed" community. These contributions tend to be more about aims than means. There is a fair bit on organization at the local level, and some interesting case studies of projects in Nova Scotia, Alberta, and Saskatchewan, but very little time is spent looking at budget problems. This may be in part a result of the government funding referred to above, but also perhaps because there are no big NGOs ("bingos") represented here — no Oxfam, Development and Peace, or similar bodies.

There is very little on aid programs, or on CIDA. There is nothing on IDRC: its director, Ivan Head, gave the keynote address which opened the conference, but, tantalizingly, only three or four paragraphs of that are reproduced here.

Development education is, to repeat, a vast subject, and some of the confusion about it is reflected here. One speaker, from the Marquis Project in Brandon, Manitoba, argues "for the exclusion of such conservative groups as Business, Schools, Politicians and Service Clubs — among others." A few other speakers would seem to agree, although no one goes quite so far, quite so sweepingly.

The central problem of "dev ed" is best summed up by Bernard Wood of the North-South Institute. While not everyone would agree with him that "dev ed" "must . . . be institutionalized," anyone with any familiarity with the field would heartily agree with his opening remarks that the "largest single constraint on the impact of development education at present is not the hostility or even the indifference of existing institutions, but development education's own institutional shapelessness and indiscipline."

This book is surprisingly poorly edited and proofread for an educational journal. It is to be hoped Angus Archer himself is not responsible for his first four words: "Being an ex-patriot Canadian." That particular solecism is, alas, hardly unusual, but what possible excuse can be offered for misquoting the Royal Commission on Newspapers, 1981, by saying that in 1980 74.3 percent of "this media" was controlled by two entities referred to as "Southern" and "Thompson?"

Despite these blemishes, this is an interesting and, at times intentionally, provocative collection of articles on what is bound to become a topic of ever-growing importance. For ideas on how it is being handled in Canada, and how that can be improved this book offers many explicit and implicit pointers.

Alexander Craig is a freelance writer based in Sherbrooke, Quebec.

Meet your Canadian-American relations

by John Trent

An Introduction to Canadian-American Relations by Edelgard E. Mahant and Graeme S. Mount. Toronto: Methuen, 1984, 319 pages, \$14.95.

Problems and Opportunities in U.S.-Quebec Relations edited by Alfred O. Hero and Marcel Daneau. Boulder, Colorado: Westview Press, 1984, 320 pages, \$20.00(US).

There is no doubt about it. If not yet fully coming into their own, Canadian foreign relations studies have certainly arrived at a much higher state of maturity in recent years, propelled as they have been by the masterful historical analyses of James Eayrs (*In Defence of Canada*) and John Holmes (*The Shaping of Peace*), and the equally masterful analytical synthesis by David Dewitt and John Kirton (*Canada as a Principal Power*). At the same time, new case studies are appearing such as the two surveyed in this review on Canada-United States relations. Such case studies, while serving the different clienteles at which they are aimed, will also provide the basis for new levels of sophisticated analysis.

The book that, because of its subject matter, is likely to attract the widest audience is Edelgard Mahant's and Graeme Mount's *An Introduction to Canadian-American Relations*. Although titled an "Introduction," the book lives up more to its back-cover billing, "a comprehensive overview of the history and current state of the relationship between Canada and the United States," with some 80 percent of the volume being devoted to a historical treatment. A chronological approach is used to cover four "issue areas": territorial and jurisdictional disputes, cultural relations, economic relations, and the policies of the two nations toward the rest of the world.

The book is indeed a welcome addition for teachers, students and diplomats in Canadian-American relations. It contains between two covers a wealth of material one previously had to search for in a myriad of locations. Not only is it concise and readable, but it appears to be a good balance between original and secondary sources, Canadian and American viewpoints and continentalist versus nationalist materials. In addition, there are useful maps on border disputes, a chronology of events, lists of Prime Ministers and Presidents, statistics on trade and investment and a detailed bibliographic section. The authors have certainly aimed to be helpful. The most recent chapters bring us right up to 1984.

The analytical framework used by Mahant and Mount is an examination of "the growth of interdependence and exceptional relations." The authors ask to what degree:

- interdependence has become asymmetrical?
- the two countries treat their relations as distinct from other foreign affairs by adopting a "special relationship" or "exemptions" or "bilateral institutions?"
- the two governments use procedures different from those normally reserved for foreign policy decisions.

The answers to the three questions appear to be that there is a great deal of asymmetry due to US preponderance in all fields. (Can one, then, speak of "interdependence?")

A special relationship still exists despite official policy because of the massive transactions between the two countries. Both unique and standard foreign policy procedures are employed, depending on the particular issue, but there is not much hard evidence to go on.

The distinction between the "issue areas," which treat the full gamut of Canadian-US relations, and the "analytical framework," which is generally limited to state-to-state relations, reflects a false dichotomy in both academic and official handling of this subject matter. It still does not seem to have fully entered the Canadian psyche that the starting-off point for analyzing and treating interstate relations is the consideration of basic intrastate political, economic and ideological forces.

If the book has a fault as an "introduction," it is that it is too heavily oriented to history and not enough to analytical evidence. The analysis and conclusions within the chapters are skimpy. But this does not diminish its great value as

a resource book. Or the value of such wise-headed conclusions by the authors as:

Throughout their history, Canadians have sought closer economic ties with the United States when their economy was in difficulty Conversely, at times of economic difficulty, the United States has usually sought shelter in protectionism The result has been Canadians have had to pay a high price (pages 252-3).

and

In times of economic difficulty, Americans naturally enough want to help their own citizens first . . . ! And a loyal and stable ally such as Canada is likely to get even less consideration than a wavering one.

As much as Mahant and Mount are limited in their conclusions, our second work offers copious, policy oriented conclusions and recommendations by the editors, going somewhat beyond their material. Alfred Hero (Bissell Professor of Canadian-American Relations at the University of Toronto) and Marcel Daneau (Director of the Centre québécois des relations internationales at Laval) state that their *Problems and Opportunities in U.S.-Quebec Relations* is an English-language follow-up to *Le nationalisme québécois à la croisée des chemins* (a volume which was born, we are informed on page 1, "at an authentically Québécois country inn on the Richelieu River near where British forces defeated the Patriots' insurrection in 1838 — a movement that sought to create an independent, French-speaking, democratic Quebec").

The two sponsoring organizations, The World Peace Foundation and the Quebec Centre for International Affairs, "with generous financial support from the Quebec Ministry of Intergovernmental Affairs" decided to reexamine systematically the relationships between the United States and Quebec in economic, cultural and political domains to draw out "opportunities for the future and policy issues related to achieving them." A blue chip list of interested authors was gathered to produce analyses of:

- trade, investment and other economic linkages;
- the role of Quebec unions;
- migrations between Quebec and the United States, other Canadian provinces and other countries;
- transborder environmental issues;
- past and present US cultural influences on Quebec;
- Quebec linkages with francophone minorities in the US;
- the nature of the coverage of Quebec by US media;
- the images and attitudes of non-francophone Quebecers and their impact on the US;
- the long term impact of political forces within Quebec on Quebec positions vis-à-vis the United States;
- priorities and perceptions of US policymakers with regard to Quebec.

Book Reviews

At one level, the book offers good state-of-the-art surveys of information on Quebec and some areas of Quebec-US relations circa 1981-82 based on secondary sources of research and backed up by highly useful tables, bibliographies and an index. However, as the editors state, "the limited body of prior research and knowledgeable talent on which this volume can draw in either Canada or the United States renders it only an initial effort to assess and interpret." Thus one finds rather little new research and a fair amount of (often wise and well-informed) personal observation.

Essentially, the book's authors find that aside from the rest of Canada — and even then — the US is by far the most important economic and cultural influence on Quebec. On the other hand, Quebec has very limited resources and vehicles for countervailing this penetration. Also, Quebec has difficulty in making itself understood in the United States because of cultural differences and because "Quebec news (on those rare occasions that it travels across the border) is gathered, edited, and presented by Anglo-Canadians" (Stephen Banker, page 169 [The term "Anglo-Canadians" is used throughout the book.]). Also there has been little sustained effort by Quebec elites to overcome this situation.

It is this problem which the book sets out to rectify in its policy analysis and recommendations. Unfortunately, parts of this analysis have become dated due to the extraordinary rate of change in political forces and opinions in Quebec. For instance, much of the chapter on non-francophones ignores the changes in the factual situation and political attitudes of these minorities since 1980. Second, some readers will find that the boldly stated biases of the editors ("a native Louisianian of partly French heritage and a former Franco-American from Massachusetts") often get in the way of otherwise knowledgeable commentary. It is the only way one could explain such propositions as,

Any new federal arrangement acceptable to Quebec would reduce federal powers to limit Quebec's freedom to negotiate trade and investment arrangements with the United States as the elected government deemed in Quebec's interest (page 283).

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Letters to the Editor

Sir,

For generations Canadians have believed that continental free trade would be good for their economic wellbeing, but fatal for their sovereignty. In fact, with free trade we could not only enjoy a higher standard of living but would be more independent of the USA, notably in our foreign policy. Experience elsewhere, and common sense, shows this to be the case.

Anthony Westell was right to demonstrate how the nationalism of the late Trudeau years damaged the Canadian economy and, ironically, increased the pressures for continental integration. He might also have stressed the connection between our dismal economic performance and the current Mulroney campaign to curry favor in Washington. Such demeaning attempts would be far less necessary if a comprehensive trade treaty were to provide Canadian exports with assured access to the American market.

When your wellbeing depends on trade, and one customer buys 75 percent of your exports, you take care not to offend that customer. New forms of American protection — not just tariffs or quotas — can ruin entire Canadian industries, and actions by the states can be as harmful as

those by Washington. If the United States, however, were committed *by treaty* to admit Canadian goods under certain fixed conditions, investors would have far greater confidence in the Canadian economy. And foreign policy decision-makers in Ottawa would have less reason to fear that stands unpalatable to Washington could have painful economic consequences.

Treaties, of course, can be broken, but the United States' record with trade agreements is good. Access to the American market would certainly be more secure with a treaty than without.

As we approach free trade, existing pressures to harmonize some policies, such as tax laws, may well increase to ensure equality in competitive conditions. Other free trade areas, however, have demonstrated that the need for such harmonization is not great.

On balance, a comprehensive trade treaty with the United States, even one stopping short of complete free trade, would enhance Canadian wealth, confidence and independence.

Peyton V. Lyon
Carleton University,
Ottawa

May/June 1985

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International Perspectives

The Canadian journal on world affairs

Gorbachev the Efficient?

South Africa and strategic minerals

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Ways to keep the peace

International Perspectives

May/June 1985

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International Canada

Centre supplement reference material on Canada's foreign relations
presented by the Department of External Affairs.

International Perspectives

International Perspectives is published in Canada six times a year by International Perspectives, (95312 Canada Inc.), 302-150 Wellington St., Ottawa, Ontario, K1P 5A4. Telephone: (613) 238-2628

Second Class Mail
Registration Number 4929

Publisher:
Alex Inglis

Editor:
Gordon Cullingham

Editorial Associate:
David MacNeill

Design and Production:
Anita Bergmann

Subscription rates:

In Canada:

- Single issue — \$3.75
- One year (six issues) — \$21
- Two years (12 issues) — \$39
- Three years (18 issues) — \$57

Other countries:

- Single issue — \$4.25
- One year (six issues) — \$24
- Two years (12 issues) — \$45
- Three years (18 issues) — \$69

Subscription address:

P.O. Box 949,
Station B,
Ottawa, Canada
K1P 5P9

International Perspectives is a journal of opinion on world affairs. It takes no editorial position. The opinions expressed are those of the authors.

International Perspectives is indexed in the *Canadian Periodical Index*, *Current Content* and *PAIS Bulletin*.

ISSN 0381-4874
© 1985

Editor's Note:

Everybody talks about peace, and everybody does something about it. That includes four authors in this edition of *International Perspectives*. We can stop testing nuclear weapons, we can ban first strikes, we can stop the talking that conceals growing arsenals, or we, as Canadians, can resist the beckoning finger of President Reagan to come and try some research — good, clean fun. It is an American, Paul Rohrlich, who cautions us to be careful about Star Wars, and a Canadian in the United States, William Epstein, who sees the banning of nuclear tests as the way to get progress going over the whole range of war-danger-reducing measures. From two prairie universities come two more articles, each with an unusual and fascinating proposal for lowering the temperature.

The other four pieces are all geography-related. One of those is on a principal Cold Warrior, the new Soviet leader, Mikhail Gorbachev. The past that will illuminate for us his future lies entirely in agriculture, and Carl Reid of Carleton University examines his record there. Two articles on Africa remind us that the world's poorest and most undynamic continent can be a source of trouble beyond itself too. The critical role of one of the world's least-loved and most precarious political systems (in South Africa) in controlling the supply of some of the most strategic of "strategic minerals" is scary to many. But David Haglund of Queen's University outlines some ways to reduce our dependence. Farther north in Africa the drought and famine that look more and more permanent may also not be without possibilities of treatment, as Timothy Shaw of Dalhousie University finds.

Meanwhile, in South America, a charismatic leader is busy. He is busy making trouble in Peru, in charge of a movement with intriguing similarities to Pol Pot's Khymer Rouge. Two authors from the University of Guelph introduce him.

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South Africa, minerals and sanctions

by David G. Haglund

The recent tragic events at Uitenhage and elsewhere in the Republic of South Africa have sparked increased demands throughout the West for the adoption of measures designed to compel the Botha government to dismantle, quickly, the system of apartheid. Within the West, near-unanimity appears to prevail on the question of opposing apartheid (who, after all, would or does speak in favor of the institution?), but there is no consensus at all concerning the specific form such opposition should take. Few Western critics of South Africa go to the extent of urging their own governments to apply force — whether alone or as part of a collective effort — to topple the regime from without. Instead, a variety of measures falling far short of the Western use of force are advanced as necessary and perhaps sufficient for resolving the problem posed by the continued existence of apartheid.

Some who profess a loathing for apartheid counsel a course that can be considered tantamount to killing it with kindness. According to this group, of whom perhaps the most well-known is the South African mining magnate, Harry Oppenheimer, the cure for apartheid is more, not less, economic contact between the West and South Africa. This position is predicated on the assumption that anything that serves to stimulate the South African economy necessarily proves corrosive of apartheid, if for no other reason than that the supply of qualified whites is so limited that blacks must perforce become increasingly integrated into the labor-short economy — and not merely as unskilled or semi-skilled workers.

Much more widespread, however, is the view that neither patience nor “interdependence” can be expected to do anything but buttress the apartheid state. To those holding this perspective, what is required is an immediate indication on the part of the West that the old ways of doing business must change, and that economic carrots must be replaced by economic sticks. Increasingly, the talk is of “sanctions,” though much is left unclear by those who demand that some form of direct economic pressure be brought to bear on South Africa.

Sanctions not new

There is nothing novel about the contemplation, or indeed the application, of economic sanctions in international politics. Nor is there anything particularly new about the use of sanctions, economic or otherwise, against the Pretoria regime: in various and relatively unimportant

guises, sanctions have been applied against South Africa for more than a decade. What is noteworthy about the current advocacy of sanctions is that it is accompanied by a sense of optimism about them that a reading of the historical record would not support. The optimism is twofold: it is expressed in the feeling that at least some Western states — most notably the United States — are closer to imposing some form of “meaningful” sanctions than they have ever been before; and it is reflected in the assumption that sanctions, once applied, can be made to operate more effectively in respect of South Africa than they have operated on previous occasions in respect of countries such as Italy and Rhodesia, or even Cuba and the USSR.

But even if sanctions are looming ever more popular to many, it is still far from evident what form they would or should take. Some, and this seems especially the case in Canada and the United States, look upon “disinvestment” in and of itself as being both morally compelling and potentially powerful enough to bring the apartheid system down. But others argue that nothing short of comprehensive economic sanctions will accomplish this end, and this means not only stanching the flow of capital to South Africa, but also embargoing exports to and imports from that country. Advocacy of this more comprehensive approach is usually accompanied by an approximate calculus of relative vulnerabilities (those of the West vis-à-vis those of South Africa) — a calculus that leads to the conclusion that, as one recent letter-writer to the *Manchester Guardian Weekly* succinctly phrased it, “South Africa needs us more than we need South Africa.”

South Africa's bite

There is, of course, a counter-argument to the above, and it gets voiced both by those in the West who do not support the application of sanctions against South Africa, and by the government of that country itself. Really just an argument *a contrario*, it is advanced with the objective of warning that those who do apply sanctions against South Africa will suffer much more economic damage than they inflict. To those making this argument, it is not so much that Western banks and other corporations will experience a loss of profit (though a loss of profit there would doubtless

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Can the West afford sanctions?

be); rather, the stakes for the West are much higher, and they amount to nothing less than the loss of access to certain "strategic minerals" deemed vital to the functioning of modern industrial economies. Thus, proponents of this "geopolitical" perspective reverse the calculus of relative vulnerabilities of the optimists, and deem sanctions to be the economic equivalent of shooting oneself in the head.

It is primarily, then, with regard to its mineral supply and not its investment income that the West is held to be liable to grievous economic damage in the event of sanctions, or even in the event that it only adopts disinvestment strategies that get countered by export embargoes on the part of an infuriated South African government (this has come to be labelled the "counter-sanction" scenario).

Though Western countries do have a great deal invested in South Africa, what is significant is that the relative importance of their worldwide investment located in South Africa is miniscule in comparison with the relative importance of their mineral supply coming from that country. Take the United States, which, with more than two billion dollars in direct investment, is a fairly heavy investor in South Africa. On a global basis the relative share of that investment pales, and is not even 5 percent of the total of US direct investment in Canada alone. However, for certain strategic minerals, especially for the highly essential steel additives and alloys such as manganese and chromium, as well as for the platinum group metals, a large share of total US consumption does originate in South Africa. And what is said with regard to American dependence can be and is said even more strongly in respect of the European allies and Japan. Even Canada, the world's leading exporter of nonfuel minerals, is sometimes said to be dangerously dependent upon South African sources for a few vital minerals.

Sanction record unimpressive

Though the contending sides in the debate over the use of sanctions differ diametrically on their conclusions about who would suffer most from the restriction or cessation of economic relations between South Africa and the West, they do agree on one point: that powerful economic levers do exist, and that, depending on one's position in the debate, these can either achieve or prevent the destruction of the apartheid state. As noted above, sanctions do not have an impressive performance record in international relations. To be sure, there are differences of opinion as to their relative effectiveness although there is a widespread view that ultimately they fall far short of their goals, and sometimes actually prove to be counterproductive. Admittedly, because sanctions have nowhere been a resounding success it does not follow that they must fail in the present instance. Nevertheless, there is a presumption that sanctions, if the historical record is to be any guide, will prove rather more of a sideshow than the main event in the saga of the dismantling of apartheid.

But if sanctions can be said to be of limited utility at best, what is one to make of the threat of "counter-sanctions," or of the prospect that Western countries might be too dependent upon South African minerals to adopt policies that they would deem to be morally (but not economically) prudent? What can be said but often is not is that what is sauce for the goose is sauce for the gander. While it

is true that the greatest potential cost of sanctions for the West inheres in the loss of their supply of certain minerals, there is simply no basis to argue that this cost cannot be greatly lowered, through a variety of measures designed to minimize Western reliance upon South Africa as a source of supply. Were one to pay attention only to the pronouncements of the Pretoria government and its apologists, the West really would seem to have little alternative to supporting the South African status quo. The South Africans have been saying as much for some years now (in the context of an apprehended "resource war" involving the Soviets in a bid to "strangle" the Western economies): either support us and our institutions, or bear the material consequences that would attend the destruction of that system, of which you in the West, whether you like it or not, have been principal beneficiaries.

Strategic minerals

Upon examination, the South African argument appears to rest on a very soft foundation: far from being derived from an iron law of international political reality, it stems from nothing so much as a conflation of wish-projection and muddled analysis. Those who imagine the West must be led into backing South Africa on the basis of mineral considerations commit the fallacy of confusing dependence — even near-total dependence — with vulnerability. There is no need to dispute the obvious fact that today South Africa accounts for an impressive share of world production of certain vital industrial minerals. Moreover, it similarly possesses a significant proportion of global reserves of these same commodities. Taking just the most "problematical" of the strategic nonfuel minerals, it can be seen that South Africa produces roughly the following percentage share of world *output*: **chromite, 30; manganese, 20; platinum group metals, 40; vanadium, 35**. Not only is South Africa the leading producer of each of these minerals, it also has the following percentage shares of world *reserves*: **chromite, 68; manganese, 41; platinum group metals, 81; vanadium, 47**.

Maintaining perspective

While the West might legitimately be said to have a high collective dependence upon South Africa for the above minerals (and the reason they are considered "problematical" is precisely because of the source of supply), it by no means follows that the West is in any sense hostage to South Africa. Any attempt to consider whether the West can afford sanctions against South Africa must start from an assessment of the measures available, in greater or lesser degree, to Western states interested in reducing their vulnerability to disruptions in their mineral supply.

It is often easy to overstate the importance of minerals to advanced economies, especially in light of the admittedly adverse consequences that developments in international oil markets had for the West (indeed, the world) during the 1973-1982 period. It is of course true that industrialized economies are built upon a material foundation, and even though minerals do not constitute more than a fraction of GNP for such economies, they are nevertheless of "basal" importance to them.

But though oil is similar to several other minerals in that it is "strategic," it is unlike any others in terms of the

part it occupies in the workings of the international economy. It is worth reflecting upon the fact that, in value terms, oil is vastly more important to the international economy than *all the other minerals combined*. For instance, aggregate exports of metallic ores, concentrates and scrap account for perhaps 1 percent of total world exports, compared with the approximate 20 percent share of fuel (mostly oil) exports. The United States spends on imports of energy (again, mostly oil) nearly twenty-five times what it spends on imports of nonfuel minerals. Nor is the American pattern unique.

The point is not to trivialize the problem of mineral supply, but merely to put it into perspective. If the recent experience of the United States and other Western countries in reducing their dependence (and hence their vulnerability) in respect of Persian Gulf oil is of any relevance, then it seems obvious that there are means available to the West that would enable it to mitigate its vulnerability with regard to nonfuel minerals that originate in South Africa. In fact, some Western countries have been pursuing such means over the past few years, not because they have been contemplating the application of sanctions against South Africa, but because they have been growing aware of the imprudence of remaining too dependent upon minerals from politically unstable regions — and few regions appear to be as unstable today as does southern Africa.

Four options to South African dependence

So there are a number of major categories of options available to states seeking to reduce their vulnerability to mineral-supply disruptions. Not all Western countries will be able to follow each of these paths to the same degree, for reasons that will be apparent. The first option can be labelled the *stockpile* option. This approach has its adherents, as well as its detractors. Among the former are the United States, France and Japan; among the latter are Germany, Britain (though it recently flirted with stockpiling) and Canada. No country comes close to matching the ambitious (and expensive) stockpile of the United States, and though that stockpile had in recent decades been the target of much criticism within that country, it is striking that for the past decade or so it has attracted relatively little opposition. Indeed, so respectable has stockpiling become in the United States that one increasingly finds eminent laissez-faire economists praising it on the grounds that it can provide, if properly done, one of the most cost-effective insurance policies against supply disruptions.

A second option is the *domestic production* option.

Obviously, continent-sized countries such as the United States and Canada have much greater potential to supply their own mineral needs than do smaller states such as Germany. Interestingly, the United States is currently investigating the prospects of developing its domestic resources of chromite, cobalt and the platinum group minerals. Canada, for its part, is a net exporter of cobalt and the platinum group minerals, but is totally dependent on imports for chromite, manganese and vanadium. There are resources of all three in Canada, and plans have recently been announced for the establishment of a plant that would produce vanadium as a byproduct of oil-sands exploitation in Alberta.

Developing new sources

A third, and more attractive, option for those states that are not well-endowed with mineral resources, is the *import diversification* option. This entails the development of new sources of supply through the stimulation of exploration and development in areas where certain minerals are either not now being produced, or not being produced in great quantities. The pattern of the past few decades, with regard to both oil and the nonfuel minerals (with nickel perhaps the archetypal case), is that the production of minerals tends to diffuse from areas of original exploitation to other countries and regions. In other words, there has been a tendency of mineral production to proliferate over time. Assuming the continuation of this tendency, there is no reason to expect that markets would not adjust to the withdrawal of those minerals currently originating in South Africa.

Finally, there are the options of *substitution* (as when molybdenum takes the place of vanadium in certain applications) and *conservation* (which involves using less of the same mineral to attain the same end or value). Technologies either exist or are in the process of development that would enable (albeit at some cost) consumers to make do with much less of many of the nonfuel minerals they are currently acquiring from South Africa.

This review of options has really been a bare sketch, and is not intended to be an endorsement of the reorientation of world mineral trade. It is simply intended to consider in skeletal form, the question that animated the writing of this essay: Can the West afford to do without its South African mineral supply? The answer is that if it is prepared to absorb some costs, the West certainly can place itself in a position of greater mineral independence vis-à-vis the apartheid state. □

Africa after this famine

by Timothy M. Shaw

The recurrence of Africa's drought in both the Horn and the Sahel has galvanized international attention and action. Yet as the dust settles with the onset of the rains in eastern and southern Africa, we begin to recognize long-term causes and responses whose geneses and transcendence predate and postdate Ethiopian airlifts and Western pop-tunes. The two-year gap since Richard Sandbrook's caution in *International Perspectives* at the start of 1983 (January/February) has not been well used: the debate has intensified and been popularized, but relief alone will not treat the disease. Given the structural and ideological obstacles to change, where will we be in a couple of years — or decades?

I would like to look at four elements in the Ethiopian famine as symbols of both hope and challenge. Before cameras finally leave we need to propose a long-term strategy which takes into account African policies and preferences, and to juxtapose these with our own limited capacities to assist and understand.

Unhappily, the trends which Richard Sandbrook identified a couple of years ago have become more and not less accentuated:

The economic, social and political promise of *uhuru*, of independence, is generally not being realized. Economic crisis, persistent mass poverty and inequality, and a drift toward military intervention in politics constitute the predominant trends.

Yet the very intensity of the crisis, exacerbated by recurrent and persistent droughts, may generate its own resolution; given directions in the global economy along with those at the periphery, fundamental change may not be only inevitable but also quite imminent, as Sandbrook suggests:

Self-reliant and basic-needs-oriented development strategies. Is this a utopian dream? Perhaps. But for the African people it is a matter, as René Dumont has observed in a somewhat different context, of "L'utopie ou la mort!"

We need continuous development education as well as development assistance if Africa's problems are to receive

sympathetic and positive attention over the next decade or two.

One means to ensure this is to listen to Africa's proposals which have been in gestation for several years. We hear them in the Organization for African Unity's (OAU) *Lagos Plan of Action*, approved at the continent's first economic summit in 1980 and the basis of this July's second summit in Addis Ababa. I then turn in this article to Canada's response, captured thus far in David MacDonald's report on *The African Famine*. These two macro-reports are then contrasted with a pair of Ethiopian responses: one official, from the national Relief and Rehabilitation Commission (RRC), the other unofficial, from a group of concerned scholars and students at Addis Ababa University. The theme throughout is the need to move beyond relief and rehabilitation to (re)development of a self-reliant and self-sustaining variety, for Ethiopia in particular and Africa in general.

Africa's own blueprint

Following the Sahel drought, oil crisis and fluctuating exchange rates of the early 1970s, African planners and scholars moved towards debating and designing an alternative development strategy for the continent. The hopes and myths of "modernization" — emulative, externally-oriented policies — were discarded for more indigenous, inward-inlooking formulations: a mix of nationalist, anti-dependence elements with "Basic Human Needs" and ecological concerns. Thus in April 1980 at the Lagos summit, Africa's increasingly beleaguered leadership adopted its own set of proposals to deal with the short-term problems of food and water and the longer-term issues of communications, industry, investment and technology.

The declaration of the *Lagos Plan* in 1981 calling for a continental economic community by the year 2000 was fortuitous in several ways. First, it represented a collective expression of frustration and determination: two decades of post-independence "developmentalism" had not yielded the anticipated results and a New International Economic Order was clearly not about to be agreed. Second, it anticipated an even worse economic climate: the debt, deflation and decline of the 1980s. And third, it constituted an agreed, articulate response to both the World Bank's proposals — the *Berg Report* of 1981 and its successors — and to the IMF's conditions. Both Bank and Fund sought to reinforce, not reduce, Africa's "neocolonial" inheritance of exchanging raw materials for manufactured imports.

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And even though the Bank has sought since to moderate its demands — from *Accelerated Development in Africa* (1980) to *Joint Program of Action* (1984) — its “structural adjustment” criteria for assistance are quite contrary to the dictates of the *Lagos Plan*.

“Lagos Plan of Action”

The *Plan* and its successor documents advocate national and regional self-reliance (South-South exchange, investment and transfers) as steps towards a continental community. Yet African institutions such as the OAU lack the financial resources of the Bank and the political pressures of the Fund. Nevertheless, through bringing some of the resources of the UN system to bear, the UN Economic Commission for Africa (ECA) has begun to effect some implementation. Progress is already visible in preparatory ministerial meetings for this summer's second economic summit. These include plans for an African Monetary Fund, the establishment of the Preferential Trade Area (PTA) in eastern and southern Africa, an Economic Community of Central African states' proposals to eliminate the debt burden, the rehabilitation of roads, railways and telecommunications, and the integration of women into the

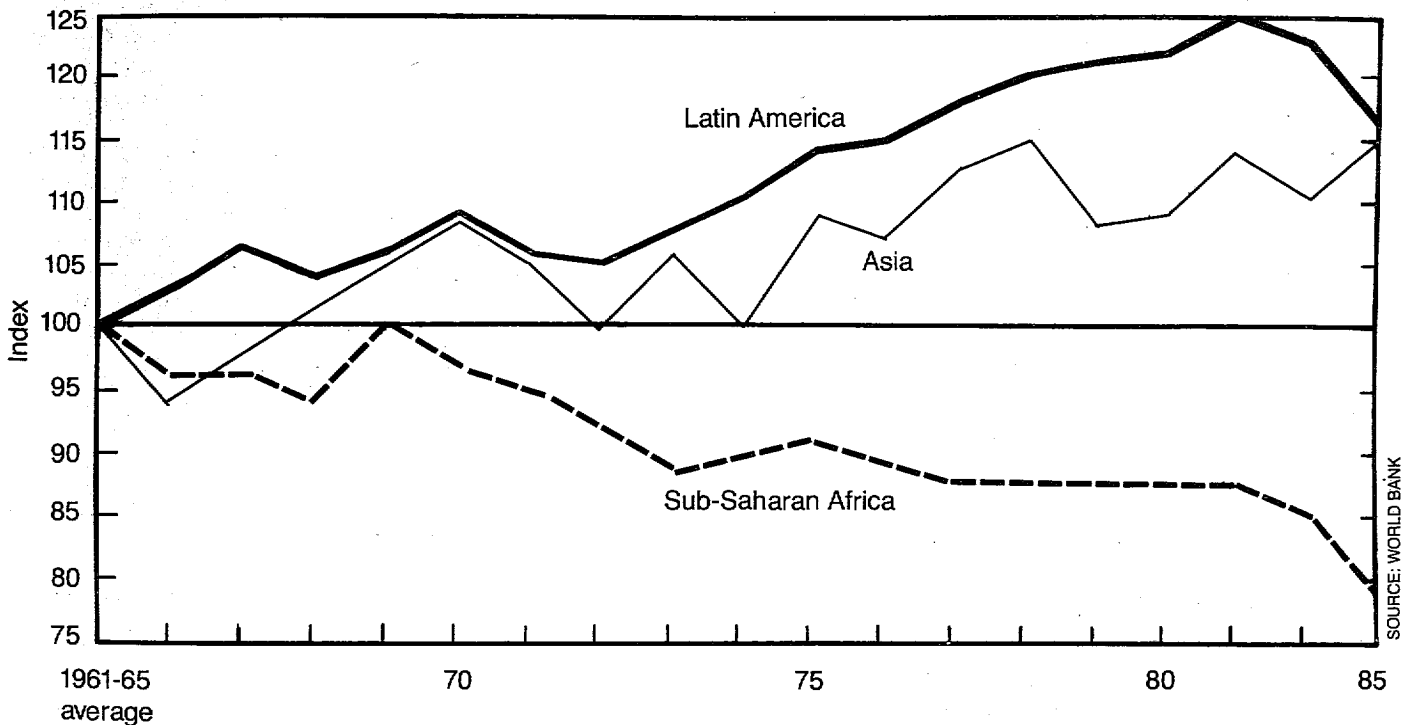
donors and Africans together, Africa will continue its present descent into political, social and economic nightmare.

Will any or all donors — official and non-governmental — heed this warning?

Canada's response

The Ethiopian emergency and the Sahelian drought have solicited a set of remarkable reactions from Canadian publics and personalities, which took both government and NGOs by surprise. Once the CBC had brought the trauma of Ethiopia's camps into Canadian homes the response was immediate and immense, with the various initiatives coordinated by David MacDonald and the Canadian Emergency Office in CIDA. Yet despite consultations on longer-term causes and conditions, MacDonald's first report on the famine was superficial and short-term: chartered airlines and boats, emergency information centres and health professional links. Longer-term responses could build on established connections: International Development Research Centre (IDRC) agricultural research, institutional linkages, joint ventures, aid coordination and CIDA's early warning system.

Third World per capita food production, 1961-65 to 1983



development process. Before he retires as President of Tanzania, Julius Nyerere will chair this year's OAU summit which will restate and refine the *Lagos Plan*.

Meanwhile, the IMF will continue to impose contrary conditions and the Bank will raise and allocate its special fund for Africa. As Jack Shepherd warned in his recent comparison in *The Atlantic* of the *Lagos Plan* and World Bank perspectives:

Africa's current problems cannot be solved by Africans alone, nor can they be solved in the short-term. Unless the long-term issues are engaged by

Yet the Ethiopian crisis over New Years 1984-85 was anticipated: Eugene Whelan, Edward Saoma, Robert MacNamara *et al* had all forewarned of the oncoming drought. Moreover, the longer-term prognostications from Club of Rome, OECD and ECA were all consistently apprehensive. Yet it took the TV cameras as catalysts to put human faces on the aggregations of population growth, food decline and water shortage. And the World Bank graph showing Africa's relatively poor agricultural performance confirmed the imperative of putting that continent first for the foreseeable future.

Canada's response to Ethiopia's crisis

Yet, despite Africa's difficulties and determination its own proposals have received little attention. Although the UN debate and declaration of late-1984 refer to Africa's ideas, and although the World Bank claims to be compatible with the *Lagos Plan*, in fact ECA and OAU proposals have received short shrift everywhere, especially in the IMF. Conditionalities, structural adjustments, aid coordination and USAID's "Economic Policy Initiatives" all call for more, not less, commodity exports and less, not more, government planning, i.e., the revival of "neocolonial" exchange for the world's most peripheral region. While the new international division of labor requires less, not more, African materials, it is focused on the Pacific Rim, not on Africa.

Yet the drought becomes famine because of fundamental changes in Africa's factors and relations of production: the labor/capital/land equation. Over-population, urbanization, subsidized industries and cities, rural and agricultural neglect, disregard of women's work and spreading black markets all point to basic contradictions in African political economies. Essentially — and the degree does vary among countries — Africa's new class of senior politicians, bureaucrats, soldiers and entrepreneurs have, in association with external operators and opportunities, monopolized the few fruits of independence while the majority, particularly women and children, peasants and unemployed, have suffered declining living standards.

Sustained assistance needed

Thus the so-called "continental crisis" will not readily be solved by relief or rehabilitation efforts, no matter how well-intentioned. Rather it requires fundamental redirections in African policies and politics: a continental revolution. Clearly neither the UN nor the World Bank can foment or direct such profound changes (although IMF conditionalities certainly intensify antagonistic forces) and neither can the OAU nor ECA. But at least the latter two recognize the intensity of the challenge and prescribe fundamental reorientation: from extroverted to introverted directions. Shepherd points to the lack of "policy dialogue," given basic disagreements over explanation and prescription:

Everyone agrees that Africa is in immediate peril . . . Everyone also agrees that African nations and relief organizations must start working together to create the conditions for the recovery of Africa's land, agriculture and people. But the US and the international development agencies don't agree with Africans or with each other about what has caused Africa's plight, or on what should be done about it.

Thankfully, Africans had already begun to agree and articulate their own response to the crisis before the drought returned and before the IBRD, IMF and USAID insisted on their own terms, despite the apparent failure of their previous prescriptions. The ultimate Western responses are embodied in the contradictory market forces of Peter Bauer — let Africa well alone — and military forces of the US's Heritage Foundation: the only way to deliver food to famine victims is via the US Marines. Almost nowhere are internationalist Western forces heard, just five

years after the Brandt Commission. As Nyerere recently lamented on his farewell visit to Britain:

African starvation is topical, but the relations between rich and poor countries which underlie Africa's vulnerability to natural disasters have been relegated to the sidelines of world discussion.

The Third World is now blamed for its own poverty. Each country is analyzed separately . . . Its problems are then explained in terms of its socialism, its corruption, the laziness of its people . . . The fact that virtually all Third World countries, and certainly the poorest of them, are in the same plight is largely ignored.

MacDonald should thus deal with debt as well as drought, with land as well as food, and with the *Lagos Plan* as well as NGOs. One hopes that his second report and our foreign policy review will listen to African voices rather than World Bank refrains alone.

Ethiopia's efforts

One element all too often overlooked in *Canada's Response or Joint Program of Action* is not only Africa's policies but also Africa's efforts. Whilst some African regimes are unashamedly self-centred (how can Zaire have debts when Mobutu has accumulated so much in Swiss bank accounts?) and most are concerned with self-protection and accumulation, almost all have advanced social policies founded on Basic Needs Strategies. Nowhere is this more true than in Ethiopia. To be sure, the military remains the largest single item in the national budget, and for good reason. But the anti-feudal revolution in Addis Ababa did lead to land redistribution and other social changes. And the RRC, founded during the last drought after the revolution some ten years ago, remains a central feature of the Ethiopian state. It has mobilized indigenous resources — doctors, teachers, welfare workers, laborers and equipment — to service feeding centres and settlement schemes. The RRC exists as a state within a state, with its own transport and communications networks, storage depots, staff and plans.

Every Ethiopian is hard-hit not only by drought but also by inflation, shortages, rationing and, now, compulsory 12 percent salary reductions for the relief effort. Yet all we hear about is white expatriate saviors not devoted Ethiopian samaritans, such as the cosmopolitan Commissioner for the RRC, Dawit Walde Giorgis. The real brunt of the drought is being felt by Ethiopians directly and indirectly "affected." This herculean effort by a proud people with a rich history and minimal resources needs to be recognized. To be sure some (bureaucrats, soldiers, professionals, entrepreneurs) are less affected than others (peasants, children, elderly, guerrillas), but no one is untouched.

The contradictions in and around the Ethiopian crisis are manifold. One notes the expenditure on the military and the Tenth Anniversary of the revolution. One flies to see the famine on Africa's most established and efficient airline (Ethiopian Airways) with its excellent record, computer system and state-of-the-art Boeing 767s, although overland transportation within the mountainous country is still difficult and primitive. The Addis Ababa Hilton is the

centre of governmental, media and NGO activities, behind the watchful gaze of Comrade Mengistu; and as Commissioner Dawit was discussing the drought, in the adjacent room resident wives of foreign officials were holding their regular bridge party. Although there is no longer any private motoring in the country on Sundays (an anti-church as well as pro-austerity drive?), many of the new trucks and jeeps bear NGO signs: World Vision, Freedom from Hunger, Red Cross, Save the Children. The latest status symbol in Ethiopia is an orange licence plate, issued only to drought-relief vehicles.

Chance to look ahead

Meanwhile, with the advent of the short rains, the RRC is anxious to move from relief to rehabilitation and (re)development. This is a protracted, problematic and unglamorous prospect: the rebuilding of infrastructures, institutions and ecology, from seeds, oxen and wells to trees, trucks and terraces. And the need comes at a time when the industrialized states are suffering from aid fatigue and constrained budgets: will Canadian and other emergency assistance come out of regular CIDA funding or be supplementary? Will Ethiopia receive less development aid because of the rush of food aid?

Resisting "doing well by doing good"

Despite the Conservative government's preference for aid through trade — the privatization, if not erosion, of ODA — will the African nightmare force a reconsideration? The North-South Institute's latest *Review and Outlook* poses the difficult question:

Now that the severity and long-term nature of the development challenge in Africa is beginning to be understood, the real purposes and priorities of the aid program cannot fail to be a central issue of the Mulroney government's impending foreign policy review. As in the past there will be some tendency (particularly if public concern for Africa wanes) to try to meet Canada's humanitarian, commercial, political and developmental objectives and expectations all at once.

Such a pluralist mix may be possible in some projects some of the time but clearly not in all, and certainly not in Africa in the mid-1980s. Such an expectation is not only highly optimistic, it is little short of obscene. As the Institute cautions:

Canadians should understand clearly that there is, and must be, a *choice* between aid for basic development help to the poorest people on the one hand, and aid designed to subsidize Canadian sales on the other.

At least in the case of Canada, national interest is only economic and not strategic. For in the case of the superpowers, famine relief has decided strategic elements, whether it be Heritage Foundation advocacy of Marine-delivery of food, and food as support for Eritrean fighters, or Soviet military planes ferrying peasants being resettled away from drought (and the frontlines) to greener (and more secure) areas.

There is, then, a tacit division of labor between Western relief and Ethiopian resettlement efforts. The one area

where this understanding breaks down is over Eritrea and Tigre. Commissioner Dawit, who once served in Eritrea, became exercised about Western "intervention" only when raising the issue of "Ethiopian" refugees, i.e., "back-door" relief via the Sudan: "We are . . . deeply concerned by the plight of our compatriots who are now in the Sudan and who have been forced to leave their country both by the drought within Ethiopia and by the promise of relief assistance across the border, some of which movement has been organized by anti-Ethiopian and anti-revolutionary elements."

From the fruitful groves of academe

Thus political and developmental questions are inseparable in Ethiopia as elsewhere: the army is ubiquitous and well-fed, the new Workers Party of Ethiopia is growing,



Africa
Sahelian drought area shaded

food trucks have to await military convoys, and NGOs cannot circumvent the RRC.

One link which is reinforcing non-governmental indigenous efforts is Addis Ababa University, a postwar institution founded by Canadian Jesuits. Its "Scholars for Famine Relief Committee" is raising funds for orphans by selling books whose production costs have already been covered by international cultural agencies. Its first volume on *Classical Ethiopian Philosophy* was written by a Canadian professor at the university, Claude Summer.

Dalhousie University's Centre for African Studies has proposed a parallel project: to produce a collection of indigenous essays on Ethiopian history, society, economy and polity for sale in Canada. Once underwritten, all proceeds will go to Addis Ababa University's famine committee which will undertake relevant research and development education as well as relief rehabilitation and

Canada's response to Ethiopia's crisis

development projects — a mix of consciousness and fundraising.

The Ethiopian famine, as the most prominent and poignant symbol of Africa's decline, drought and despair, constitutes a profound challenge to our sense of development, equity and progress. It has transformed our image of the continent and without reinforcing inappropriate racial stereotypes. Yet, the outpouring of compassion and generosity may lead to frustration and alienation if Africans are still dying next festive season — and by all informed projections they will be.

Initial good intentions need now to be reinforced by enlightened development education on the one hand and balanced public policies on the other. Unfortunately, Mac-

Donald is not enough. We are not the world. Africa, including Ethiopia, has its own purposes and priorities. We can either recognize and respect these — Pearsonianism for the 1980s — or disregard them and follow other international agencies and actors. President Nyerere juxtaposed short-term and long-term, official and popular, opinions in a challenging comment whilst taking his leave of the City of London.

The people of Europe and America respond with great generosity to knowledge of actual starvation arising from famine. But a less internationalist attitude is shown by the governments when it comes to helping Africa to develop self-sustaining economies which might prevent future famine.

Man from Agriculture

Examining the record

Gorbachev The Efficient?

by Carl Reid

By Soviet standards, the rise of Mikhail Sergeevich Gorbachev to the position of Secretary General of the Communist Party of the Soviet Union (CPSU) has been meteoric. His election reaffirms the Party's systemic role as the preeminent institution among Soviet sources of authority, that is, the CPSU, the government administration, the Military and the KGB. Continuity in the development of the Soviet economy, as defined by the program of the CPSU and the 1977 Constitution, will be the mainstay of Gorbachev's rule. Social and economic change will be legitimized, as it has been in the past, by redefining objectives through new ideological programs of the CPSU. Appropriately, the program reflects the goals of the political leadership and provides expectations for the Soviet populace. Consequently within the Central Committee's Secretariat (the executive arm of the Politburo), discussion and formulation of a new CPSU program is underway and is expected to accommodate the latest emphasis on economic accountability. In this general context, limited reform within, and not of, the Soviet system may occur as a

consequence of collective decisions by the ruling institutional forces which have placed Gorbachev in power. It will be Gorbachev's job to provide appropriate guidance. Since he joined the Secretariat in 1978, Gorbachev has neither made a major speech nor published an article on specific measures of change, other than in agriculture. Analysis of these speeches may provide some indicators of the direction which Gorbachev may take.

Gorbachev's record

In the main, Gorbachev's administrative experience has been the management of agriculture which has been plagued by adverse weather over the last few years. Total crop output is down considerably from 1983. The US Department of Agriculture estimates that the Soviet grain harvest for 1984 was 175 million tons, compared to 195 million tons produced in 1983. Rarely has grain production exceeded 200 million tons. The state budget subsidy to meat and dairy producers last year was an estimated forty billion rubles or an equated value of fifty billion US dollars. Yet despite these difficulties there were substantially increased yields in sunflower, rape seed and soy bean crops from an estimated 510,000 tons in 1983 to 575,000 tons in 1984. According to Soviet sources the average per capita calorie intake has also increased.

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The major problems associated with agricultural management have been related to fodder production, food processing, storage and transportation, and underutilization of irrigated lands. Much of the high grade wheat which the Soviets import has been used to feed livestock. As the Party Secretary responsible for agriculture, Gorbachev criticized this practice and emphasized more fodder production rather than fodder procurement. Product storage and processing has lagged behind product output with a consequent unacceptably high degree of waste. Food and fertilizer transport mechanisms are not efficient and add to the waste problems. An independent group of British analysts estimate that 10 to 15 percent of the crop is lost through inefficient harvesting, 15 to 20 percent of the harvest is lost in transport and storage, while a staggering 40 percent of vegetable harvests end up as organic manure. It is probable that these figures are inflated, but waste occurs on a scale sufficient to prompt Gorbachev and several high ranking Party and ministerial officials to complain. Irrigated and reclaimed land often does not receive the resources allocated, and, as Gorbachev has pointed out, capital construction funds are allocated without proper economic substantiation and without a comparison of expenditures to end results. Consequently capital investment does not provide the expected return.

Gorbachev has maintained consistently that "intensification," that is greater efficiency in agricultural production, will create improvements in "farming stability." Farming stability will achieve a degree of "flexibility," thereby permitting farm operations to respond to varying weather and soil conditions. In Soviet parlance this implies greater managerial responsibility in collective and state farms; responsibility which will improve only by establishing direct links with related industry.

More integration needed

Writing in the July 1980 issue of *Kommunist*, Gorbachev outlined the linkages he felt should be established on a national scale.

Given the conditions, it is extraordinarily important to insure economically substantiated organized production ties among the various sectors and equivalency of interbranch exchange, that is, proper functioning and development of the country's entire agro-industrial complex.

This has been a recurring theme throughout many of Gorbachev's speeches, and prior to that, many of Andropov's. Advocacy of horizontal links among enterprises representing different sectors of the economy (agriculture, industry, and chemical fertilizer industries) is a criticism of the existing vertical relationships, where ministry officials impose constraints on enterprise managers through such devices as the allocation of resources and the scheduling of product delivery. For example, farm managers cannot go direct to a tractor factory and order the quantity and size of the tractors they require. They must order the tractors through the Ministry for Tractor and Agricultural Machine Building and accept what is allocated to them. Problems are compounded by a shortage of spare parts. In 1983 an estimated 8 percent of agricultural spare parts and 15 percent of automobile spare parts ordered in the Russian Republic were not delivered. In addition nearly 14 percent

of the spare parts received were defective. To compensate, many managers merely order more tractors, adding to their costs and imposing greater demands on manufacturers. Considering that one in every three rubles spent on the domestic economy is poured into the rural sector, it is not surprising that Soviet leaders should look for ways to cut costs.



CROCODILE MAGAZINE

The loser has to fake the unfavorable weather conditions.

Emphasizing that barriers to effective management stood in the way of progress, Gorbachev wrote in a 1981 issue of *Politicheskoye samobrazovaniye* (Political Education),

At the present level of development of the economy and of the productive forces of society more than ever before, a superficial approach to work, subjectivism and management by means of bureaucratic orders, cannot be tolerated.

An enduring contradiction

Despite Gorbachev's criticisms, effective devolution of authority has not happened and some of his actions contradict his words. As the Secretary for Agriculture, Gorbachev sanctioned the implementation of new Party administrative organs at all levels to ensure the planning, financing and material and technical supply of the agro-industrial complex. This is contradictory to the Western notion of independent management and more than anything

Man from Agriculture

represents a disciplinary action designed to supervise both ministerial control and agricultural enterprise. The manner in which Party cadres traditionally have interfered in enterprise management would have to be abrogated in order for reform to work. But to do so would challenge the historic role of the Party as the ideological and economic regulator of the Soviet economy. Indeed during the Kosygin reforms, Party organizations and bureaucrats persisted in meddling in the local affairs of agricultural and industrial management, despite their mandate to the contrary.

Gorbachev also has been a proponent of reconstruction and technical retooling as an aid to the intensification of agroindustries. But in the past, managerial initiatives to retool enterprises, particularly in animal husbandry, have been constrained, according to Gorbachev, because of the potential loss of production, of labor and capital costs, and because of the lack of interest on the part of reconstruction and planning organizations, and of ineffective resource allocation. The problem has been widespread in many other production sectors of the economy, but Gorbachev has not confirmed this in public.

In an effort to encourage managers to consider the long term economic benefits associated with technical retooling, Gorbachev has pointed out that those enterprises which have exceeded labor productivity indicators through reconstruction and retooling, enjoy advantages over those enterprises in which growth of volume is achieved through new construction and increased numbers of personnel.

R & D troubles

Other areas singled out for criticism are in agroindustrial research and development sectors. Gorbachev has blamed scientific institutions for not responding "to the requirements of the day," and for failing to integrate with production. The August 1981 *Vestnik Sel skokhozyaystvennoy Nauki* (Agricultural Science Herald) carried more of Gorbachev's criticisms:

Science is to a large extent organizationally dis-united . . . Fundamental work frequently does not have a direct issue in practice, and research is not concluded with completed models.

Gorbachev's comments apply indirectly to many other industrial sectors outside the agroindustrial complex which are not related to defence and heavy industry. This fundamental flaw in the system has limited cooperation among science academies, industrial research and development institutions, and the producing enterprises. Consequently there is the requirement for a complex bureaucratic network of links. The existence of this bureaucratic structure has impeded technological innovation in many sectors. But more recently, the Soviets have been looking for alternatives.

The remedy, as Gorbachev sees it, is to transform institutes and experimental stations into scientific production associations, a cure-all advocated during the implementation of the Kosygin reforms in the 1960s and the modernization programs of the 1970s, but never fully realized. Integration of science with production would be carried out on the basis of "single special-purpose plans and programs" and on "the basis of forms and methods already tested by life."

Hungarian model

On occasion, Gorbachev also has spoken about the positive lessons to be learned from the Hungarian model of industrial production systems which integrate science and production with the primary farm enterprise. These are the kind of remarks about which western observers get excited in their eager anticipation of change in the Soviet Union. According to the Hungarian model the farm branch manager exercises methodological and organizational direction over the relevant R & D institutes, thereby negating the need for the top-heavy bureaucratic links prevalent in the Soviet Union. If Gorbachev were serious about emulating the Hungarian model, then enterprise managers and not the ministries, would provide these special-purpose plans and programs to the institutes. However it would be a mistake to read too much into these remarks, considering that Gorbachev has not elaborated in any detail. It also remains to be seen how much input the Party administrative organs will have in managerial decision-making in the event that this kind of organizational structure be adopted.

Essential to Gorbachev's vision of agricultural reform is a revitalized labor force which would be motivated by a judicious combination of discipline, organizational restructuring and bonus payments. As the First Secretary of Stavropol krai, he earned national acclaim in 1976 for supervising a record harvest, one which is credited largely to his effective use of labor brigades. Shortly after this achievement Gorbachev complained in *Kommunist* that the total value of farm labor represented only one-quarter the amount of work which could be done by using the brigade contracting method. Rather than assigning labor brigades to perform various functions in agricultural production, Gorbachev insists that brigades should be contracted for work which links pay to worker output. A brigade or group of brigades would be contracted by the farm manager to till, sow and harvest a crop, and would be paid a bonus in rubles or in kind for overproduction. By 1981 more than 30,000 brigades worked under contract and the following year Gorbachev boasted that in the relevant areas, agricultural productivity increased by 15 to 20 percent. In November 1983 *Sel skaya zhizn* (Country Life) reported that Union Republic Commissions of the presidiums of the councils of ministers were established to undertake "wide introduction of the brigade contract and progressive forms of remuneration in operations." Clearly well before Gorbachev's ascent to the leadership, top Party and government officials were giving their cautious consent to this experimental method despite some reported failures in the late 1970s.

Rural exodus

Problems remain in three areas. Not unlike rural sectors of other industrial countries, young people depart for the urban centres, causing acute labor shortages down on the farm. This trend will have to be reversed in the Soviet Union. Second, due to the nature of central planning, Soviet authorities are in the habit of upgrading production quotas annually, so that what may comprise overfulfillment one year will become the quota for the following year. Appropriately termed the "ratchet system," enterprise managers have been naturally disinclined to overproduce

anything. Third, it is not yet clear how Gorbachev would curtail bureaucratic meddling.

Private plots: to tolerate or encourage?

The final and perhaps most interesting aspect of Gorbachev's reforms deals with the private plots, or personal auxiliary farming operations, as the Soviets call them. These gardens comprise only 3 to 4 percent of the cultivated land, and are carefully cultivated by private citizens who on average coax far greater yields per acre than either collective or state farms. Without a doubt, personal plots contribute greatly to Soviet food supplies and support a second economy within the state. Ideologically they pose a contradiction, although from a practical standpoint they are essential.

When the United States imposed a grain embargo on the Soviets for their invasion of Afghanistan, the Soviet leaders turned to the private plots to make up part of the deficit. In 1981 Gorbachev asked the Politburo to permit an increase in the use of private plots. A state decree followed soon after which instructed the state bank to provide credits to purchase equipment and facilitate land improvement in the private sector. But when the American embargo was lifted, hard liners in the Kremlin prevented full implementation of the decree by cancelling the bank credits. Private plot workers were permitted to own a horse to pull a plow, and more recently have been given the task of safeguarding and feeding state-owned livestock.

In his speeches and articles Gorbachev has been careful not to offend the conservative elements in the Party. He has emphasized that although private plots are essential, priority would remain with state and collective farms. Given the amount of effort involved and the fact that he has built his political career on managing collective and state farms, it is unlikely that this emphasis will change. If Gorbachev can implement successful reform in the state agroindustrial complex, it will be interesting to see whether and how he will encourage the expansion of private plots. An increased reliance on private plots would be ideologically difficult to justify, but to date Gorbachev has

focused on solving economic problems rather than ideological ones.

Waiting for Gorbachev

Gorbachev has left many questions unanswered. Short of disbanding them, what will be the role of the ministries should effective decentralization occur? He has called for the "optimal combination of centralized planning with the economic independence of enterprises," but has not stipulated how these two contradictory elements would work together. Also what contributions would the Party administrative organs make on managerial decisions and to what extent would they act to constrain managerial independence?

Changes already are taking place in the Soviet Union and are as much a product of the Soviet system as they are a product of individuals such as Mikhail Gorbachev. Although he has the aura of the reformer about him, true to Soviet tradition he has concealed a great deal of information by imposing a veil of secrecy on agricultural output. Under his direction statistical information on Soviet agriculture has virtually dried up.

It is too early yet to gauge the extent to which Gorbachev will invoke reform, but in some areas it may be safe to draw conclusions. Brigade contracting more and more will become an integral part of the system. Closer links between R & D institutes and agroindustries are highly probable given the fact that Soviet defence industries have enjoyed this kind of relationship with their research institutes for years. Effective devolution of authority from government ministries to enterprise management is another matter altogether and it is probably safer to anticipate several years of discussion, planning and experimentation before implementation is possible. Gorbachev cannot expect to replace all of those in the CPSU who oppose him. Conservatism is not synonymous with old age in Soviet politics and anything which Gorbachev does will be watched carefully by his political opponents. Many forceful individuals will be waiting for an opportunity to replace the Secretary General. □

A start on peacemaking

by Gordon Fearn and
Clement Leibovitz

The ghostly movement toward nuclear annihilation contrasts with the long-known knowledge that contact breaks down stereotypes and opens up possibilities for communication and progressive change. In what follows, we stress peacemaking as a process fostered by contact and we give particular attention to a strategy for nuclear peacemaking. It is thought that the public demand for facilitative communication and constructive remedies is increasingly evident as the risks of prospective nuclear catastrophe are more fully perceived and understood, and that authorities who stand in the way of peace will yield, or be made to yield, to the tasks of peacemaking.

Spiral of escalation

The political tasks of peacemaking are not as complex as they are made out to be by the users of rhetoric and the advocates of military might. However, since 1945 in particular, the dynamics of international conflict have combined with massive investments in military hardware to produce a spiral of escalation which may be characterized as follows.

First, there has been a mystification of ordinary discourse such that, for example, the everyday language of war and peace is replaced by the acronym-filled world of MIRVs, ALCMs and GLCMs, MX missiles and MAD plans, and by such popular metaphors as Star Wars. The technical language of modern militarism intends to mystify precisely because this is necessary if militarism is to be effective. By such means, the power of ordinary understanding and accountability is weakened if not neutralized altogether.

Second, there has been an expropriation of informed debate by technologists and vested economic interests intending to gain materially from the design, manufacture and use of instruments of war. Such expropriation is unhealthy for the survival of democratic institutions. Writing in the *Bulletin of the Atomic Scientists* in January 1984, Robert Karl Manoff focused on the fundamental incompatibility of nuclearism and democracy:

The American nuclear experience has been shaped by inadequate knowledge and constrained

inquiry. The entire nuclear regime, in fact, is both an organization of violence and an organization of knowledge. It is a system that maintains deterrence by mobilizing science, technology, industry and politics. But it is also a system that sustains itself by organizing the knowledge that all this other activity requires. The nuclear regime, in other words, has its own epistemological structure, its own set of possibilities for acquiring and disseminating knowledge. This structure was designed by the Manhattan Project, strengthened at the time of the Hiroshima bombing, and cemented every year since . . . Nuclearism and democracy embody antagonistic ideals of knowledge . . . This suggests a disturbing but unmistakable conclusion: The United States cannot long endure as both nuclear and democratic . . . for one system is closed and the other is open; one system requires secrecy, the other . . . publicity; one system must concentrate control, the other exists in order to diffuse it.

Press culpability

Third, the news media are part of the problem as well because modern mass media have come to function as a broadsheet for advertising and because relatively few investments are made to preserve the autonomy of the newsroom. These trends are other than a direct product of militarism or nuclearism; the decapitation of a free and inquiring press is deeply rooted in the onslaught of mass society and in the twentieth century's new electronic literacies. It is more accurate to say that both the rise of nuclearism and the decline of autonomous and critical journalism have their origin in a society where mass-mediated information serves to tranquilize the passive majority and to reserve power and privilege for elites. However, to say this is not to deny the complicity of modern news media in this historical process, since critical journalism remains possible for those who dare to try it.

A fourth characteristic of the postwar spiral of escalation is that rivalries among different vested interests (including different industrial interests as well as different divisions of the armed forces) are conducive to competitive waste and greater risk of warfare. Critics such as Helen Caldicott claim that domestic rivalries even outdistance international ones and, as such, constitute a more important part of the contemporary problem. In this context, remedies are difficult to negotiate because the meaning of

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warmaking is defined within the larger context of a nation's economic (which also means ideological) wellbeing. For example, voters in both Canada and the United States recently witnessed national elections in which questions of economic security were central. Because of the overwhelming electoral mandates won by the heads of government in these countries, and because deterioration in the international climate is converging with other historical forces noted above, domestic populations looking inward to their own material security may have unwittingly encouraged warmaking.

Fifth, the spiral of escalation contains its own destructive momentum. Because of the world's experience with the Cold War, its confrontational rhetoric and its escalating arms race, and also because the post-World War II period has persisted for so long, few heads of government have had the experience of being personally animated by positive and enduring images of courage and statesmanship. Most role models — from Jesus Christ to Mahatma Gandhi — are dead; their qualities of courage are mostly lost in the transitory images of the modern visual media. The centralized institutional momentum of the modern age, together with the decaying democratic tradition, has circumvented peacemaking as a normal expectation of statesmanship.

People power

In contrast with this 5-point characterization of the spiral of escalation, there are emerging positive forces due to the fact that more and more people of diverse backgrounds are becoming conscious of the present predicament — one that will deliver a nuclear war as a probable (or even accidental) outcome, and one that will fail to prevent its occurrence. As they become aware of the spiral, citizens press to reclaim personal and collective powers previously cast aside or never taken up in the first place. In this context, one growing recognition by people living in technology-intensive societies is that technology requires human direction.

Accordingly, we suggest that the single most important ethical fact underlying the prevention of nuclear war is the presumption that the peoples of the world desire peaceful relations and coexistence. While their governments are often in conflict for reasons, in the first instance, deemed to be the best of reasons, including cultural, economic and other long-standing differences, we presume that the world's peoples, in the end, desire peace. Helen Caldicott says simply: "We just want to have our children and grandchildren, and die of natural causes." To Caldicott, the physician, cultivating a process for peacemaking, is good preventive medicine.

Strategy for nuclear peacemaking

We now turn to a discussion of a strategy for nuclear peacemaking. In what follows, we identify only the most vital issues requiring immediate attention. Elements of a long-range strategy need not be worked out at this time since the only issues relevant at present are those necessary to advance to the possibility of long-range strategy.

The combined actions of people all over the world may eventually lead to nuclear disarmament. In the meantime, until nuclear disarmament becomes a reality or, better yet, in order that nuclear disarmament may become a reality,

much thought must be given to the immediate problem of avoiding a nuclear war in a world saturated with nuclear weapons.

It is imperative that the efforts of people of goodwill everywhere not be dispersed across the many complicated issues. While a general mobilization of people toward disarmament may yet be necessary, we must defer the issue of disarmament for the moment because it cannot quickly be achieved and, in any event, we must focus initially on preventing the use of nuclear arms.

Present danger is great and growing. We take it that the present urgency is such that success depends on our ability to select a small number of vital issues; lower priority must be assigned to any issue on which public opinion is divided or where clarification would take too much time. The issues we focus on should be easy to grasp. They should involve the least amount of controversy and partisanship. The importance of these issues should be such as to put in motion all people who, in spite of differences of opinion, political ideology, abilities to grasp the truth and levels of expertise, are joined together by being vitally interested in the avoidance of nuclear war. The one critical issue at the present time is to prevent pushing the nuclear button now. This is the most urgent issue; it is also the easiest to grasp.

Ban first strikes

First strikes should be banned. The Soviet Union already has committed itself not to be the first to resort to a nuclear attack. For its part, the United States reserves the right to launch a nuclear attack. In the West, then, the question arises: Can the Soviet Union be trusted? Westerners cannot depend upon trusting the Soviet Union for the simple reason that, whether the Soviet Union deserves to be trusted or not, there is not the means to convince enough people in a time short enough that such is the case. This means then, that given the present level of urgency, trust of the Soviet Union is irrelevant.

So if Westerners need not trust the Soviet Union, what then do we require. It is enough to make sure that the Soviets pass the test of consistency — in this case a policy of not trying to secure a first-strike capability (a capacity to inflict so much damage with a first strike that a devastating retaliatory strike is prevented). It is possible to find out by satellite and other means whether the Soviet Union has such a capability. We may therefore say that a country, whether we trust it or not, is to be commended for vowing not to be the first to resort to nuclear attack if it does not try to acquire a first-strike capability.

Can the West reciprocate? The United States and NATO want to keep the option of resorting to a first strike against the Soviet Union to prevent Soviet aggression using conventional forces. However, the West's first-strike option is not a credible one without a first-strike capability. It is no coincidence then, that supporters of the first-strike option are also the advocates, in the United States, of a first-strike capability. Moreover, once the West seeks a first-strike capability it cannot reproach the Soviet Union if that nation should pursue parity; this would then constitute an escalation in the arms race. Security for the West, represented by the Soviet Union's present commitment not to resort to a nuclear first-strike, would then be lost. The efforts needed to secure a first-strike capability could more easily and

Ban first strikes

more credibly secure parity in European conventional forces.

It is therefore a realistic option, one that in no way compromises West European security, for the West to offer a commitment not to be the first to resort to nuclear attack. To be credible, such a commitment has to be coupled with renouncing acquisition of first-strike capability. Otherwise, it cannot be trusted and cannot be checked.

Give time to check

What about the possibility that a computer could be programmed to push the nuclear button automatically. An automatic launch-on-warning system (in which offensive weapons are fired on evidence of incoming warheads) would result in the certainty of nuclear holocaust. Launch-on-warning should therefore be banned. The key to the problem is having enough time to check for erroneous reports. Deploying missiles which would give less than a given minimum of time between detection and hit (perhaps thirty minutes) should be banned. Thus, a nation once alarmed does not need to make an automatic response; there will still be enough time to check the accuracy of the report.

Regular and frequent communications between world leaders should occur. While many institutionalized channels of communication exist through diplomatic exchanges and participation in international organizations, heads of government representing competing spheres of influence rarely meet to discuss common concerns. It is not that global security will be assured by routine, face-to-face

meetings. It is just that, in their absence, the probability is greater that warmaking will fail to be prevented.

First, disconnect the button

In summary, while the idea of a nuclear freeze has awakened people's consciousness and should be encouraged, a nuclear freeze does not represent an improved security for those who believe that one side has a first-strike capability. Without neglecting the freeze issue, most of the present work of peacemaking should seek to prevent pushing the nuclear button now. This means banning first strikes and, not to rely on trust of the Soviet Union or any other nation, banning first-strike capability as well. This also means banning launch-on-warning which implies banning deployment of missiles where the time between detection and hit is too short. Finally, this means cultivating personal contacts between world leaders so that, in the common context of global well-being, militaristic, ideological and other boundaries are revealed to be permeable. Such moves would create a climate of security propitious for considering nuclear disarmament, whether it would start with a freeze or not. These moves also respond to present urgency and, for average people, are easy to grasp.

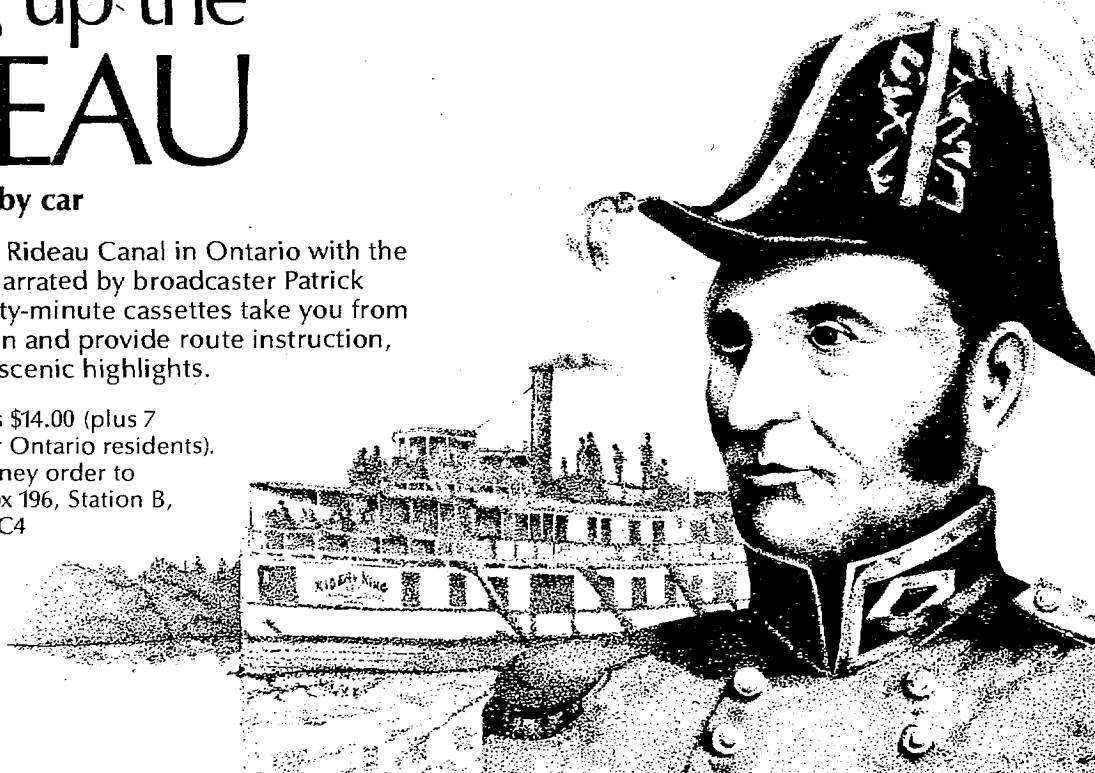
A strategy for nuclear peacemaking involves a process triggered by risks only statesmen can take, simplified by being focused on only the most pressing issues. Small steps lead to limited accomplishments; limited accomplishments encourage larger steps until nuclear peacemaking is advanced perhaps to the point that all nuclear nations join together to discard their armaments to the safety of some distant sun. The security fostered by such a common mission would indeed give Earth's peoples hope for the future. □

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"International Canada" is a paid supplement to *International Perspectives* sponsored by External Affairs Canada. Each supplement covers two months and provides a comprehensive summary of Canadian government statements and of political discussion on Canada's position in international affairs. It also records Canadian adherence to international agreements and participation in international programs. The text is prepared by *International Perspectives*.

Bilateral Relations

USA

Trade Consultations

The debate over freer trade relations with the US continued during this two-month period, with strong reactions surfacing with regard to the government's discussion paper "How to Secure and Enhance Canadian Access to Export Markets" in late January (see "International Canada" for December 1984 and January 1985). One section of the paper had recommended continued consultations to "enhance and secure" US markets through arrangements which might "complement and reinforce" ongoing negotiations. Critics were quick to see in the paper an advocacy of a free trade relationship with the US, and a *Financial Post* article of February 2 pointed out the implicit argument contained in the paper for a more liberalized trade arrangement. Without mentioning any "explicit preference," the paper did indicate that the government would edge closer to free trade should it receive substantial positive input from the private sector in coming months. Indeed, the dangers emphasized by Canadian nationalists were downplayed in the study, which outlined the advantages to be attained through the development of a preliminary framework agreement.

Responding to opposition criticism in the Commons February 5, Prime Minister Brian Mulroney stressed that Canada was engaged in a "consulting" process rather than "seeking" a free trade agreement. The consultations, he added, would be Canada-wide and would include representations from provincial Premiers and "all other socio-economic partners" in Canada. This industry-by-industry private sector input was essential in establishing the "implications" of freer trade. Several spokesmen for Canadian business and industry were supportive of the liberalization plan, most stressing the need to secure the "window of opportunity" presented by a Republican administration fighting growing protectionist sentiment in the US Congress. Should the opportunity be lost through a failure to secure stable access to Canada's largest export market, Canadian industry would be faced with even greater difficulties in countering a decline in international competitiveness. (Such were the views expressed by DuPont Canada president Edward Newell, and Business Council on Na-

tional Issues president Thomas d'Aquino, but they were echoed by numerous other statements emanating from the Canadian business community [*Toronto Star*, February 7, 12].)

A similarly cautious support surfaced during the February 15 First Ministers' Conference in Regina. With the Prime Minister emphasizing security of access to US markets rather than free trade as such, the provincial Premiers ranged themselves on pro- and anti-free trade sides. While Alberta Premier Peter Lougheed was most supportive, and Ontario Premier Frank Miller issued the strongest cautionary warning, there did arise a general consensus that over time (and quite a lengthy timeframe, at that), free trade represented an inevitable general trend (CBC television news [External Affairs transcript], February 15).

In a first effort to implement the guidelines developed in the Green Paper, Regional Industrial Expansion Minister Sinclair Stevens visited Washington in late February to meet with his US counterparts, Commerce Secretary Malcolm Baldrige and Trade Commissioner William Brock (named in late March as Secretary of Labor designate). During the meetings, Mr. Stevens discussed possible means both for securing market access and increasing bilateral trade (*Globe and Mail*, February 20). Mr. Stevens proposed twice-yearly meetings between himself and the Trade Commissioner, between US and Canadian Cabinet Ministers, and discussions between government and business representatives from both countries. Also mentioned was a consideration of the "mechanisms" which might be developed to remove trade irritants.

By mid-March the New Democratic Party had released a trade paper of its own, dismissing the earlier Green Paper as not in Canada's best interests. Entitled "An Alternative Strategy: Fair Trade vs. Free Trade," the paper, while outlining three proposals (two of which were implicitly disqualified), called for emphasis on "self-reliance" rather than an effort to beat international competition, placing "fairness above the determinism of the marketplace" (NDP study paper, March 12). There should be, the report added, a greater stress on processed goods, import replacement, research and development, industrial offsets, and stronger

requirements for foreign use of Canadian goods and services (coupled with domestic procurement).

The March 18 Quebec Summit meeting between Prime Minister Brian Mulroney and President Ronald Reagan resulted in a statement on trade that outlined future efforts to cut tariffs and other barriers restricting the bilateral relationship (*Globe and Mail*, March 19). President Reagan reiterated earlier promises that he would continue to fight protectionist trends in the US Congress, offering to join in a joint effort to "halt protectionism." He stated that he would "use all his energies to pre-empt any move that would put Canada in peril from protectionism." The mutual pledge toward freer trade between Canada and the US was regarded by both leaders as the most significant development of the Summit. The US Trade Commissioner and Canada's Minister for International Trade were named to establish a "bilateral mechanism to chart all possible ways to reduce and eliminate existing barriers." As well, consultations would continue on the government-to-government and government-to-private sector levels. These consultations would attempt to remove "specific impediments" to bilateral trade, including an easing in commercial travel, a simplification of trade regulations, and reductions in restrictions in the fields of energy and high technology. Canada also secured from the Summit a US commitment to ease several import restrictions — from Canadian export products containing sugar to Canadian specialty steel — in addition to an elimination of steel marking requirements established earlier for imports.

Lumber Exports

Although Canadian lobbying efforts had succeeded in preventing in the past an imposition of restrictions on Canadian softwood lumber exports to the US, a more recent, and larger, move by the US forestry industry to curtail Canadian exports was initiated earlier in the year. International Trade Minister James Kelleher resumed negotiations in February with the US Trade Commissioner in order to "head off any further action" of a protectionist trend in the lumber sector (*Globe and Mail*, February 5). With the exports to the US worth about \$2 billion annually for Canada (representing an almost 30 percent share of the US market and still growing), several US Congressmen had indicated their support for the US industry's call for restrictions on Canadian access. Mr. Kelleher stressed that the Canadian lumber industry would once again have to work in coordination with government (which had already offered its "full support") in order to lobby successfully against emerging protectionist threats.

However, legislation was introduced in Congress soon after to limit Canadian shipments of softwood lumber. Congressmen supporting the legislation (representing both political parties) claimed that the low value of the Canadian dollar in comparison with its US counterpart was placing the American lumber industry at a disadvantage, and called for either limitation requirements or voluntary restraints. They sought Canadian agreement to limit exports to Canada's "traditional share" of the US market (*Globe and Mail*, February 8). The legislation was an attempt to limit Canada to a 25 percent share over the next five years, in order to counteract a growing market penetration which

had resulted in increased unemployment in the US industry.

Forestry Minister Gerald Merrithew, following announcement of the proposed US legislation, stated that federal officials would raise the question with US trade representatives. The matter, he said, was being taken "seriously," since it involved a number of "options" open to the US Congress (*Globe and Mail*, February 13). The federal government was aware of those options, he added, and was better prepared to deal with them as a result of the previously successful lobbying effort. Canadian Lumbermen's Association President Daniel Smith also reacted strongly, stating that the legislation threatened thousands of Canadian jobs. "If the current attempts to legislate against or harass, so as to restrict Canadian lumber imports, are successful the effect on the Canadian industry would be catastrophic," he said (*The Citizen*, February 14).

Speaking in the Commons February 14, External Affairs Minister Joe Clark assured the House that should ongoing representations fail to secure Canada's market share, the Prime Minister would raise the matter directly with President Reagan during the Quebec Summit. That assurance was repeated by Mr. Clark on February 26, who also stated that he himself might examine the issue during discussions with Secretary of State George Shultz. International Trade Minister James Kelleher added that meetings had been held that day between his office and representatives from the US Trade department. "At no time were the matters of voluntary restraint arrangements or agreements raised, nor were they requested," concluded Mr. Kelleher. In a scrum outside the Commons later that day, Mr. Kelleher added that the meeting had been "exploratory" and had examined the problems as viewed by both participants. A later session in March, said Mr. Kelleher, would be used to further explore possible "avenues of approach" to resolve the differences. Canada was not "doing anything that is improper or that is contrary to American legislation," he said, in reference to questions with regard to the value of the Canadian dollar and alleged "unfair" industrial subsidies. The problem had been triggered rather, he said, from "poor market conditions in the US," which had preceded the dramatic decline of Canadian currency (External Affairs transcript, February 26).

While the likelihood of the legislation's becoming law remained remote, requiring both a matching Senate bill and avoidance of a Presidential veto, the federal government and the Canadian forestry industry remained concerned over the possibility of a bitter and escalatory round of retaliatory measures. And by late March the sponsors of the bill in Congress had added even harsher restrictive measures to the proposed legislation. The toughened bill (which would reduce the Canadian share of the US market to 20 percent) received approval from an Interior Affairs subcommittee and proceeded to the full committee (*Globe and Mail*, March 20). As amended, the bill would drive the ceiling still lower on Canadian imports by lengthening the period used for calculating Canada's historical market share.

Quebec Summit

Prime Minister Brian Mulroney headed into his mid-March Quebec Summit meeting with President Reagan

facing tough critics at home who were calling for a positive response and concrete action by the Reagan administration on the pivotal issues of acid rain and bilateral trade enhancement. Criticism had already arisen that Canada's decision to sign a joint defence agreement with the US to upgrade the North Warning System (tied in the minds of many to the US Strategic Defence Initiative) was an indication of an inability on the part of the federal government to negotiate effectively with the US. Although Mr. Mulroney had stated prior to the meeting that the issues of acid rain and secured access to US markets would be "top priorities" on the agenda, neither the media nor opposition critics expected dramatic breakthroughs, but rather an incremental movement forward (various *Globe and Mail* reports through February and March).

Government officials themselves cautioned against high expectations. External Affairs Minister Joe Clark, speaking at a March 14 press conference backgrounding the Summit, stated that the upcoming Summit was of extreme importance for Canada since many of the issues to be discussed had remained unresolved for a long period of time (External Affairs transcript, March 18). Two new aspects, he added, were present at this particular Summit process: the "prospect of very significant progress" on the issues, and the degree of "public preparation" on the topics involved (i.e., government statements and action on acid rain, trade and joint defence). Without predicting specifics, Mr. Clark concluded on a cautionary note by stating that there "would always remain" issues unresolved between two large sovereign nations. However, indications were that "both in fact and in symbol . . . significant progress" would be made.

Facing a barrage of opposition questions in the Commons March 15 (the last Question Period before the Summit) on the need for achieving US commitments for action, the Prime Minister added his own cautionary note, stating that Canadians should not expect "in an imperfect world, miracles overnight." However, he added that he would endeavor to improve the bilateral "climate" and convince President Reagan of the need for movement on the key issues.

Arriving March 17, President Reagan met for both formal and informal discussions with the Prime Minister over a two-day period. At the end of their talks, they jointly announced those measures to be implemented as a result of their consultations. These included; the appointment of two "special envoys" to deal with acid rain pollution (see this issue — Environment), and the signings of a North American air defence modernization program (see below), the West Coast Salmon Treaty, and a legal assistance treaty (*Globe and Mail*, March 18).

The same criticism that had foreshadowed the Summit was repeated at its conclusion, with opposition MPs attacking the Prime Minister in the Commons March 18 over the government's handling of the bilateral negotiations. They were harsh in their condemnation of the Prime Minister's failure to achieve a firm commitment for action on acid rain and on the possibility that Canada might be drawn irrevocably into the US SDI program. However, the Prime Minister countered that an agreement to appoint the acid rain envoys represented a US acknowledgement of the

"commonality" of the problem and was clearly a breakthrough in a longstanding "stalemate." As well, no non-nuclear guarantees were required, since the North Warning System did not represent involvement in the SDI program.

North Warning System and SDI

The issue of Canadian agreement in joining with the US in revamping the outdated Distant Early Warning (DEW) system stretching across Canada's north (as part of a larger, upcoming renewal of the NORAD agreement) was raised in the Commons repeatedly during February and March. In order to provide the North American continent with a stronger northern defence, antiquated equipment and technology would be replaced by a modernized, more sophisticated system called the North Warning System (NWS). While Canada's share of the overall \$6 billion joint NORAD program would be slightly over 10 percent, Canada would be contributing almost 40 percent to the NWS aspect — the network of long- and short-range radars designed to provide early warning of bomber or missile attack (*Financial Post*, February 2). According to news reports during this period, bilateral negotiations had reached the point where an announcement of Canada/US cooperation was expected by the time of the Quebec Summit meeting between Prime Minister Brian Mulroney and President Ronald Reagan. However, sharp Opposition questioning took place in the Commons almost daily, with criticism following general party lines and several MPs calling for Commons review of the anticipated agreement. The issue raised most frequently was the possibility that participation in the NWS updating might commit Canada to the US Strategic Defence Initiative (SDI), more commonly known as "Star Wars" (see "International Canada" for December 1984 and January 1985).

Despite government assurances that signing a new agreement would not involve Canada in the Star Wars program, critics continued to raise the possibility of linkage. External Affairs Minister Joe Clark told the Commons February 5 that there was "no plan, current, pending, or anticipated, that would have the Government of Canada involved in any way" with the SDI. That same assurance was reiterated by Mr. Clark before the Commons Standing Committee on External Affairs February 15, when he pointed out that the NWS was essential in maintaining the viability of NATO's deterrence policy. However, comments made by US arms negotiator Paul Nitze during an official briefing visit to Ottawa March 6 rekindled opposition fears that NWS and SDI were connected. Mr. Nitze had stated that since SDI was a research program that had not yet "resulted in the development of specific systems," it "remained to be seen" whether NWS was a possible component of the space initiative (*Globe and Mail*, March 7, 8). Mr. Clark countered that the remarks had been misleading, and that the NWS dealt with "defence against certain kinds of intrusion not contemplated by" SDI. Further confusion resulted when another US official, speaking in Washington during a press briefing on the upcoming Quebec Summit, stated that the NWS was designed to meet the threat of Soviet anti-ballistic missiles (*The Citizen*, March 9). Both comments seemed to confirm earlier remarks made by US

Defense Secretary Caspar Weinberger to the effect that an updated NWS was a necessary backup to a space-based missile defence system.

Defence Minister Erik Nielsen announced in the Commons March 13 that the government had approved an agreement with the US on a joint program to modernize the North American Air Defence Surveillance and Warning System (*New York Times*, March 14). One component, the NWS, would be located in Canada, consisting of over-the-horizon backscatter radars and covering northern approaches to North America. The system would detect aircraft and Cruise missiles, he added, and would ensure that Canada carried out its "responsibilities" for North American defence. NWS would, said Mr. Nielsen, allow Canada to "fully exercise" its sovereignty in the North and was "tangible evidence of this government's commitment to strengthen Canadian defence capacity and to ensure Canadian control of its defences." The Defence Minister also repeated assurances that the agreement did not indicate a shift toward participation in SDI, stating that the new radars "are neither designed nor sited for the detection of ballistic missiles or of other events in space." The announcement sparked heated debate in the Commons over the next several days, with most of the same queries, criticisms and responses appearing as had been put forward by both the government and the opposition during the past month-and-a-half.

With Canadian agreement to pursue the NWS program an accomplished fact by March 18, following a joint US-Canada signing during the Quebec Summit, attention became focused on more general aspects of Canadian involvement in SDI. While President Reagan had commented on US willingness to share with Canada the development of space technology that "could provide a security shield," the External Affairs Minister stated in the Commons March 19 that no official request had been received. Although such an invitation had not been made, Mr. Clark later told the Standing Committee that the government was in the process of taking a "hard look" at the potential for future involvement in SDI, a program with "profound implications" for Canadian employment and economic growth (*The Citizen*, March 22). The Prime Minister later echoed those comments on possible economic benefits, stating that Canadian research involvement might hinge on the prospects for increased job creation within Canada (*Globe and Mail*, March 25). He did emphasize, however, that Canada would only be involved in the research phase of SDI, rather than in its implementation. And when Mr. Clark again answered questions in the Commons (March 26) on SDI, he added that in the event of a US invitation, the Canadian response would be "absolutely consistent with the principles of the ABM [Anti Ballistic Missile] Treaty."

The anticipated official invitation was delivered March 26 by US Defense Secretary Caspar Weinberger to Defence Minister Erik Nielsen, during a NATO defence ministers conference in Luxembourg. In a lapse in communications, news of the invitation was made public before it was acknowledged by the External Affairs Minister, who continued to state in the Commons that the invitation had not yet been made. The Prime Minister stated the following day that the request would be submitted to Cabinet for consideration, adding that his "enthusiasm" on such a

matter was "restrained" (*Globe and Mail*, March 28). Mr. Mulroney elaborated on these reservations March 28, stating that there existed a distinction between supporting US SDI research and actively participating in a project "where you don't set the thrust and where you have no control over the parameters" (*Globe and Mail*, March 29). The government would base its decision on the interests of Canada "as a sovereign nation, a loyal ally and as a believer in freedom," he added. An official response had not been announced as of the end of March.

Egypt (Sinai)

Peacekeeping Force

In March, the Egyptian government requested of Canada participation in an international peacekeeping force for the Sinai. The "track record" of the present force, composed of contingents from ten nations, was examined by officials within the Department of External Affairs. The Canadian force would replace that presently provided by Australia, which country announced its impending withdrawal (April 1986). It was noted that the force operates outside the auspices of the UN (*Globe and Mail*, March 12). Canada presently maintains peacekeeping forces in the Middle East both on Cyprus and in the Golan Heights.

The Egyptian request was echoed soon after by Israeli Foreign Minister Yitzak Shamir during an official visit to Canada. Mr. Shamir also called for Canadian participation in the Sinai peacekeeping effort. Subsequently, External Affairs Minister Joe Clark stated in the Commons March 14, in response to questioning from Lloyd Axworthy (Lib., Winnipeg-Fort Garry), that Canada would give "very serious" consideration to the requests. Canada would be involved to the extent of approximately 135 personnel and ten helicopters, in efforts toward surveillance, personnel transport, and monitoring of the Egypt-Israel accord. Factors to be considered included Canada's ability to respond militarily to other demands (in addition to its peacekeeping roles), as well as the impact on those Arab nations not supporting the Camp David accord (*The Citizen*, March 14).

El Salvador

Election Observer

The federal government decided to accept an invitation by the Duarte government of El Salvador to send official observers to the March 31 legislative and mayoral elections in that country. The acceptance echoed an earlier decision to send an observer team to monitor the 1984 presidential elections (see "International Canada" for April and May 1984). It was announced by External Affairs Minister Joe Clark that Canada's Ambassador to El Salvador, F.M. Filleul, would act as official observer. (Mr. Filleul had also formed part of the previous Canadian delegation.) Mr. Clark stated that the designation of a "qualified" observer

was "consistent" with the earlier decision. He also expressed the hope that these elections would "consolidate the democratic process" in El Salvador. Mr. Filleul, he added, would be provided with support facilities in order to verify effectively the electoral process and would be assured permission to observe in "any location" where his personal safety was not "endangered." Mr. Clark also indicated that future requests for Canadian observer teams would be given "active consideration" (External Affairs communiqué, March 29).

Israel

Visit of Foreign Minister

Yitzhak Shamir, Israel's Vice Prime Minister and Minister of Foreign Affairs, paid an official visit to Canada March 13-14. Mr. Shamir met with his counterpart, External Affairs Minister Joe Clark, Cabinet members and opposition leaders for discussions on both bilateral (trade) and international (Middle East) issues. One of the major topics covered was the possibility of a Canadian contingent in Sinai peacekeeping, which was receiving "active consideration" from the federal government (see this issue — Egypt). However, despite a receptive attitude on the one issue, Mr. Clark also expressed Canadian concern over escalating violence in southern Lebanon, a veiled criticism of Israel's so-called "iron fist" policy of retaliation in the region (*Globe and Mail*, *The Citizen*, March 14). In one of his Canadian addresses, Mr. Shamir had emphasized that peace in the Middle East rested upon a strong Israel. "Democracy," he stated, "must not be confused with pacifism. The strength of democracy is a fighting spirit which protects it." While the heavy defence burden of Israel results in economic problems, he added, Israel's allies "understand that economic assistance . . . enhances [Israel's] security and the strategic interests of the free world in our region." Mr. Clark reiterated the Canadian position that a stable regional peace was dependent upon both "secure and recognized" boundaries for Israel and the Palestinian right to a homeland (either within the West Bank or the Gaza Strip). Less contentious were discussions on increased trade (including an exchange of trade missions), the possibility of extending landing rights for Israel's national airline El Al, and the imminent signing of a film coproduction agreement.

On the issue of moving the Canadian embassy in Israel from Tel Aviv to Jerusalem, a proposal that had already raised problems for a previous Conservative government, Prime Minister Brian Mulroney stated that despite a request to do so, Canada had no such plans. While the Israeli government held Jerusalem to be the country's capital, the federal government regarded "the issue of Jerusalem . . . as part of the comprehensive peace initiative for the entire region" (*The Citizen*, March 16).

Japan

Ministerial Visit

International Trade Minister James Kelleher made an official visit to Japan in early February, primarily in an effort

to strengthen bilateral trade ties. In an address before the Canadian Chamber of Commerce in Japan, the trade dimension in the relationship between Canada and Japan was particularly evident. Mr. Kelleher reiterated Canadian support for Japanese initiatives toward a further round of multilateral trade negotiations (supported as well by the US) in an effort to reverse an international protectionist trend. At the same time, Canada was firmly committed to the bilateral Canada-Japan trade relationship (Japan currently being Canada's second largest trading partner). With Japanese imports of Canadian resources contributing significantly to our economy, continued the Minister, Canada would endeavor to "remain a reliable and competitive" supplier for Japanese market requirements (External Affairs statement and communiqué, February 8). However, this reliability of supply was dependent upon an adequacy of price that would "ensure the viability of [Canada's] resource sectors," he added. For this reason, Canada would institute new trade efforts in order to increase its international "competitiveness." Anticipated areas of export growth for Canada in Japan included both the traditional resource sector and newer processing, and "knowledge intensive" industries (as well as the investment and finance sector). A collaborative trade effort could, concluded Mr. Kelleher, exploit bilateral economic potential.

Automotive Quotas

With the termination of last year's voluntary quotas for Japanese automotive imports imminent, discussion on their removal, renewal or modification once again surfaced in both the press and the Commons. By early March, sharp criticism was raised by opposition MPs, who questioned the responsible Ministers (primarily International Trade Minister James Kelleher) on government policy. Specifically, they requested clarification on whether the government would institute further quotas on Japanese imports or request increased investment in the Canadian automotive industry (which might be secured through maintaining existing quotas).

During Question Period in the Commons March 4, Lloyd Axworthy (Lib., Winnipeg-Fort Garry) stressed that a significant contributing factor to Canadian economic growth in 1984 had been "major investments and sales" in the auto industry, which had now been put in "jeopardy" by the Reagan administration's decision to remove quotas on Japanese auto imports, "thereby affecting the entire North American market." Mr. Kelleher responded that while the US and Japan had successfully negotiated an agreement whereby quotas had effectively been removed, Canada had indicated to Japan that "consideration" from the Mulroney government was dependent upon "further investment" in Canada. As well, consultations were proceeding between the government and the industry in order to determine the concerns of Canadian workers prior to the expiry of the present agreement.

As the April 1 deadline for renewal approached, requests in the Commons for an extension of the quotas and increased Japanese investment became a daily occurrence. Responding to opposition representations for a commitment to institute further quotas, Sinclair Stevens, Minister of Regional Industrial Expansion, pointed out that the present figures were not established "directly" by the Canadian government, but were the result of a Canada-

Japan arrangement whereby the Japanese "agreed to put in place voluntary export restraint provisions." Present bilateral discussions were examining future Japanese intentions, he added.

On March 29, the government made an official statement on the exportation of Japanese manufactured vehicles to Canada. Speaking for both his own Ministry and the Minister for International Trade, Sinclair Stevens announced that following ministerial discussions and consultations with representatives of the private sector involved (both Canadian and Japanese), Canada would reaffirm its "commitment to a strong and internationally competitive" Canadian automotive industry. (The Japanese voluntary export restraints had been instituted as a reprieve for the Canadian industry as it sought to "restructure and modernize.") Canada, said the Minister, had discussed with Japan the differences between US and Canadian markets and industry, the need to maintain a stable Canadian market environment, and the relatively low level of Japanese investment. While the federal government had not received an official response to these representations, Mr. Stevens stated that a response from the Japanese government was anticipated "in the near future." Despite the fact that no specific figures had as yet been agreed upon during these consultations (and this received sharp criticism from opposition MPs, despite the fact that there had been a similar result in the previous year [see "International Canada" for December 1983 and January 1984]), Canada expected that the Japanese share of the domestic market would not "increase during the forthcoming period" of ongoing negotiations.

South Africa

Canadian Companies

While the federal government has established a code for the conduct of Canadian companies and their subsidiaries operating in South Africa, that code is of a voluntary nature as it now stands, and lacks enforceability. However, as part of the Department of External Affairs' reexamination of Canadian foreign policy (see this issue — Foreign), a review would be made of this voluntary conduct code in order to strengthen its effect as a criticism of South Africa's apartheid policy. Departmental officials indicated that while forcing companies to adhere to the code was unlikely, certain measures might be instituted in order to "encourage" compliance with its guidelines. Among other things, the code advocates equal treatment for both black and white employees, bargaining with black trade unions, plant integration and an improvement in training and employment opportunities, according to a *Globe and Mail* report of February 15.

Some controversy arose during February with news reports of contraventions of the code on the part of one Canadian-based company operating in South Africa, Bata Ltd. While the code requests reports on compliance with and progress toward meeting the aims outlined, most of the Canadian companies operating in South Africa have failed to do so. One such was Bata Ltd., with four plants in South Africa, which had refused to disclose either details of

its financial structure or confirm compliance with the voluntary code. However, a company spokesman stated that Bata went "far beyond any requirements in any codeWe have to do things that are correct," the article continued. The Bata company later criticized the *Globe* report for "biased and inaccurate reporting" on its operations in South Africa, according to another *Globe* report of March 18. While the company had never reported to the federal government, it had never "refused" to do so.

Speaking in the Commons February 15, Jim Manly (NDP, Cowichan-Malahat-The Islands) requested the government institute measures to bring in "anti-discrimination contract compliance provisions" for government contracts carried out in South Africa (which would effectively disqualify those Canadian companies operating in South Africa not complying with the guidelines). He cited in particular the Bata practices of "union busting" and extremely low wages (estimated at 50 percent below the poverty line). Responding, External Affairs Minister Joe Clark stated that a review was underway, based on the premise of Canadian abhorrence of apartheid and a determination to effect change in that policy. Canada would still prefer voluntary public reports by the companies involved on compliance, he added, since mandatory measures could involve criticism of extraterritorial application of Canadian law (*The Citizen*, February 20).

Delay in enforcing adherence to the code was criticized in Canada by the Task Force on Churches and Corporate Responsibility, which called for immediate action to require reporting. The international community must concentrate on the "pariah state" of South Africa, a spokesman stated (CTV interview [External Affairs transcript], February 18). What was required, was a "ban on further investment and loans, as well as a ban on trade in . . . civilian goods that have repression capability or conversion to military goods."

Responding to further questioning by Jim Manly in the Commons February 26, Gerry Weiner (Parliamentary Secretary to Secretary of State for External Affairs) stated that the voluntary reports (admittedly few in both number and frequency) were necessarily public rather than submitted to a government agency in order to avoid the criticism of extraterritorial application of Canadian law. However, he added, "in the absence of an official monitoring mechanism, the code [had] not operated as effectively as had been hoped." Consultations were ongoing as to how best the code might be made more effective, since the government remained of the conviction that such codes "had and would continue to lead to improvements in working conditionsCanada's common purpose must be to encourage the removal of apartheid by peaceful means." Suggested sanctions and moves toward disinvestment were not regarded as effective means to achieve that end, he concluded.

Sudan

Famine Relief

With a large influx of refugees entering Sudan from neighboring Ethiopia in hopes of escaping famine, Sudan

found itself in the same position suffered earlier by Ethiopia. International attention, which had concentrated on Ethiopia in late 1984, shifted a portion of its focus toward Sudan as a centre requiring emergency famine relief (see "International Canada" for October and November 1984). In late February Canada sent a mission to examine possible methods for alleviating the drought crisis and assisting the growing refugee population. The mission (extending from February 24 to March 3) included emergency coordinator David MacDonald and UN Ambassador Stephen Lewis (*The Citizen*, *Winnipeg Free Press*, February 12). The Canadian delegation, said Mr. Lewis, recognized the crisis of a combined drought and the rising number of Ethiopian refugees crossing into Sudan. (As well, Sudan had already accepted almost a half-million refugees from other drought-stricken nations, including Chad, Uganda and Zaire.)

Upon the mission's return, Mr. Lewis stated that massive infusions of aid were needed by Sudan from the international community (*The Citizen*, March 4, 5). Otherwise, he said, the famine could reach "catastrophic proportions." Besides the acknowledged refugees in Sudan, greater numbers of Sudanese were also in dire straits, having moved south in search of water and food. The immense quantity of foreign aid coming into Sudan was still insufficient to meet the crisis, he added. These concerns were also expressed by Canadian Council for International Cooperation president Rick Patten, who accompanied the delegation to Sudan. He stated that a doubling of aid was essential, along with a larger number of on-site officials to monitor the situation. The emergency was of such proportions, he continued, that it required an "upping of our contribution in terms of immediate development issues that have a payoff for reforestation, water and combating desertification."

Questioned in the Commons March 8 about government plans to assist in Sudanese relief, External Relations Minister Monique Vézina stated that both the emergency fund and the coordinator for African relief would handle the crisis in Sudan to the furthest extent possible. Mr. MacDonald's report on the African famine included recommendations for assistance to alleviate "new needs" in Sudan, she added (see this issue — Aid).

Thailand

Vietnamese Incursions

In a repetition of earlier denunciations, the Canadian government issued a strong statement "deploring" recent Vietnamese incursions into Thailand that violated that country's sovereignty (see "International Canada" for April and May 1984). Expressing "grave concern" over the increasing number of violations of Thai territory by Vietnamese forces in their continuing conflict with Cambodian resistance groups, Canada stressed the problems created in adding new refugees to Thailand's already large burden as well as the fact that numbers of Thai and Cambodian civilians and defenders were casualties in the fighting.

Such violations were "without justification," stated External Affairs Minister Joe Clark, and intensified previous Vietnamese disregard for UN resolutions calling for withdrawal of its forces from both Cambodia and Thailand (External Affairs communiqué, March 15).

Turkey

Embassy Attack

Federal provisions for security surrounding foreign embassies on Canadian soil came in for sharp criticism in mid-March when the Turkish embassy in Ottawa was stormed and taken over by Armenian terrorists on March 12. Killing a security guard, the four terrorists took as hostages several Turkish nationals, the Turkish Ambassador himself managing to escape the building while suffering injuries. Speaking directly from the embassy while surrounded by an RCMP tactical squad, the Armenian Revolutionary Army (ARA) informed CBC radio of their demands (External Affairs transcript, March 13). The ARA demanded the return of alleged Armenian territory within present Turkish borders as well as an official Turkish recognition of the alleged Armenian genocide of 1915.

Before the situation could be completely clarified, External Affairs Minister Joe Clark was interviewed in several scrums, and stated that events were "very grave and serious." Designed quickly to achieve "some solution," was a combined effort among the Ottawa Police, the RCMP and the Special Task Force, he added. Questioned on the adequacy of security arrangements, the Minister stated that security "by most of the standards we knew" was excellent. (Security was handled by a private company, Pinkerton's, contracted by the RCMP.) However, it was pointed out that security *had* been penetrated (External Affairs transcripts, March 12).

After the hostages were released and the terrorists had surrendered, Mr. Clark expressed in another scrum Canada's "regret" over both the death of the Canadian guard and the "intrusion upon and the injury done" to the Turkish Ambassador and his family. While commending the cooperative effort of security forces involved in the operation, the Minister added that an examination would be made of the circumstances surrounding the incident in order to evaluate what additional security measures might be taken in future. Canada, he said, intended to honor its "obligation" to protect foreign diplomats.

Defence Minister Erik Nielsen answered questions in the Commons that same day (March 12), and reiterated Mr. Clark's earlier expressions of "deep regret and condolence." Embassy security, he added, would be under "intensive review at a very early time," since the terrorist penetration indicated the imperative nature of a review. With respect to surveillance of anti-Turkish elements operating within Canada, Mr. Nielsen stated that while arrangements were in force for surveillance, to divulge details within the Commons could be "inimical to the very security we discuss." More importantly, in a statement which later raised serious questions with regard to inter-departmental communication, Mr. Nielsen indicated that discussions between the federal government and the Turkish embassy

had previously established that Turkey was "satisfied" with existing security arrangements."

This Turkish "satisfaction" was again noted several times in the Commons both on March 13 and 14 by Mr. Nielsen. A review in the previous month had already resulted in increased security, he added, which had proved acceptable to the Turkish embassy in Ottawa. However, the present breach demanded a further examination, although to turn the embassies of foreign nations into "armed camps" was not an acceptable alternative. External Affairs Minister Joe Clark also stressed on March 14 that Turkish embassy staff had expressed their satisfaction with the "increased" security arrangements negotiated with the Canadian government.

However, questions were raised in the media that the Turkish government had requested additional and tighter security measures as recently as ten days prior to the terrorist attack (*Globe and Mail*, March 15). In consequence, Mr. Clark revised his earlier statement on March 15, responding that there had been an "error" in the relating of information from the Turkish government to the External Affairs Department. Rising on a point of order in the Commons that day, Mr. Clark stated that he wished to correct the record and apologize for "inadvertently conveying information which may have been inaccurate." The Minister added that the matter "may have been raised" by the Turkish embassy as recently as early March. Mr. Clark's earlier statements had been contradicted by Yesut Yilmaz, the acting Turkish foreign minister, who stated in Ankara that Canada had been "specially warned" and that "under the circumstances it is not possible for me to say that the security measures taken in [Canada] were at an adequate level." Opposition Members were quick to point out that security arrangements at the embassy (one guard) were the same both before and after the Turkish requests for improved measures. In particular, NDP House leader Ian Deans pointed out that the lone guard had no back-up or support and was apparently "inadequately" trained. Such being the case, he stated, no extra precautions or "action of substance" had been taken (*Globe and Mail*, March 16, 20).

Following the investigation, the RCMP was authorized by the federal government to upgrade security for foreign diplomatic posts. Solicitor General Elmer MacKay announced March 27 that security was in the process of being strengthened for the added protection of both embassies and their personnel and visiting dignitaries (*The Citizen*, March 27). The RCMP, he stated, which would now be directly responsible for arrangements (rather than contracting out), had been directed to "proceed immediately with upgrading security arrangements." The decision, added Mr. MacKay, was a response to "the continuing threat of international terrorism" and was designed to reassure both Canada and the international community that the government could "deal effectively with terrorist activity."

USSR

Prime Minister's Attendance at Chernenko Funeral
With news of the death in early March of Soviet Leader

Konstantin Chernenko, Prime Minister Brian Mulroney announced that he would personally attend the funeral in Moscow as Canada's official representative. Such an appearance was seen as laying a "possible cornerstone" for the upcoming visit of External Affairs Minister Joe Clark in early April, the Prime Minister noted (*Globe and Mail*, March 12). Mr. Mulroney also expressed his interest in some form of meeting with new Soviet leader Michail Gorbachev while in Moscow, noting his "youth, good health and strong views." A meeting would, stated Mr. Mulroney, be particularly opportune at that juncture, coming as it did immediately prior to the Quebec Summit meeting with President Reagan the next week. Mr. Mulroney wished to express to the Soviet government the "hopes and aspirations" of Canadians as the US and the USSR began a new round of arms negotiations. The change in leadership offered both the participants in the arms discussions an opportunity for "building bridges that [would] lead to that kind of durable and ongoing process that will ultimately lead to peace" (*The Citizen*, March 12). As well it was hoped that with the emergence of new leadership in the Soviet Union, an attempt could be made to strengthen the "constructive" relationship between Canada and the USSR.

A similar view was expressed in the Commons March 11 as representatives of all three political parties offered condolences on the death of the late President. Speaking for the federal government, Erik Nielsen stated that "while it [was] unrealistic to expect a radical change in Soviet objectives as a result of a change in leadership, a new leader may bring about a change in style, and a more open approach which in itself would result in an easing of tensions." The appointment of Mr. Gorbachev, with his "readiness to discuss issues bluntly and openly," was, added Mr. Nielsen, an opportunity for "positive steps" toward resolving the East-West confrontation.

The March 14 meeting between Mr. Mulroney and Mr. Gorbachev resulted in discussions on both Canada-USSR relations and East-West arms control and disarmament issues. Described by embassy officials as a "great success," the meeting went longer than expected (*The Citizen*, March 14, *Globe and Mail*, March 15). Mr. Mulroney noted that the transition in leadership had been accomplished "smoothly," with Mr. Gorbachev "very much in command, very much in control." Upon his return to Canada, Mr. Mulroney stated that Mr. Gorbachev had stressed Soviet concerns with regard to the US space-based defence initiative, calling it an "unacceptable acceleration" of the arms race. The Prime Minister noted that these concerns would be passed on to President Reagan during the Quebec Summit. He had also told Mr. Gorbachev that the Geneva discussions between the US and the USSR could "not be allowed to fail," even though the process would inevitably prove long and arduous. While downplaying the possibility of a role for Canada as "go-between" for the superpowers, Mr. Mulroney added that Canada, as a "neighbor" to both the US and the USSR, might encourage a "dissipation" in existing "reservations" with regard to the intentions of both sides in East-West disputes. Such a dissipation could, he concluded, contribute to the "creation of a climate wherein productive negotiations [could] take place" (*The Citizen*, March 15).

Multilateral Relations

The Caribbean

Prime Ministerial Meeting

Caribbean Commonwealth heads of state, along with Canada's Prime Minister Brian Mulroney, met in Kingston, Jamaica, in late February. Commencing February 25, the discussions covered areas of multilateral concern while placing emphasis on the future direction of Canadian policy in the region, particularly in the area of foreign aid. Caribbean leaders sought assurances that the traditional economic and social priorities given by Canada to the area would continue under the Mulroney government, following earlier announcements of impending cuts in Canadian foreign assistance. Indications were that the Prime Minister, along with his Caribbean counterparts, intended to encourage Canadian ties to the region, ties somewhat weakened by the US-led invasion of Grenada in 1983 (which occurred without either Canadian foreknowledge or participation).

While reiterating Canada's intention to continue trade and aid commitments, Prime Minister Mulroney stated that the present Conservative government would maintain its pro-American, cooperative stance in order to "provide a solid foundation for the conduct of Canada's global foreign policy . . . We are not neutrals." Without making specific assurances to the other leaders, Mr. Mulroney did note that Canada would endeavor to honor the aid targets established by his predecessor, Pierre Trudeau (estimated at \$350 million between 1985 and 1987). In addition, new efforts would be made to involve NGOs in aid programs. "We need a broader framework, a more comprehensive contribution from private sector institutions, from trade unions, from agricultural and fishing cooperatives, from the voluntary sector, from churches and from the universities," he added. However, the Prime Minister also pointed out that efforts would also be made to "refurbish" the relationship of trust between the two regions (an indirect reference to the Grenadan episode). "We want to make certain that we always speak in complete confidence as friends" (CBC, CTV news [External Affairs transcripts], February 25).

A proposal submitted by Jamaican Prime Minister Edward Seaga for Canada to admit Caribbean products duty-free, named *Caribbean*, met with a less enthusiastic response. While Mr. Seaga stated that the plan would

provide the Caribbean with great benefits and would have merely a "ripple effect" on Canadian trade and investment patterns, Mr. Mulroney neither accepted nor rejected the proposal during his stay, committing Canada only to a study of Caribbean. He cautioned the other attending leaders that Canada's ability to offer assistance might be diminished should its global trade position be jeopardized (CTV news, February 25).

Following the meeting, Mr. Mulroney elaborated on Mr. Seaga's proposal, stating that he recognized the "moral dimension" involved in facilitating Caribbean access to Canadian markets — an access vital to developing economies. At the same time, most trade from the Caribbean, an estimated 93 percent, already enters Canada duty-free. Caribbean would apply to remaining goods, primarily rum, leather-goods, footwear and garments, and was regarded as more of a point for negotiation than and end in itself (CBC news, February 25, 26).

EEC

Quota Threats

Canada and the European Economic Community (EEC) traded quota threats during this two-month period, ranging from restrictions on meat products to shoes and alcohol. Following representations from the Canadian Cattlemen's Association, the federal government had introduced measures in December to restrict subsidized beef imports from the EEC (see "International Canada" for October and November 1984). However, the EEC was quick to object to the controls established by Canada (initiated through an invocation of the Beef Import Law) as a contravention of GATT terms, and endeavored to sell as much beef as possible on the Canadian market before the quotas were filled (*Globe and Mail*, February 21). Canadian cattle producers had previously complained of poor access to EEC markets, but while a major concern remained a favorable beef trade relationship with the US, attempts were made to develop a program to restrict access of lower-

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grade manufacturing beef (primarily from the EEC), while allowing higher-quality beef and live cattle (primarily from the US) free access. Speaking in the Commons February 27, Agriculture Minister John Wise assured Parliament that the government, while continuing to negotiate figures with the EEC, would neither lift the beef quotas nor allow a repetition of the 1984 "disaster" in the Canadian beef industry.

While the beef imports (Denmark and Ireland) were of prime concern, shoe imports (Italy) also figured in the Canada-EEC exchange of quota threats. The EEC announced tough measures both to block imports of Canadian footwear and to increase duties (estimated between 10 and 20 percent) on selected Canadian industrial and agricultural products in retaliation for Canadian restrictions on Community footwear products. (GATT had already received notification of the EEC's intention to institute retaliatory action.) While negotiations continued, there was a sharp difference between the Canadian and EEC views on adequate levels of compensation for Canada's curbs on imported footwear (*Globe and Mail*, February 28, CBC Radio, March 1).

Ongoing negotiations in Brussels resulted in an agreement by the EEC in late March to lower pork subsidies following threats of a countervail inquiry into the trade (*Globe and Mail*, March 27, 30). However, the EEC continued to press for a relaxation of Canadian beef quotas, claiming them to be "unfair, unnecessary and discriminatory." Both sides hoped for a negotiated settlement in order to avoid measures under GATT. Further discussions on the footwear issue ended with a deal to reduce Canadian import duties (to the sum of \$7.7 million) on various EEC products. Canadian exporters in the threatened industries expressed their satisfaction that retaliatory measures had been averted. However, the beef issue remained outstanding, with the EEC free to impose measures filed with GATT following approval by the Community's Council of Ministers (the imposition already having received one stay of execution).

GATT

Trade Policy Report

The Canadian government endorsed the conclusions of a report on trade policies commissioned by the General Agreement on Tariffs and Trade (GATT). The report put forward several proposals for global action, and Canada concurred in the GATT assessment that "open international trade" was the key to "sustained" economic growth. The report echoed much that was included in Finance Minister Michael Wilson's fall Economic Statement of November 8 as well as the general direction of the Conservative government's international trade policy. This ranged from an expressed concern over growing "restrictive" trade measures to plans for a "new commitment to open trade." Canada also agreed that improvements in the operation of GATT, assisted by both developed and developing countries, could contribute to greater openness in

international trade. External Affairs Minister Joe Clark and International Trade Minister James Kelleher further endorsed specific recommendations in the report for public discussion of trade policy and the launching of a new round of GATT multilateral trade negotiations. The report also contained a warning that while immediate and visible, the "benefits" of protectionist tendencies would be outweighed by long-term costs. For this reason, it continued, and here the Canadian ministers agreed, protectionist trends must be resisted by the international community (External Affairs communiqué, March 27).

NATO

Canadian Contribution

After meeting with the ambassadors of fellow NATO member countries to discuss increased Canadian participation in the alliance, the External Affairs and Defence Ministers were interviewed in a scrum March 11. The Ministers then announced that Canada would upgrade its European contingent in an effort to more adequately fulfill its NATO obligations. To this end, Canada intended to increase the number of troops stationed in Europe by 1,200 over a period of eighteen months (commencing in the summer of 1985). This would, said Defence Minister Erik Nielsen, free Canada's brigade to live up to its CAST commitment (see "International Canada" for February and March 1984). External Affairs Minister Joe Clark added that the announcement of increased forces was welcomed by NATO partners, particularly at the present juncture — with the superpower arms reduction talks resumed. Constancy among NATO countries, of which the Canadian commitment was indicative, would provide a united front from which the negotiating member (the US) might operate. Canada's continued support strengthened the solidarity of the NATO position (External Affairs transcript, March 12). Mr. Nielsen, in the Commons later that day, said that these measures were initial and designed to "increase the effectiveness and contribution of . . . Canadian forces."

Questioned in the Commons the next day by Len Hopkins (Lib., Renfrew-Nipissing-Pembroke) with regard to funding, Mr. Nielsen responded that an examination would be made of existing resources to determine whether funding could be identified within present departmental references. He stated, however, that some new funding might be required. Costs were estimated at \$50 million for the first year of implementation, and \$100 million per year "when the full complement [had] been transferred to Europe." (The Defence Minister told the Commons on March 22 that any funding slack would be made up "without any erosion of our existing commitments," or adverse affect on previously announced defence spending.)

The increased Canadian contingent was in addition to a strengthening of the forces designated to the multinational Allied Command Europe Mobile Force — providing for European reinforcement in times of crisis (*Globe and Mail*, March 12). Mention was also made by Mr. Nielsen of

the addition of newly-purchased CF-18s to the Canadian air defences in Europe.

UN

Secretary-General's Visit

UN Secretary-General Javier Perez de Cuellar visited several Canadian cities in early March, speaking on Canada's participation in, and continued support of, the United Nations. In Toronto March 6, Mr. de Cuellar addressed the UN Association of Canada, stating that Canada, along with other Western developed nations, should consider the possibility of cancelling much of the debt burden of the Third World. He noted that either this or a rescheduling (or moratoria) on external debt would facilitate the development of emerging nations. Mr. de Cuellar issued a call for Canadians to contribute additional funds for African relief, while acknowledging that the UN was, at present, in need of "serious introspection" (*Globe and Mail*, March 7). With the assistance of individual member nations, including Canada, the UN could make a combined effort to improve its "image and efficiency." The Secretary-General's visit was intended as an opportunity to raise the consciousness among Canadians of the purposes and accomplishments of the various organizations under UN auspices. Several specialized agencies, particularly UNESCO, have come under increasing Western criticism, and the UN as a whole has suffered from an image of ineffectiveness and obsolescence (see below).

In a CBC television interview March 8, Mr. de Cuellar stated that he was endeavoring to make the role of Secretary-General more "active and effective" in the settlement of international disputes — through "preventive, quiet diplomacy" (External Affairs transcript, March 13). Nations, particularly the main powers from East and West, within the UN must make a "conscious examination" to determine how best their "tremendous leverage" could be used to improve the organization. To be effective, Mr. de Cuellar added, the UN (along with its Secretary-General) needed the committed political determination and support of all members. He praised Canada for its position of consistent support for the UN, a coalition dependent on continued solidarity. While middle powers such as Canada had an important role to play, it was the superpowers that must seek common ground on specific problems that would not affect their "interests."

Later speaking in both Ottawa and Quebec City, Mr. de Cuellar elaborated on his plans to bolster the image of the UN, stating that peacekeeping forces might adopt a more preventive role in future. (Canada provides a strong presence among UN member nations contributing peacekeeping personnel, particularly in Cyprus, as the Secretary-General noted.) Mr. de Cuellar indicated that UN troops or "military observers" might be dispatched to world trouble spots prior to the eruption of armed conflict (*Globe and Mail*, March 9). By pinpointing areas of potential trouble, the UN might "mobilize resources" in an effort at such "preventive diplomacy." This would entail a preemptive deployment of UN forces to "discourage" incidents of

armed exchange. Peace and the resolution of international disputes, he added, were more easily attainable when steps to that end were taken at an "early stage in an incipient crisis" rather than following a military confrontation (*The Citizen*, March 9).

During his stay, Mr. de Cuellar was told by Canada's UN Ambassador Stephen Lewis that Canada deserved more senior representation within the UN Secretariat. Mr. Lewis stated that while Canada had its "complement" of numbers to which it was entitled, it did not have "enough people in senior posts, given the impact of [its] contribution over the years" (*Globe and Mail*, *The Citizen*, March 11). He added that a higher profile for the UN in Canada (one of the Secretary-General's stated goals) might be more readily achieved with Canadians filling a greater number of prominent positions within the organization. Mr. Lewis later stated during the CTV program *Question Period* (aired March 10) that he would attempt to "correct" the low profile which Canada had, in the past, maintained at the UN. While more prominent positions for qualified Canadians would help, the Canadian mission needed to abandon its "modesty" and relate its accomplishments to the media "sufficiently."

Participation in UNESCO

Closely following US withdrawal from UNESCO in early 1985, during which time additional criticisms were leveled against the UN agency by other participating nations (particularly the United Kingdom), the Canadian government reexamined its own involvement. (External Affairs Minister Joe Clark wrote to UNESCO Director-General Amadou Mahtar M'Bow in early October 1984 to express Canadian concerns and outline requests for reform.) Speaking in the Commons February 15, Mr. Clark stated that Canada contemplated no increase in its funding commitments. In addition, Mr. Clark had expressed to the Canadian Commission the government's "very grave concern about the state" of UNESCO. While any final decision would not be made until the fall of 1985, Canada was "not satisfied with the present pace of reform." However, it was this very reform which was essential to continued Canadian support, since the strength of the UN system as a whole depended upon the strength and effectiveness of its component parts. Canada had sought reforms in administrative practices, a curtailment of budgetary growth, and a return to non-politicized programs consistent with the agency's original charter.

Despite its withdrawal, the United States had requested observer status at UNESCO, a request receiving strong Canadian support. This included a veiled threat of possible Canadian withdrawal from the agency. Ambassador Ian Clark told the agency executive that refusal to grant the US such status "would have serious repercussions . . . possibly at the highest levels, in terms of [Canada's] present determination to strive for reforms from within" (*The Citizen*, February 19). Canada, unlike the US, had decided to attempt to effect change and reform from the inside rather than deny funding participation. The stronger Canadian approach was noted by Ambassador Clark, who added that firmness was essential. "If there are not changes made that meet our standards, then we will be looking at a very serious thing." The firmer stance indi-

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cated a shift closer to the US and British position on UNESCO (also echoed by a harsher tone from Japan). Mr. Clark later elaborated on the statement, saying that it had been made in an effort to effect an acceptance of the US bid for observer status (which, in fact, was achieved). A refusal would have had, he added, ramifications that extended beyond the US (CBC interview, February 21). Canada would, he said, continue to exert pressure for reform from within. "We are firm in our commitment in the interest of UNESCO and in the interest of the UN system as a whole," he stated.

A spokesman for the External Affairs Department, Gabriel Warren, indicated that the issue of UNESCO reform would be discussed as Prime Minister Brian Mulroney met with UN Secretary-General Javier Perez de Cuellar (see above). Mr. Warren outlined the Canadian position which would be presented to Mr. de Cuellar — that while Canada had made strong efforts to stimulate reform, the government was not satisfied with the current process (*Globe and Mail*, March 5). While withdrawal remained an option, Canada would examine the progress of the reform process carefully before determining on future action. When notified of the Canadian consideration of the withdrawal option, Mr. de Cuellar stated that such a decision

would be a "tremendous disappointment to the international community . . . We have to give UNESCO people time to pull their affairs together" (*The Citizen*, March 7).

In a CTV interview March 10, Canadian Ambassador to the UN Stephen Lewis reiterated the Canadian stand, stating that he did not agree either with the US decision to withdraw nor with all US criticisms of UNESCO. The internal reform formula was emphasized, with Mr. Lewis mentioning the coming report of a UNESCO committee proposing means to meet criticisms. Stressing the universality of the UN, Mr. Lewis was critical of the US "jolt" mentality. While the agency was "manifestly" politicized and headed by a man (Mr. M'Bow) suffering from "incipient egomania," Canada remained determined to reform the problems from within (External Affairs transcript, March 11).

Speaking in the Commons March 11, Monique Landry, Parliamentary Secretary to Secretary of State, noted that a final decision would be based on the extent of reform. "In the context of our review, we are establishing criteria to measure the . . . improvements made to UNESCO operations. Our evaluation of Canadian participation will also take into account the objectives, interests and activities of Canada within UNESCO."

Policy

Aid

African Famine Relief

By early February, indications were that the large outpouring of private sector contributions toward famine relief in Africa would exceed initial expectations, and several relief agencies expressed concern that the high level of funds would not be matched by the federal government, as had been promised in late November by External Affairs Minister Joe Clark (see "International Canada" for December 1984 and January 1985). Canada's aid coordinator for Africa, David MacDonald, stated that while the government had not budgeted sufficient funds to meet public contributions, he was confident that additional federal funds would be found (*Globe and Mail*, February 8). And such proved to be the case. The initial miscalculation over the rapidity of the Canadian response was countered by the External Affairs Minister on February 13 when he announced in the Commons that there would be a \$15 million increase in the limit set for matching funds for Africa. Mr. Clark added that

the emergency funds would be administered in tandem with efforts at longer-term objectives — a lasting solution to "recurrent tragedies." The increase was noted as a last step in the current program, with approximately \$7 million being new money and the remainder reallocated funds from within the External Affairs Department. While welcoming the increase, opposition Members called for a continuation of the matching scheme.

Criticism of the "charity" concept of African relief aid was registered in late February by External Relations Minister Monique Vézina, who stated that aid should be viewed from the perspective of dollars "invested" in Canada's future. Ms. Vézina noted that Third World economic difficulties could adversely affect the Canadian economy, and more emphasis should be placed on assisting developing countries to emerge from their current economic crises (*Globe and Mail*, February 22). Firm in the conviction that trade should be connected with aid, the Minister stated that

Canada should adopt a cooperative and interdependent approach to the Third World. "Our humanitarian interests and our trade interests are not mutually exclusive," she stated. Emphasizing the longer term, Ms. Vézina held that current emergency relief, while essential, could retard the longer-term development and self-sufficiency of regions such as sub-Saharan Africa. "The only conceivable aid agencies are those that are working toward removing the need for their own existence," she concluded.

Despite her criticism, Ms. Vézina was quick to reassure Parliament that Canadian emergency aid to Ethiopia was reaching its destination successfully despite the conditions of civil strife. Responding in the Commons February 26 to Reg Stackhouse (PC, Scarborough West) who raised questions about diversions of Canadian relief, the External Relations Minister stated that the government program's "concept and the choice of distributing organizations reflect the government's concern for monitoring and accounting for the distribution of . . . food relief." Canada was, she added, utilizing "well-known" NGOs for aid distribution, and aid coordinator David MacDonald was at that time in the Sudan observing the situation — both of which factors would ensure that Canadian aid achieved "maximum impact."

In a speech delivered in Geneva to a UN conference on the African famine, Ms. Vézina further stated that while the current emergency had its "roots in a complex array of negative trends," the proper course for international action was to continue to alleviate the hunger while retaining sight of longer-term development. Praising the solidarity shown by the mobilization of both NGOs and world governments (as well as UN efforts), Ms. Vézina added that "coordination [was] the best way of maximizing the effectiveness of aid" (External Relations statement, March 11). However, while encouraged by the desire shown by the African nations to find solutions to the crisis, Canada remained aware that greater efforts would have to be made to adjust "domestic policies which have been ineffective or inappropriate" in the past. As well, factions engaged in internal conflict within African nations must permit international aid to reach the victims. This would include, said Ms. Vézina, the opening of presently closed borders.

Mr. MacDonald's report on the African famine was released March 25, and analyzed the causes and extent of the crisis, the efforts of Africa to alleviate the situation as well as the independent Canadian response, and made several recommendations for future action. The report included a call for an additional \$55 million in emergency food and administrative aid for the remainder of 1985. Characterizing "the present famine as a crisis of 'unparalleled proportions,'" Mr. MacDonald noted that repetitions of the problem were a distinct possibility (*The African Famine and Canada's Response*, Canadian Emergency Coordinator, *The Citizen*, March 26). Pointing out the inadequacies of monitoring aid on such a vast scale, the aid coordinator stated that Ethiopia was only one of many African countries in desperate need of both emergency and longer-term development assistance. Recommended were attention to immediate aid requirements, an improvement in transportation and delivery systems, increased

personnel for relief agencies (especially for monitoring purposes), the establishment of early warning systems to detect potential crises before they become as large as the current crisis, and finally, "inputs for the next growing season." Also necessary, the report concluded, was the "building of a durable public response" within Canada, particularly in the area of "partnership" between the public and the government.

Disarmament

Cruise Missile Testing

A flurry of last-minute protests against Cruise missile testing over Canadian soil in mid-February echoed similar action the previous year, when the first series of tests were conducted (see "International Canada" for February and March 1984). The first free-flight tests (in which unarmed missiles were shadowed by tracking aircraft with the capability to resume control) were scheduled for February 19, and followed a flight path similar to previous runs. Once again, the Department of National Defence announced the tests on short notice, and anti-Cruise groups moved quickly to organize protests. However, the limited time-frame available for organizing an effective protest resulted in small turnouts in various Canadian cities and in areas under the flight path (*Globe and Mail*, *The Citizen*, February 18). While a coalition of protest groups (led by Operation Dismantle) had filed an appeal with Canada's Supreme Court to halt the testing last year, the Court had still to hand down a final ruling. A request for a temporary injunction on the free-flight tests until the Supreme Court ruled on the initial appeal was refused February 18 by a five-judge panel, and the testing proceeded on schedule with the Cruise following a sparsely-populated corridor in the Canadian North (*Globe and Mail*, February 19).

Although Greenpeace activists attempted to abort the flight by floating a number of weather balloons across the flight path at a relatively low altitude, the Cruise went through the barricade without any alteration in course direction. Canadian and US military officials stated that the test ended "properly" with the missile parachuting to ground level in Alberta as planned (*Globe and Mail*, February 20). Indications were that further tests would be scheduled for Canadian airspace over the next three years under the umbrella testing agreement signed by Canada and the United States. The tests were being conducted for the purpose of establishing a "data base" on the "reliability, maintainability and accuracy" of the missile, according to a US Strategic Air Command officer (*Toronto Star*, February 20).

The final Cruise test for 1985 followed a week later on February 25, delayed by poor visibility and monitoring difficulties (*Globe and Mail*, February 26). The run was completed in under four hours, and bettered the first solo flight by a matter of minutes. Once again, protests were limited by short advance notice.

Environment

Acid Rain

The increasing burden of transboundary acid rain pollution received heightened governmental and media attention during this two-month period, with Prime Minister Brian Mulroney meeting with eastern provincial environment ministers as well as US President Ronald Reagan to discuss the topic. Before meeting with the provincial premiers, Mr. Mulroney had spoken on the issue in the Commons February 5, stating that while both Canada and the US "share responsibilities" in that sensitive sector, Canada should acknowledge its share in that responsibility. "We ought to clean our own backyard before blaming others," he added. Bargaining in good faith through open cooperation was essential in negotiating any agreement over the long term.

Towards that end, the Prime Minister met with provincial environment ministers (and representatives) in early February to develop an accord on the sharing of costs for the reduction of acid rain. Agreement was achieved, despite some reluctance on the part of individual provinces, on reducing pollutants emanating from Canadian industry and power stations. Agreement was regarded as an effective tool for the federal government in bargaining efforts with the US in the area of acid rain control (*Globe and Mail*, February 2). Mr. Mulroney indicated his intention to proceed to the Quebec Summit with President Reagan with "clean hands." The Prime Minister faced sharp criticism at home from various environmental groups, and much rode on his ability to obtain from President Reagan concrete action on the problem. (The US administration has consistently argued the position that additional research is needed prior to movement on the issue.)

Following the federal-provincial discussions, it was announced that a partial agreement had been concluded that would set provincial targets for pollution control (primarily sulphur dioxide emissions). As well, a "joint approach to financing" the cost burden (estimated over a twenty year period) was also discussed (*Globe and Mail*, February 6). Cuts were estimated at 42 percent over the next ten years. However, critics were quick to point out that the agreement was short on details, both in cuts and costs. Doubts were expressed that the US administration would be positively influenced by the accord. A Canadian Coalition on Acid Rain spokesman stated that "what we needed [were] money and regulations and we did not get either," and these were what would impress President Reagan.

Environment Minister Suzanne Blais-Grenier defended the accord, stating that although details were still to be worked out, it would be shouldered by both pollution offenders and federal and provincial governments. Percentages and levels would be established following further analysis. The agreement represented a "very strong commitment and a very detailed apportionment table," she added (*Toronto Star*, February 6).

Neither was the average Canadian very impressed with the likelihood of positive government accomplishment in the field of acid rain, according to a mid-February Gallup poll. While most agreed that neither federal nor provincial governments had been very effective in acid rain clean-up,

they did, however, acknowledge that they would be willing to assume part of the financial responsibility for action (through increased taxes allotted to the purpose). As well, most agreed that Canada should not wait for the US to move bilaterally on the problem to develop and institute stringent regulations (*Toronto Star, Globe and Mail*, February 13, *New York Times*, February 14). The poll seemed to reinforce the Prime Minister's "clean hands" attitude to acid rain.

As the March 17-18 Quebec Summit between Prime Minister Mulroney and President Reagan approached, officials endeavored to find common ground for agreement on acid rain, admittedly the most sensitive item on the agenda. There were concerns that a failure to reach some accord on the issue would overshadow concrete achievements in other areas. However, the philosophical differences on the issue between the US and Canadian attitudes remained outstanding, with the US firmly calling for added investigation and Canada requesting immediate action. While the Prime Minister entered the talks describing acid rain as a "top priority," there were no signals from Washington that anything other than a "token" gesture would be forthcoming. Any significant shift in the Reagan administration's position seemed unlikely. Most indications were that some form of bilateral task force or set of representatives would be established as a compromise measure, and such proved to be the case (*The Citizen*, March 1).

In early March, Ms. Blais-Grenier announced an emission reduction and funding package for acidic pollution control, bringing both the provinces and the private sector into the program and establishing an allocation of over \$300 million over the next decade for pollution controls. The "comprehensive" plan of action also included more stringent regulations on car and light truck emissions. Canada's "international leadership" in the field would remain, added the Minister, with Canada establishing increased objectives for reductions in sulphur dioxide reductions (while continuing to press for similar reductions in the US). With federal-provincial agreements to be formalized (concluded earlier this year), Canada would further negotiate financial assistance to pollution-contributing industries. As well, an acid rain office would be established to ensure "the high level of coordination and cooperation needed" for the program's implementation. The parliamentary subcommittee on acid rain would also be reestablished (Environment Canada press package, March 6).

Immediately prior to the Quebec Summit both Canadian and US environmental groups reacted to reports that a "joint effort" study on acid rain would be proposed by the US administration. Critics saw this as merely a further attempt by President Reagan to avoid positive action on the issue already dividing Congress. The US National Audubon Society called upon the Prime Minister to "stand firm," stating that further examination of the problem could "severely delay" attempts (both Canadian and US) to pass control legislation (*The Citizen*, March 15). Additional study would be a "step backward for the North American environment."

However, following the Summit, it was announced by Prime Minister Mulroney and President Reagan that such a joint study would be conducted, both sides appointing

officials to handle the discussions. The Canadian representative, former Ontario Premier William Davis, would act as envoy in coordinating with his US counterpart, former US transportation secretary Drew Lewis, a new approach to the acid rain problem. However, Canada acceded to a US request to delay by one year any plan to institute reductions in the transboundary flow of sulphur dioxide emissions (*The Citizen*, March 18). While not securing either reductions or regulations from the US, the Prime Minister described the naming of special envoys as a significant step in moving the issue off the US "back-burner." The mandate given the two representatives would include a coordination of acid rain research, both reporting prior to the next Summit meeting (scheduled for 1986). There would be, noted the Prime Minister, consultation on laws regulating pollutants "thought to be linked" with acid rain. As well, the envoys would seek an increase in information exchange and "identify efforts" toward environmental improvement.

Despite sharp opposition criticism of the agreement, the government defended the envoy proposal as a significant step toward a bilateral effort on acid rain. Questioned in the Commons March 18 following the signing, Immigration Minister Flora MacDonald saw the process as a break in the longstanding "deadlock." "It is the first time that a President of the United States has acknowledged that the acid rain problem is one which we share, and that we must work jointly to solve it." The next day, the Prime Minister added that the programs to be presented by the emissaries would assist in developing the required "consensus" on the issue, "certainly on the American side."

Finance

Canadian Dollar

The previous all-time low for the Canadian dollar, posted in July 1984, was both matched and passed during this two-month period in further declines. With the US dollar remaining immensely strong on international money markets, its Canadian equivalent took a severe beating, while managing to maintain comparative strength in relation to other foreign currencies. A historic low of 74.64 cents US (February 11) was surpassed later in the month when it tumbled to 74.28 cents US (February 19).

The federal government intervened February 19 to halt the slide of the Canadian dollar, with Finance Minister Michael Wilson invoking special legislation to borrow \$500 million in US funds in the form of stand-by credit to increase its holdings of foreign exchange reserves. (The Conservative government had been hampered in exercising its borrowing powers by the Liberal-dominated Senate which refused to extend its borrowing authority.) The move was intended to support the sagging dollar by raising demand for Canadian currency through the purchase of unwanted Canadian dollars on foreign exchange markets. This was in response to the "continuing volatility of world currency markets caused by the strength of the US dollar."

Despite such efforts, the dollar plunged below the 73

cent US level to 72.90 cents US on February 21. The Finance Minister reiterated earlier statements that the Bank of Canada would maintain a "stabilizing," rather than "leading" role in directing and moderating the Canadian dollar. Despite additional borrowing of \$900 million US (announced by the government February 22), the dollar had slipped below 72 cents US by the end of February. The continued slide was interpreted by money market analysts as a subtle change in government policy to allow the Canadian dollar to reach its own level without setting official targets.

Only as the US dollar weakened somewhat in mid-March did the Canadian dollar post a small recovery, reaching 72.89 cents US by March 19, allowing the Bank of Canada to recapture reserves used earlier in attempts to bolster the currency. The drop in value of US currency was perceived as a "minor correction in the long upturn of the US dollar" (various *Globe and Mail* reports during February and March 1985).

The following are US selling cash rate equivalents (in Canadian dollars) for two-week periods in February and March (Royal Bank of Canada figures):

Feb. 1: \$1.3415	Mar. 1: \$1.4150
Feb. 15: \$1.3540	Mar. 15: \$1.4075
Feb. 28: \$1.4000	Mar. 29: \$1.3850

Foreign

Policy Review

External Affairs Minister Joe Clark made several anticipatory remarks during February with regard to the Green Paper on Canadian foreign policy which he is currently preparing. One proposal mentioned by Mr. Clark would be an increased emphasis on the use of Canadian troops and expertise in international peacekeeping efforts. Interviewed February 2, the Minister stated that a larger role in the peacekeeping "mechanism" should seriously be considered, should conditions prove conducive to peace (*Globe and Mail*, February 4). Citing the peacekeeping role as a Canadian "tradition," Mr. Clark indicated the possibility of a Canadian presence in such areas as Central America, where Canadian experience could be successfully "applied," a suggestion offered the Contadora group.

The External Affairs Minister later elaborated on the primary aims of his cross-Canada public review of foreign policy (CBC television [External Affairs transcript], February 7). Mr. Clark stated that the emphasis, in addition to peacekeeping, would be placed on economic and trade aspects of international relations. Intended to involve and educate Canadians on foreign policy, the review would seek to focus "on the very real interdependency of foreign policy and economic policy." Recognizing the reality that "our security is everybody's security" would be a first step in responding to it, he added.

The Minister, addressing a Conference Board of Canada seminar in Toronto February 7, was critical of Canada's declining international competitive position, citing "faltering export performance, poor productivity and low gross

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rates of return in manufacturing" (External Affairs statement, February 7, *Globe and Mail*, February 8). Such considerations of interdependence would have to be examined during the review in addition to traditional Canadian foreign concerns such as disarmament and international development assistance. Analysis of Canadian research and development, along with the educative process, would also be undertaken in the coming months, as Mr. Clark looked at Canadian effectiveness in the global economy. This effectiveness would depend on Canada's "ability to compete and excel in a changing world economy." Canadians must realize, and this would be one of the aims of the review, that "the modern world does not allow Canada the luxury of isolation." Canada must once again move to the "forefront" in the global challenge, concluded the Minister.

Mr. Clark also indicated several other factors that might be considered in the Green Paper, including an improvement in information gathering within the federal bureaucracy (in response to several press leaks that had preceded the normal flow of information through interdepartmental channels), a greater stress on developing export markets, and a more energetic promotion of Canadian cultural potential in the US. All such aspects, however, would be an addition to, rather than a replacement of, Canada's traditional foreign policy stance. (The review itself is expected to continue its cross-Canada public hearings throughout 1985.)

Immigration

Vietnamese Boat People

In early March, Employment and Immigration Minister Flora MacDonald announced that Canada would participate in a new international program (involving thirteen nations) — Rescue at Sea Resettlement Offers (RASRO) — to assist Vietnamese refugees found in the South China Sea. The program, organized by the United Nations High Commission for Refugees (UNHCR), would facilitate the resettlement of those refugees found stranded at sea. Previously, many refugees in the South China Sea had been refused assistance by ships concerned with the problems involved in successfully landing them. Ms. MacDonald stated that while Canada had, in the past, taken a leading role in accepting Vietnamese boat people, the new program would provide "something more than just resettlement: it will save lives" (Employment and Immigration press release, March 6).

The RASRO program was designed to encourage commercial vessels in the region to offer assistance to those refugees whose lives were in danger. The total number to be resettled by the international community was set at 2,500, with Canada accepting 450. This offer would, it was hoped, lift the burden from those countries unable to offer refuge but whose ships were in the region. The yearly figure of 450 for Canada would remain part of the larger Canadian refugee resettlement program, which at 3,700 represented an increase of 700 over the 1984 level. Ms. MacDonald noted that while not receiving the media attention of previous years, the plight of the Vietnamese boat

refugees remained "no less serious." (The program began April 1, 1985.) The Canadian announcement was welcomed by UNHCR spokesmen, who were anxious to gain the necessary commitment from the international community. Canada's figure was particularly welcome, since Canada itself possessed no merchant marine directly confronting the problem in the South China Sea (*Globe and Mail*, March 6).

Detention and Questioning of Refugees

In a statement made in the Commons February 5, Dan Heap (NDP, Spadina) raised the issue of the detention and interrogation of refugees held at a minimum security facility in Toronto following their arrival in Canada. Mr. Heap called upon the Minister responsible for Immigration to investigate the treatment of these detainees, who had complained of arbitrary searches by security staff, of being subjected to abusive language and of being threatened with incarceration in Canadian jails. He sought clarification as to who "determines the rules governing detainees, who is responsible for administering them, and what recourse is open to a detainee who feels unjustly treated."

Criticisms were raised that conditions in the detention centres violated the most rudimentary standards outlined in UN regulations on the treatment of refugees, particularly with regard to ill-trained staff. By mid-February a refugee-aid coalition had presented a brief to Immigration officials outlining concerns over the handling of claimants at the Toronto centre (*Globe and Mail*, February 15). In particular, a group of Iranian refugees spoke of "callous" treatment upon arrival, and of the fact that they were not notified of assistance that might be had through church and humanitarian organizations. Neither was information given on processes involved in claiming refugee status, nor on the availability of legal aid. Also noted was the "hostile and aggressive approach of the security" staff.

Further criticism was raised over the fact that RCMP investigators had questioned detainees without the presence of legal counsel (the detainees not having known counsel was freely available). An RCMP spokesman defended the questioning as part of the overall "enforcement procedure" in order to determine "the identity and origin of illegal aliens" (*Globe and Mail*, February 20). As well, those conducting the questioning countered that the Charter of Rights and Freedoms did not apply to non-citizens. However, questions were also raised over the propriety of investigating prior political activities in advance of granting refugee status.

A further request for an examination into the questioning was made in the Commons February 25 by Lucie Pépin (Lib., Outremont), who stated that a refusal to grant detainees the protection of the Charter of Rights and Freedoms was an unacceptable "double standard." Canada, she added, was "very far from living up to its humanitarian reputation." That same day, Immigration Minister Flora MacDonald indicated her intention to initiate an examination (through a Commons committee) into conditions existing within the holding centres. Ms. MacDonald noted that the inquiry had been sparked by the coalition brief, and would undertake an analysis of the conditions of and grounds for detention (*Globe and Mail*, February 26).

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II. Recent Publications of the Department of External Affairs.

1. Press Releases

- No. 109 (August 2, 1984) Amnesty of Political Prisoners in Poland.
- No. 110 #####
- No. 111 (August 3, 1984) Canadian Delegation to the International Conference on Population.
- No. 112 (August 6, 1984) Canadian Financing for Major Hydroelectric Project in India.
- No. 113 (August 8, 1984) Australian Defence Support Minister to Visit Ottawa Hi Tec and Defence Establishments.
- No. 114 (August 14, 1984) Signature of Canada/Greece Air Transport Agreement.
- No. 115 (August 15, 1984) Canadian Institute for International Peace and Security.
- No. 116 (August 16, 1984) Export Market Report on the United Kingdom Released by Trade Minister.
- No. 117 (August 16, 1984) Condemnation of Illegal Acts Against Diplomatic Personnel and Facilities in Canada.
- No. 118 (August 17, 1984) Lifting of Air Travel Sanctions Against Poland.
- No. 119 (August 21, 1984) Minister for International Trade Signs New Air Agreements with USA.
- No. 120 (August 24, 1984) Canada Contributes to the Development of Civil Aviation in Guinea.
- No. 121 (August 29, 1984) Minister for International Trade Discusses Steel and Copper.
- No. 122 (August 30, 1984) Diplomatic Appointments.
Mr. Derek Clement Arnould (55), originally from Beuthen, Upper Silesia, to be High Commissioner to Tanzania with concurrent accreditation to Mauritius, the Seychelles and Madagascar, replacing Mr. Karl Johansen who has returned to Canada.
Mr. James Ross Francis (53), originally from Winnipeg, Manitoba, to be Ambassador to Finland, replacing A.W.J. Robertson who has returned to Canada.
Mr. John Maurice Harrington (60), originally from Cromer, England, to be Ambassador to Norway with concurrent accreditation to Iceland, replacing Mr. W.K. Wardroper who has returned to Canada.
Mr. Marc Lemieux (48), originally from Québec City, Québec, to be Ambassador to Ethiopia, replacing Mr. W. Agnès who has retired.
Mr. John R. MacLachlan (56), originally from Hardisty, Alberta, to be High Commissioner to Guyana, with concurrent ac-

- creditation to Suriname, replacing Mr. Julian H. Payne who has returned to Canada.
Mr. Manfred von Nostitz (43), originally from Paris, France, to be High Commissioner to Malaysia, replacing Mr. C.J. Small who has retired.
- No. 123 (August 30, 1984) Canada-Belgium Businessmen's Committee Launched.
- No. 124 (August 31, 1984) George Ignatieff Takes Up his Appointment as Ambassador for Disarmament.
- No. 125 (September 18, 1984) Canadian Reaction to USA Decision on Steel Imports.
- No. 126 (September 20, 1984) Attack Against the American Embassy Premises in Beirut.
- No. 127 (September 21, 1984) The Department of External Affairs Participates at "Travel Show 85" in London, Ontario.
- No. 128 (September 26, 1984) Initialling of the Sino-British Agreement on the Future of Hong Kong.
- No. 129 (September 26, 1984) Trade Minister Makes Announcement on Steel.
- No. 130 (September 28, 1984) Swedish Trade Minister to Visit Canada.
- No. 131 (September 28, 1984) Trade Minister to Kick Off Export Trade Month in Washington.
- No. 132 (October 1, 1984) Entry into Force of Canada-France Treaty on Transfer of Inmates
- No. 133 (October 2, 1984) Foreign Investment Insurance Agreement Between Canada and the Commonwealth of the Bahamas.
- No. 134 (October 2, 1984) Tax Treaty Between Canada and the Arab Republic of Egypt Ratified.
- No. 135 (October 3, 1984) Trade Minister Opens Export Information Centre.
- No. 136 (October 5, 1984) Appointment of Douglas J. Roche as Ambassador for Disarmament.
- No. 137 (October 5, 1984) Appointment of Stephen Lewis as Permanent Representative and Ambassador to the United Nations, New York.
- No. 138 (October 10, 1984) Canadian Delegation to Presidential Inauguration in the Republic of Panama.
- No. 139 (October 11, 1984) Police Assistance to Grenada.
- No. 140 (October 12, 1984) Appointment of Sean Brady as Official Spokesman and Director of the Press Office.
- No. 141 (October 11, 1984) Termination of Appointments.
Mr. Maurice Dupras as Consul General of Canada in Bordeaux, France.
The Honourable Bryce Stuart Mackasey, P.C., as Ambassador of Canada to Portugal.
The Honourable Eugene Francis Whelan, P.C., as Ambassador and Permanent Representative of Canada to the Food and Agriculture Organization in Rome, Italy.
- No. 142 (October 12, 1984) International Court of Justice Renders Decision in Gulf of Maine Case.
- No. 143 (October 12, 1984) Secretary of State for External Affairs Expresses Sympathy for Victims of Brighton Bombing.
- No. 144 (October 15, 1984) International Trade Minister to Present National Export Awards.
- No. 145 (October 16, 1984) International Trade Minister Presents Canada Export Awards in Toronto.
- No. 146 (October 17, 1984) Visit to Canada of the Secretary-General of the Agency for Cultural and Technical Cooperation.
- No. 147 (October 17, 1984) Secretary of State for External Affairs to Lead the Canadian Delegation to the 39th Session of the United Nations General Assembly.
- No. 148 (October 18, 1984) Message to Bishop Desmond Tutu.
- No. 149 (October 18, 1984) Trade Minister Meets Provincial Counterparts.
- No. 150 (October 24, 1984) Diplomatic Appointment.
The Honourable Cyril Lloyd Francis (64), originally from Ottawa, to be Ambassador to Portugal.
- No. 151 (October 29, 1984) Skagit River Valley Treaty: Canada-British Columbia Agreement.
- No. 152 (October 26, 1984) Invitation to Send Observers to Nicaragua Elections.
- No. 153 (October 30, 1984) Trade Minister to Address Dalhousie Business Conference.
- No. 154 (October 31, 1984) Export Trade Development Board 1984 Annual Report.
- No. 155 (October 31, 1984) Canadian Firm Wins Major Contract in Indonesia.
- No. 156 (October 31, 1984) Assassination of Father Popieluszko in Poland.
- No. 157 (November 1, 1984) Government Appoints Co-Ordinator on African Famine.
- No. 158 (November 1, 1984) Minister Kelleher to Have Meeting on CN Rail Announcement.
- No. 159 (November 2, 1984) Canadian Response to US Legislation Requiring Marking of Steel Pipe and Tube.
- No. 160 (November 3, 1984) Funeral of Madame Indira Gandhi.
- No. 161 (November 7, 1984) Emmendation to No. 160.
- No. 162 (November 9, 1984) Conference of Ministers of Youth and Sport of French-Speaking Countries.
- No. 163 (November 9, 1984) Minister for International Trade to Visit London, Budapest and Belgrade.
- No. 164 (November 9, 1984) Meeting of the Consultative Group on Disarmament and Arms Control Affairs.
- No. 165 (November 13, 1984) Visit to Ottawa of Mr. Yitzhak Navon, Deputy Prime Minister and Minister for Education and Culture for Israel November 14-15.

- No. 166 (November 13, 1984) Austerity Measures: Post Closings.
- No. 167 (November 14, 1984) Canada/USSR Consultations on Nuclear and Disarmament Issues.
- No. 168 (November 16, 1984) Special Fund for Africa.
- No. 169 (November 21, 1984) Secretary of State for External Affairs to Visit Japan.
- No. 170 (November 21, 1984) Letter From Jonathan Mann.
- No. 171 (November 22, 1984) Diplomatic Appointment. Bruce Phillips (54) to be Minister-Counsellor (Information) at the Canadian Embassy in Washington, D.C.
- No. 172 (November 27, 1984) Secretary of State for External Affairs to Visit the United Kingdom.
- No. 173 (November 27, 1984) Secretary of State for External Affairs Meeting with Contadora Ambassadors.
- No. 174 (November 28, 1984) North Atlantic Council Ministerial Meeting.
- No. 175 (November 29, 1984) Minister Vézina to Head Canadian Delegation to the OECD.
- No. 176 (November 29, 1984) Canada and EC Hold Bilateral Talks in Ottawa.
- No. 177 (November 29, 1984) Trade Minister Announces Footwear Quota Changes.
- No. 178 (December 3, 1984) International Trade Minister to Visit France and Germany.
- No. 179 (December 7, 1984) The Secretary of State for External Affairs Congratulates ICAO on its Fortieth Anniversary.
- No. 180 (December 13, 1984) Federal-Provincial Trade Ministers' Conference.
- No. 181 (December 14, 1984) Skagit River Valley Treaty: Canada and United States Exchange Instruments of Ratification.
- No. 182 (December 17, 1984) Secretary of State for External Affairs to Visit Mexico.
- No. 183 (December 17, 1984) Canadian Statement on Cyprus.
- No. 184 (December 20, 1984) Canada-Japan Commercial Economic Relations.
- No. 185 (December 20, 1984) Canada-Japan Research Award.
- No. 186 (December 21, 1984) Agriculture and Trade Ministers Announce Beef and Veal Quotas.
- No. 187 (December 27, 1984) Statement Marking the Fifth Anniversary of the Soviet Invasion of Afghanistan.
- No. 188 (December 28, 1984) Canada and EC Sign Newsprint Agreement.
- No. 189 (December 28, 1984) Statement on Vietnamese Attacks in Cambodia.
- No. 1 (January 4, 1985) Official Visit of the Minister for External Relations to the Ivory Coast and to Kenya.
- No. 2 (January 7, 1985) Canadian Delegation to Presidential Inauguration in Nicaragua.
- No. 3 (January 10, 1985) USA-Soviet Arms Control Talks.
- No. 4 (January 11, 1985) Visit of NATO Secretary General Lord Carrington.
- No. 5 (January 16, 1985) Visit of the Secretary of State for External Affairs to the Soviet Union.
- No. 6 (January 14, 1985) Death of Ambassador Charles Marshall.
- No. 7 (January 24, 1985) Visit by the Minister for International Trade to Korea and Japan.
- No. 8 (January 29, 1985) Visit of the Honourable Duff Roblin to Southern Africa.
- No. 9 (January 29, 1985) Canadian Concern at Lack of Cyprus Settlement.
- No. 10 (January 29, 1985) Discussion Paper on Securing and Enhancing Canadian Access to Export Markets.
- No. 11 (February 4, 1985) Visit of the Vice Prime Minister and Minister of Foreign Affairs of Israel.
- No. 12 (February 5, 1985) Trade Minister Releases Trading House Task Force Report.
- No. 13 (February 4, 1985) Diplomatic Appointment. Honourable Roland Roy McMurtry, Q.C., M.P.P., (51), originally from Toronto, Ontario, to be High Commissioner for Canada to Britain, replacing Hon. Don C. Jamieson.
- No. 14 (February 7, 1985) Visit by Minister for International Trade to the KAL Memorial in Korea.
- No. 15 (February 8, 1985) Speech by the Minister for International Trade to the Canadian Chamber of Commerce in Japan.
- No. 16 (February 25, 1985) Trade Commissioners Marketplace '85.
- No. 17 (February 26, 1985) CSCE Experts Meeting on Human Rights.
- No. 18 (February 27, 1985) Canadian Delegation to Presidential Inauguration in Uruguay.
- No. 19 (March 1, 1985) Minister for International Trade to Visit Federal Republic of Germany.
- No. 20 (March 1, 1985) Visit of Minister of Public Works and Services from Argentina.
- No. 21 (March 8, 1985) Commonwealth Day.
- No. 22 (March 6, 1985) Statement by the Right Honourable Joe Clark Secretary of State for External Affairs Regarding the Treatment of Prisoners of War in the Iran/Iraq Conflict.
- No. 23 (March 6, 1985) Visit of the Secretary General of the OECD.
- No. 24 (March 6, 1985) Minister for External Relations to Attend UN Conference on African Emergency.

- No. 25 (March 13, 1985) International Trade Minister James Kelleher to Hold Consultative Meetings.
- No. 26 (March 13, 1985) Canadian Delegation to Presidential Inauguration in Brazil.
- No. 27 (March 14, 1985) Canada Participates in Expo '85, Tsukuba, Japan.
- No. 28 (March 15, 1985) Canadian Delegation to the Funeral of the Late Prime Minister J.M.G.M. Adams of Barbados.
- No. 29 (March 15, 1985) Statement on Vietnamese Violations of Thailand's Sovereignty.
- No. 30 (March 18, 1985) USA Country of Origin Marking Law for Iron or Steel Pipes and Fittings.
- No. 31 (March 18, 1985) Canada-USA Mutual Legal Assistance Treaty in Criminal Matters.
- No. 32 (March 18, 1985) Visit of Mr. Jan Martenson, Under Secretary General, Department for Disarmament Affairs of the United Nations.
- No. 33 (March 21, 1985) Establishment of an Office for Liaison with International Financial Institutions in Washington, D.C.
- No. 34 (March 22, 1985) Convention on the Protection of the Ozone Layer.
- No. 35 (March 22, 1985) Appointment to IDRC.
- No. 36 (March 25, 1985) Visit to Canada of the Minister of Foreign Affairs and Cooperation of the Republic of Rwanda.
- No. 37 (March 25, 1985) Canada-Algeria Bilateral Commission, Third Session, Ottawa, March 26-28, 1985.
- No. 38 (March 26, 1985) Visit to USSR of the Secretary of State for External Affairs.
- No. 39 (March 27, 1985) U.S. Commerce Department Preliminary Finding on Subsidies to Canadian Live Swine and Fresh, Chilled and Frozen Pork.
- No. 40 (March 27, 1985) GATT Report on Trade Policies for a Better Future.
- No. 41 (March 29, 1985) Diplomatic Appointments.
Mr. Claude Talbot Charland (51), originally from Quebec City, Quebec, to be Ambassador to Italy with concurrent accreditation as High Commissioner to Malta, replacing Mr. J.E.G. Hardy.
Mr. J.G. André Couvrette (51), originally from Montreal, Quebec, to be Ambassador to Greece, replacing Mr. J. Touchette.
Ms. Louise Fréchette (38), originally from Montreal, Quebec, to be Ambassador to Argentina, with concurrent accreditation to Paraguay and Uruguay, replacing Mr. L.S. Clark.
Mr. A.L. Halliday (49), originally from Rio de Janeiro, Brazil, to be Consul General in Chicago, Illinois, replacing Mr. R.H. Gayner.
Mrs. Joan Price Winsor (59), originally from Quebec City, Quebec, to be Consul General in Los Angeles, California, replacing Mr. J.S. Nutt.
- No. 42 (March 29, 1985) Canada to Designate Observer to El Salvador Elections.

- No. 43 (March 29, 1985) United States Marking Law for Iron or Steel Pipes.

2. Statements and Speeches

- No. 84/6 Peace and Disarmament First Priority in Canadian Foreign Policy. Notes for a Speech by the Right Honourable Joe Clark, Secretary of State for External Affairs, to the Thirty-ninth Session of the General Assembly of the United Nations, New York, September 25, 1984.
- No. 84/7 Strategy to Solve Problems of Economic Malaise. Notes for an Address by the Honourable James Kelleher, Minister for International Trade, to the Fifty-fifth Annual Meeting of the Canadian Chamber of Commerce, Toronto, September 25, 1984.
- No. 84/8 Towards Stronger Ties with Africa. Notes for an Address by the Honourable Monique Vézina, Minister for External Relations, to the Tenth General Assembly of the Dakar Club, Montreal, Quebec, October 1, 1984.
- No. 84/9 Pulling Together for a Better Future. Notes for an Address by the Right Honourable Joe Clark, Secretary of State for External Relations, to the "Competitive Edge" Seminar, Toronto, October 1, 1984.
- No. 84/10 Canada, NATO and International Security. Notes for Remarks by the Honourable Ray Hnatyshyn, Government Leader in the House of Commons, at the Thirtieth Annual Assembly of the Atlantic Treaty Association, Toronto, October 9, 1984.
- No. 84/11 Towards Closer Cooperation with the United States. Notes for a Speech by the Right Honourable Joe Clark, Secretary of State for External Affairs, to the Strategic Planning Forum, Ottawa, October 25, 1984.
- No. 84/12 The Critical Economic Situation in Africa. Statement by Stephen Lewis, Ambassador and Permanent Representative of Canada to the United Nations, to Plenary, United Nations General Assembly, New York, November 6, 1984.
- No. 84/13 International Trade Environment. Notes for a Speech by Mr. Marcel Massé, Under-Secretary of State for External Affairs, to the Canadian Export Association, Toronto, October 16, 1984.
- No. 84/14 Apartheid — A Violation of Fundamental Human Rights. Statement by Stephen Lewis, Ambassador and Permanent Representative of Canada to the United Nations, to Plenary, United Nations General Assembly, New York, November 20, 1984.
- No. 84/15 Towards Closer Relations with France. Notes for an Address by the Honourable James Kelleher, Minister for International Trade, to the France-Canada Chamber of Commerce, Paris, December 5, 1984.
- No. 84/16 The Route to Peace. Notes for a Speech by Douglas Roche, Ambassador for Disarmament, to the United Nations Association in Canada, Victoria, December 6, 1984.
- No. 84/17 Report of the Economic and Social Council. Statement by Dr. Jim Hawkes, Canadian Representative to the Third Committee at the Thirty-ninth Session of the United Nations General Assembly, New York, December 6, 1984.
- No. 84/18 New Climate for Investment in Canada. Notes for a Speech by the Right Honourable Brian Mulroney, Prime Minister, to the Members of the Economic Club of New York, New York, December 10, 1984.

Canada and Star Wars

by Paul E. Rohrlich

Canadian foreign policy once again faces its historical quandary. The Reagan administration's invitation to participate in the Strategic Defense Initiative (SDI or Star Wars) recalls the legacy of binational inequality and the resultant frustrations. Since Canadian participation cannot alter the fundamental reality of the dominant US role in Canada's defence posture, can participation possibly work to change the US strategic policy? Failing this, what foreign policy can Canada pursue to emphasize its independence and differentiate its particular world perspective from that of the United States? Defining itself apart from the United States in the realm of defence has previously given problems to Canadian foreign policy-makers, and the SDI may be more difficult than the NATO reevaluations under Diefenbaker and Trudeau. Now that the brief confusion of Joe Clark in Parliament about whether Canada is or is not invited has been cleared up, the difficult decision appears.

Job of foreign policy

A foreign policy, as traditionally defined, attempts to pursue a state's interests, making the international environment more amenable to the state's security, welfare and ideology. A good policy is one that alters the interstate context to the nation's benefit, facilitating the achievement of sovereignly determined goals. Canadian foreign policy follows this path, but only to a point: Canada's ability to make a significant impact on the international environment is limited to particular arenas, often multilateral, or to particular issue areas, such as energy, minerals and grain. This has in fact long been recognized as the major challenge to Canadian policymakers: to wield limited powers to good effect in a context of close interaction with superior powers. There are, indeed, few states in the world today with sufficient power actually to alter their international environment to suit national aims, as our ideal policy assumes.

Foreign policy for Canada plays an additional and equally important role: it is a statement of intent communicating Canada's perception of the international political system and Canada's purposes and ambitions within it. Whether or not these purposes and ambitions are ultimately achieved is in some ways less important than Canada's defining for the world arena the Canadian perspective. Through the postwar era we can see notable points at which Canada defined for itself a particular viewpoint and pursued it: seeing the need for North Atlantic defence in

1947, Canada took a leading role in forming NATO; recognition of the United Nations' important peacekeeping potential led to an active and welcomed Canadian presence; viewing the change of power and ideology in the world led to Canada's pathbreaking recognition of the People's Republic of China. The status of Canada among Third World states derives from Canada's distinguishing itself from its American neighbor. On the other hand, Canada's failure to define for itself its interests and views has led to Canada's most troubled foreign policy moments, such as the time of the Suez Crisis in 1956, and Canada's lowest degree of international voice.

Choice for Canada

What options does Canada have regarding a Star Wars space-based anti-ballistic missile defence system? This is to ask, "What are Canadian interests regarding strategic defence?" As always they seem to boil down to the usual trio: accept US leadership, or decline and oppose the US offer of inclusion, or some third, yet-to-be-defined alternative, which tries to pick a narrow path between the other two. An outline of some of the considerations relevant to each of these options may help clarify the decision.

A variety of factors militate in favor of working with the United States on the SDI plan. First, the traditional geographic constraint of Canada, being the roof of North America, restricts policy freedom. Canada cannot avoid involvement in the US defence scheme; the ongoing air defence arrangements and renovation of the DEW (Distant Early Warning) system means that any SDI system will operate partly on the basis of detection data received from Canadian sources. US satellite reconnaissance is certainly significant, but this information will be combined with that of traditional air defence sources such as NORAD. Attempting to define the difference between detection for the purpose of deterrence and detection for the purpose of space weapons defence is not useful, and probably not a distinction the Soviets would make either. Canada will be targetted and included in the superpower playoff in either case.

Many of the important targets and cities in the US, we must note, are near the Canadian border, which means the trajectories of incoming missiles can only be intercepted

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End of deterrence

over Canada. Over-the-pole exchanges of strategic weapons makes Canada the only land area and air space over which space-based weapons can be used if anti-missile operations directly over the opponent fail. As Canada cannot avoid being drawn under the US umbrella of defence, it might be logical to partake in the planning and implementation of the new security system.

Second, Canada's own population, as is well known, lives in close proximity to the US. Eighty percent of Canadians live within 150 miles from the border, and any defence of the US, if successful, would inevitably sweep in significant parts of Canada's population as well. If the defence system is unsuccessful, Canada partakes of the international instability and, at worst, war and fallout in similar proportion. As with deterrence, Canada cannot avoid being implicated in US policy: it accepted this fact with NATO membership, and the logic of the one seems to apply to the other. Thus SDI participation is intelligent policy for the defence of Canada.

In on the ground floor

A third factor is economic. If space defences are indeed to be the wave of the future, the next level of technological advancement in the nuclear age, Canada would do well to get on board early. If deterrence will in twenty to thirty years be replaced by nonnuclear defensive systems, Canada needs to act not just to continue but to increase its reliance on the US tie. Though a technologically advanced state in its own right, Canada cannot possibly afford the billions of dollars needed to develop an independent system, and it does not have the manpower and facilities to research and build such a system on its own. Linkage will be an inevitable part of the future defence, one way or another, so it may as well be integrated sooner rather than later. Further, if Canada wishes to have a strong voice in the direction of policy regarding use of strategic defences, it will likely receive a more attentive hearing if it is a partner from the start rather than a "me too" latecomer.

Fourth, as Prime Minister Mulroney has indicated, if the flow of technology and investment to develop the system will soon start and continue for several decades, Canadians deserve a share of it. In terms of the employment, economic stimulus, and technological skills spread to industry, Canada can only hurt itself domestically by declining participation in the SDI project.

Finally, the potential utility of SDI participation as a bargaining chip for other bilateral issues should not be overlooked. Acid rain, free trade and fisheries are all current concerns, and "give" on the SDI side may yield "take" on some other significant matter. A firm alliance stance on this matter will encourage reciprocal accommodation. Overall linkage across issue areas frequently expands the alternatives for successful negotiations.

Arguments against participation

Reasons for Canada to decline the offer to work with the US on SDI can also be found, however, and some of them carry significant weight. To begin with, we note that it is inherently an alliance among unequals, and SDI underscores this inequality. In procurements of conventional weapons and material among NATO partners, Canada can

compete successfully, and on that scale has gotten its fair share. The nuclear side of NATO's deterrent forces has always been strictly unilaterally derived, and unilaterally committed to NATO defence. The American, British and French nuclear arsenals are kept firmly under national control and sometimes assertively withheld from calculations of combined forces strengths. An order of magnitude difference exists between the nuclear and conventional contributions.

Strategic defence weapons highlight such national differences. The "joint development" of the SDI technology will probably yield only marginal contributions from the non-US participants. Compared to any other technology, including nuclear, this research focus leaves Canada few resources to contribute. Fear has already surfaced that the cooperation offer is a means of coopting Canada's support for the program, and that the partnership offer is less than sincere. The rationale for not joining is thus the same as the rationale for not joining any coalition in which one is fated to play a very junior role: a reduced voice in the organization that pursues Canada's interest for it. True, having a Canadian voice present when the multilateral decisions are made is better than being left outside the door, but the tendency among smaller partners is to be coopted, even when opposition was the intent.

Real partnership impossible

Second, even if developed jointly, SDI weaponry seems destined to remain under unilateral United States control. The nature of the technology gives a very narrow "window" for optimal reaction time for the system to be effective — ideally soon after the missiles have been launched and enter their trajectory, well before they approach their targets. This means a matter of minutes. It is hard to envision how intergovernmental committees can possibly be used in the immediate action decision-making which SDI use necessitates. Decisions regarding such a system place a premium on the ability to react quickly. Canada, in brief, is asked to help arm the United States and then to expect little voice in command of the armaments. Admittedly, Canada's role in this would be no different from that of European allies, but the statement made by participation may, in Canada's situation, appear more acquiescent than is desirable.

Another problem with Canadian participation is apparent: it may disable Canada from playing the mediator role on which much of its previous foreign policy was based. Since 1945 Canada has successfully used its middle power status to interpose itself in disputes among common friends and between the great and the weak powers. Both military and non-military situations should be recalled: Geneva (1954) regarding Indochina, Cyprus (1964) and its Greek/Turkish problem, the multilateral UN Trade and Development conferences (UNCTAD), and the Law of the Sea negotiations recently concluded. Prime in Canada's foreign policy has been the trust it receives from both North and South, aligned and non-aligned, and East and West, as Trudeau's final arms control diplomatic initiative showed. While never in doubt as to its own alliance preference, Canada's *image* makes it acceptable in the role it fills. American protection of Canada beneath the SDI umbrella would greatly damage this image of Canada among other

states. Protection from the balance of nuclear terror might, in the eyes of others, diminish its sincerity in pursuing nuclear disarmament. The ability of Canada to identify itself with the states of the world not possessing nuclear arsenals and thus equally subject to the holocaust of a failed deterrence would decrease.

Smaller powers lose incentive

Canadian leverage with the nuclear states might also suffer. In a situation of strategic deterrence many non-nuclear allies can encourage the eagle and the bear to maintain deterring but limited arms. Because nuclear arms mean something — especially the leap across the firebreak from conventional weapons — relations between the nuclear and the non-nuclear states involve leverage both ways: the nuclear state can reassess its commitment to defend the lesser powers with nuclear force, but the lesser powers can reassess their conventional contribution to the alliance's force, thus weakening the credibility of the nuclear threat. The conventional weapons contribution of Canada carries even less weight if the US achieves an inviolable shield that needs no Canadian contribution for its effectiveness. In sum, Canada's bargaining power, based on the weaponry it can offer, would be diminished: it would hold a smaller partnership role and voice than NATO affords it.

A system of "mutual immunity" such as the SDI purports to develop not only gives smaller powers less leverage on the world chessboard, but possibly gives them less security overall. By moving out from under conditions of nuclear check, the pawns and knights are free to move

again — and to be lost as the game progresses. Extended deterrence, i.e., the spreading of a effective US nuclear umbrella over the NATO alliance, becomes far less credible if the US and the Soviet Union both have SDI systems. If the US cannot threaten the Soviet Union with unacceptable damage in response to an attack on Western Europe, it cannot dissuade the Soviets from attacking unless it truly maintains perfect parity on the conventional and theatre nuclear levels in Europe — something the US has never had.

The classic stability/instability paradox considered that stable nuclear deterrence at the top allowed for instability at the lower levels of weaponry, due to the disbelief that the step of nuclear escalation would be taken. The SDI stability/instability problem moves from weaponry to spatial distinctions. By removing their home territories from nuclear threat, both superpowers could be more free to engage in war elsewhere, their spheres of influence notwithstanding. By so stabilizing — even eliminating — the highest form of strategic threat among the superpowers, the lower "non-immune" areas might be less stable, thus aggravating the stability/instability paradox. Canada, in turn, would have little choice but to join such an immunity defence system since NATO would cease to have a meaningful strategic impact on Soviet foreign policy.

Participation means approval

Finally, what statement would Canada be making by agreeing now to join in the development and future implementation of the strategic defence system? This may be the

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Will Bri sign with the "Washington Lasers?"

End of deterrence

most important factor. Essentially, cooperation places the Canadian seal of approval on this approach to strategic security. If this is undesirable on strategic grounds, it is irrational to join and support the program in order to halt it. By agreeing to work towards development of the SDI Canada will be stating that (1) strategic defence is more desirable than present day deterrence, (2) the Soviets should come to realize this, and (3) Canada is willing to place itself under the American SDI umbrella with its intended and unintended consequences.

To take the last of these first, we have noted above a number of reasons that favor Canada's coverage under the US umbrella, but how substantive are they? True, Canada would be implicated by a US space-based defence system regardless of its desires; true it could not provide itself with any parallel and independent system, and it could use the technology and jobs. But this situation of acquiescent dependency is not a desirable one for Canada to live under, and should not be hastened by Canadian support of the SDI. Reasons for joining the SDI are based on the pressures of the final solution: there is no reason to succumb to pressures that do not as yet exist. If the constraints of living next door to an SDI-defended United States are undesirable, now is the time to avoid the situation if possible, not to yield to it.

It would be doubly unwise to yield to the constraints of a situation that may never eventuate. The technical viability of the SDI program is still in doubt; some have claimed that to build it would require the equivalent of seven Manhattan projects worth of effort. The best that even its proponents claim for the system is 80 to 90 percent effectiveness against incoming missiles. All acknowledge that sub-radar-level Cruise missiles will still pose a threat. Even if we assume no Cruise missiles are used and the system eliminates 90 percent of the approximately 10,000 warheads each superpower could launch, there are still 1,000 too many for Canada and the US to claim strategic invulnerability.

Unleashing adventurism

Deterrence, therefore, would probably not be dead when a space-based defence is in place. What is conceivably gained by having the system therefore? Possibly the idea that nuclear war might be less painful and therefore more "winnable." Such deterrence as remains might be far weaker than that of today, and certainly the stability/instability dynamic noted above may come into play. From less threatening deterrence may come more adventurous great power politics — particularly likely if the present US administration's ideologic tenor continues. The added layer of super-high technology will have yielded little direct effect, but for the consumption of \$26 billion which was not spent on other world needs such as development and food.

This is the world for which Canada votes by supporting the SDI. It encourages the United States to pursue this technology and its implementation, and urges the Soviets to do likewise. Neither the US nor the USSR has ever let itself be caught too far behind the other in strategic technology, and the SDI should keep them both in competition for years to come. Some European leaders have responded favorably to the US's invitation, claiming that research is a

different matter from deployment, about which they might make a different decision. Such a distinction is hardly valid though: history shows that any weapon invented is ultimately produced and deployed. And having contributed effort to the SDI, all the allies could vote against deployment without necessarily dissuading the US from unilaterally undertaking the implementation. Considering it would be a predominantly American system anyway, present SID cooperation only facilitates US action in the future.

"Bargaining chip" fallacy

The "bargaining chip" rationale has been proposed by some as a valid reason for support of the US initiative. This holds that, in order to negotiate effectively with the Soviet Union at the talks now underway in Geneva, the United States needs the threat of this massive technical effort to coerce the Soviets into yielding ground on the nuclear arms talks. If support of the SDI could be successfully used in reaching accords that limit or reduce nuclear weapons and ban space-based weapons in the future, it should be supported. However these goals are not the ones the US claims to be supporting at Geneva. Rather, the US wants to convert the Soviet Union to the new SDI doctrine of incomplete defence, and seems in no way ready to bargain away the program for the sake of weapons reduction.

What alternative, what "third option," exists for Canada regarding the SDI? The European "support development, oppose deployment" approach does not seem desirable. It empowers the US while giving little bargaining power to Canada. The delayed extension of the invitation to join the SDI research in itself indicates the subsidiary nature of Canadian participation. The true motivation of the invitation was allied unity, which can be better achieved through discussions among the partners and does not need a new level of arms race technology.

Unilateral Canadian research useful

Quiet diplomacy among the allies may help to form a consensus about the SDI effort, and that is the preeminent issue. Vocal encouragement of study groups and research on a proper SDI strategy as a prerequisite to Canada's commitment to the program may be useful. To develop a weapons system this expensive without full knowledge of its proposed use and potential implications would be foolish. Taking this stand, even funding such research, might keep Canada's image as a more cautious, arms control oriented mediator, intact. Ultimately, however, Canada's strength within the Western alliance and ability to advocate disarmament and non-proliferation in the world community can only suffer through full support of the SDI.

Because Canada's interest clearly lies in the United States ultimately renouncing use of SDI technology, the major criterion of validity in judging Canada's policy is the degree to which it helps achieve that end. If joining with the US now in a show of alliance unity will obviate the need to develop the technology, either because of successful bargaining at Geneva or intra-allied persuasion, then participation might be sanctioned. Because the US appears very unlikely to change its views on the SDI at present though, Canadian participation may well only hurt the national image Canada has cultivated over the past forty years. □

Test ban — first step to disarmament

by William Epstein

Whatever happened to the comprehensive test ban (CTB)? A CTB would ban all underground tests, in addition to those in the air, under water and in outer space, which were already banned by the 1963 Partial Test Ban Treaty.

Canada has been a strong supporter of the CTB from the time it was first raised in the 1950s, but in the last few years it has taken no initiative and its support has been only routine. Now, with a new government — if it is willing to get somewhat in advance of the United States — Canada has an opportunity to throw off that uncharacteristic coolness, and to take a leading role in promoting an object that is both natural and traditional for this country.

For a number of years the CTB has been the “hottest” disarmament question and in 1979 and 1980 it looked as though the Soviet Union, the United States and Britain were on the verge of agreement on a treaty. Now the negotiations have stopped and a CTB seems to be more remote than ever.

If there is no agreement on a CTB, this means that testing will continue to fuel the nuclear arms race, that technological advances will continue to be made by both superpowers with no end in sight, and that nuclear weapons will inevitably spread to other countries. Thus the dangers of nuclear war will increase and the chances for human survival will diminish.

Early efforts

The halting of nuclear testing was first proposed by Prime Minister Jawaharlal Nehru of India in 1954. Since that time, prodigious efforts to ban all tests have been exerted in the United Nations, in the Geneva Committee on Disarmament, and from time to time in tripartite negotiations by the three first nuclear powers. No other measure of nuclear arms control has been sought so long, so persistently and with so much dedication by the non-nuclear powers, both aligned and non-aligned. It is regarded by them as the single most important first step towards halting and then reversing the nuclear arms race.

Progress towards ending all nuclear testing was slow but steady. In the 1950s the public became alarmed about the dangers of radioactive fallout and strong public pressures developed, led by scientists of the world and women's organizations, to “Stop Testing Now!” In 1958 a Conference of Experts from the US, Britain, France, Canada, the USSR, Poland, Czechoslovakia and Romania came to the conclusion that it was “technically feasible to establish with the capabilities and limitations indicated . . . a workable and effective control system to detect violations of an

agreement on the worldwide suspension of nuclear weapons tests.” There was general agreement that only underground tests posed a problem of verification (distinguishing between tests and earthquakes) and that testing in other environments could be monitored by national technical means. President Dwight D. Eisenhower welcomed the experts' report and announced that the US was willing to negotiate the suspension of nuclear weapons tests and, unless the USSR resumed testing, to halt nuclear testing for one year from the beginning of the negotiations.

The US, Britain and the USSR began negotiations in Geneva at the Conference on the Discontinuance of Nuclear Weapons Tests in 1958 and a moratorium was observed by all three powers until September 1961 when the Soviet Union resumed testing, followed shortly thereafter by the US. The Conference recessed that month, but the negotiations were resumed in 1962 in a three-power subcommittee of the eighteen-nation Disarmament Committee.

After the Cuban missile crisis of October 1962, both the US and USSR were anxious to make progress on arms control. Premier Nikita Khrushchev agreed to allow automatic seismic stations to be placed in the Soviet Union and to permit two or three on-site inspections annually on Soviet territory to monitor underground testing. President John F. Kennedy insisted on eight (later reduced to seven) annual inspections. The non-aligned members of the Geneva Disarmament Committee proposed a compromise of four or five on-site inspections, but to no avail. Glenn T. Seaborg, then head of the US Atomic Energy Commission, recently wrote, “In retrospect, if we had agreed to some compromise between three and eight and had achieved a comprehensive test ban, the United States, the Soviet Union and the world would be much better off today.” I can heartily endorse that statement. I regard it as one of the great lost opportunities of history, indeed perhaps a tragedy, that stubborn elements within each of the two superpowers prevented the achievement of a reasonable CTB agreement.

Partial test ban

Since agreement on an underground test ban was not possible, the Soviet Union accepted the US proposal to ban

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atmospheric testing and in August 1963 the US, Britain and USSR signed the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and Under Water. A noteworthy feature of that treaty was the provision in the Preamble that the parties would seek "to achieve the discontinuance of all test explosions of nuclear weapons for all time" and were "determined to continue negotiations to this end."

Because of the basic opposition to the treaty by the Joint Chiefs of Staff in the US and many scientists at the nuclear weapons laboratories (Lawrence Livermore, Los Alamos and Sandia), President Kennedy agreed to several "safeguards" demanded by the Joint Chiefs: (1) a vigorous underground testing program; (2) a vigorous program of nuclear research and development and the maintenance of the weapons laboratories; (3) the capability promptly to resume atmospheric testing if the treaty were violated; and (4) improved facilities to detect violations and monitor Sino-Soviet military activities and capabilities. He also agreed to develop underground nuclear explosives for peaceful purposes.

The Treaty entered into force in October 1963 and 110 states have become parties to it. The Treaty was the first worldwide agreement in the field of nuclear disarmament. Although it was originally hailed as the first step towards curbing the nuclear arms race and preventing the spread of nuclear weapons to other states, the Treaty has turned out to be more of a health and environmental measure than one of arms control. China and France did not become parties, and the two superpowers proceeded to conduct underground tests at a faster pace than the previous atmospheric tests.

As a result of the demands of the non-nuclear states for binding undertakings by the nuclear powers to make rapid substantial progress towards nuclear disarmament, the text of the 1968 Treaty on the Non-Proliferation of Nuclear Weapons included a preambular paragraph recalling the commitment of the three nuclear powers to seek to end all nuclear testing, and the famous Article VI whereby the parties undertook "to pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament." Yet despite the obligations they assumed in these two treaties, years passed with no negotiations for a CTB.

Signed but not ratified

In 1974 the US and the USSR signed the Threshold Test Ban Treaty by which they agreed to limit nuclear weapon test explosions to a yield of 150 kilotons each, which is over ten times the size of the bomb that destroyed Hiroshima. They also agreed to limit the number of underground tests "to a minimum" and to continue their negotiations for a cessation of all underground nuclear weapon tests.

In 1976, a companion treaty was signed by the two powers on Underground Explosions for Peaceful Purposes (known as the PNE Treaty) which also limited such explosions to 150 kilotons each but permitted an aggregate yield of 1,500 kilotons for group explosions. Both treaties were submitted to the US Senate in July 1976, but the Senate has refrained — in my view wisely — from approving them for ratification. But the two parties have agreed to abide by their provisions.

In 1977 the US, Britain and USSR resumed trilateral negotiations for a CTB. The negotiations proceeded in private but the parties presented joint progress reports to the Committee on Disarmament which indicated that considerable progress was being made. The Soviet Union agreed with the other two parties that the treaty be for an initial period of three years and that there be a moratorium on peaceful nuclear explosions. On July 31, 1980, a Tripartite Report to the Committee on Disarmament indicated the progress made on verification:

The three negotiating parties believe that the verification measures being negotiated — particularly the provisions regarding the international exchange of seismic data, the committee of experts, and on-site inspections — break significant new ground in international arms limitation efforts and will give all treaty parties the opportunity to participate in a substantial and constructive way in the process of verifying compliance with the treaty.

The trilateral negotiations recessed in the summer of 1980 and have never been resumed.

In 1980, in response to a request by the General Assembly, the UN Secretary-General undertook a study by consultant experts of a CTB. The experts reported that a CTB was regarded as the first and most urgent step towards a cessation of the nuclear arms race, in particular of its qualitative aspects, and that it would have a major arms limitation impact. It would also place constraints on the further spread of nuclear weapons by preventing nuclear explosions and it would reinforce the Non-Proliferation Treaty. With the passage of time, even non-parties to the CTB may be inhibited from testing. They also considered that verification of compliance no longer seemed to be an obstacle to reaching agreement. In submitting the report, the Secretary-General stated:

In my first statement to the Conference of the Committee on Disarmament in 1972, I stated the belief that all the technical and scientific aspects of the problem had been so fully explored that only a political decision was necessary in order to achieve agreement. I still hold that belief. The problem can and should be solved now.

Non-nuclear state frustration

During this period the non-aligned and neutral members (the Group of 21) of the Committee on Disarmament were becoming increasingly frustrated. They called for a moratorium on testing and demanded that the Committee should start negotiating a CTB treaty, and that it should create a Working Group to begin work immediately without waiting for the trilateral negotiations. Because of the opposition of the US and Britain, however, no action was taken.

Also in 1980, at the Second Review Conference of the Non-Proliferation Treaty, there was considerable adverse comment by the non-nuclear states on the failure to achieve agreement on a CTB or even to establish a Working Group to begin multilateral negotiations on a treaty. They considered that Article VI of the Non-Proliferation Treaty had remained a dead letter for the entire ten years since the conclusion of the treaty. As a result of the unwillingness of the two western nuclear powers to compromise, the Review Conference ended in failure. Unlike the first Review

Conference in 1975, the second one did not adopt any substantive final declaration or even make any formal reaffirmation of the Non-Proliferation Treaty.

Reagan's changes

After the election of President Ronald Reagan, the US position on a CTB underwent a major change. All previous US administrations since President Eisenhower had supported a CTB subject only to adequate verification of compliance. On February 9, 1982, the US announced in the Committee on Disarmament,

While a comprehensive ban on nuclear testing remains an element in the full range of long-term United States arms control objectives, we do not believe that, under present circumstances, a comprehensive test ban could help reduce the threat of nuclear weapons or to maintain the stability of the nuclear balance.

The disappointment and frustration of non-nuclear states over the US position was compounded when President Reagan decided in July 1982 not to resume the trilateral negotiations for a CTB, not only because of doubts about the verifiability of the ban but also because of the need to keep on testing new nuclear weapons. In September 1983 the US Arms Control and Disarmament Agency added, "Nuclear tests are specifically required for the development, modernization and certification of warheads, the maintenance of stockpile reliability and the evaluation of nuclear weapon effects."

Up to the present time the UN General Assembly has adopted some fifty resolutions by overwhelming majorities calling for a ban on nuclear testing. Of these, seven condemned nuclear tests and more than a dozen have called for a moratorium on testing, and have requested that the "highest priority" be given to a CTB. The Soviet Union has proposed a draft CTB treaty and has called on the US and Britain to resume the trilateral CTB negotiations. It has also joined the neutral and non-aligned states in calling on the Committee on Disarmament to begin negotiating a treaty. Testing, however, continues unabated and the US and Britain have stiffened their opposition to the resumption of negotiations.

Future prospects

One of the questions concerning a test ban that is now being considered by US administration circles is whether the US should ratify the Threshold Test Ban and PNE Treaties of 1974 and 1976. Proponents of ratification think it would be useful to lock in the verification measures agreed in those treaties and the ceiling of 150 kilotons for each test. Opponents claim that the verification provisions do not go far enough and that the 150 kilotons ceiling would prevent testing of the larger warheads envisaged for some of the new weapons systems. Movement on these treaties therefore also appears to be stuck.

As indicated above, I consider it would be a mistake to ratify the two treaties. Ratification would not be regarded as steps towards the goal of a CTB. Most, if not all, the non-nuclear states — and not just the non-aligned ones — regard the two treaties as spurious and a mockery of a test ban. Since about 90 percent of all tests have been below the level of 150 kilotons permitted by each treaty, the establishment of that threshold is not considered by them as a

significant additional limitation on the 1963 Partial Test Ban Treaty. Instead it is seen as legitimizing continued testing both of warheads and of PNEs, which the three parties at the suspended CTB negotiations had already agreed should be halted. Thus, it could be used as an excuse by some non-nuclear countries to develop their own nuclear weapons.

Moreover, judging from past experience with other partial treaties, if these two treaties were ratified and entered into force, the pressure for a CTB within the US and other nuclear powers would probably erode. The Chinese and French would also be encouraged to continue their testing.

Thus, the effect might well be that negotiations for a CTB would be abandoned not just for four or five years but for a decade or more. There would be no assurance whatsoever that the CTB negotiations would be resumed in the foreseeable future or that any further interim agreements could be achieved scaling down either the number or yield of future tests. It seems to me that it would be far better to hold out for and maintain the pressure for a CTB.

Verification now reliable

Another issue that is still being debated by government officials and experts is that of the effectiveness of verification. As indicated above, the three parties to the CTB negotiations reported encouraging progress on verification and there was a growing feeling that agreement would be achieved. Many independent experts are convinced that current techniques for monitoring seismic waves are sufficient to detect any clandestine tests down to explosions of one kiloton. These techniques, plus the other national means of detection including surveillance by satellites and other remote sensors, telecommunications monitoring and other more traditional means of acquiring intelligence, provide adequate and effective guarantees against violations. Possibilities for evading detection are so fanciful and remote as to be of minor significance and of little or no importance for developing new or improved weapons. Nevertheless, many officials in the current US administration, unlike those in previous ones, consider that verification techniques are still not adequate.

My own experience during more than a third of a century of involvement in the official negotiations has been that when a country wishes to block an agreement, it can do so by making impossible demands for 100 percent or "foolproof" verification. On the other hand, when there is the political will to achieve agreement — as witness the Non-Proliferation Treaty, the Sea-bed Treaty and the Biological Weapons Convention — verification poses no significant obstacles.

Another argument used against agreeing to a CTB is that test explosions are necessary to maintain confidence in the reliability of the existing nuclear weapons. Highly qualified experts have testified that the reliability and accuracy of existing weapons can be checked without test explosions. Moreover, any deterioration in the components of these nuclear weapons would affect Soviet and American weapons about equally. Any lessening of confidence in the weapons would tend to lessen the temptation by either side to rely on them and this would reduce the risks of any plans to launch a preemptive first strike or counterforce attack. From the point of view of those who

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believe in mutual nuclear deterrence, it should also enhance such deterrence since a retaliatory second strike would not require the same degree of reliability or accuracy.

From the above, it would seem clear that the opposition to a CTB is based more on political than on scientific and technical grounds, in other words, on a desire to continue to develop new or modernized or improved nuclear weapons rather than to end the nuclear arms race. The short-sightedness of this approach becomes readily apparent when we examine the problem of the proliferation of nuclear weapons. It is generally accepted that a total ban is by far the best way of preventing the further spread of nuclear weapons. It is clearly more effective than any export regulations or safeguards on peaceful nuclear reactors and programs that can now be envisaged as feasible and acceptable.

Right place to start

A total nuclear test ban is regarded by practically all non-nuclear states as the most important, most feasible and most easily attainable measure to halt the further proliferation of nuclear weapons by both the nuclear and the non-nuclear states. It is also regarded by them as a litmus test of the seriousness of the intentions of the superpowers to halt or limit the nuclear arms race as they have committed themselves to do in the Non-Proliferation Treaty. They reject the arguments of some scientists and military men that testing must be continued in order to develop new or modernized nuclear weapons so as to improve deterrence.

Hence, the failure to stop nuclear testing and the resultant continuation of the nuclear arms competition by the two superpowers could easily give rise to attitudes of despair and cynicism on the part of non-nuclear powers. If the third Non-Proliferation Treaty Review Conference being held in 1985 is a failure as was the second one in 1980, the credibility and viability of the treaty could erode and crumble and the main bulwark against proliferation could be breached. If that should happen, then we shall have to worry not about preventing the proliferation of nuclear weapons, but rather about preventing their use.

A comprehensive test ban is the most important single measure of arms limitation and the best way to begin the process of disarmament. The outlook for a CTB and for non-proliferation, however, seems bleak. It becomes increasingly evident that, unless public opinion can be mobilized so that it can guarantee the requisite degree of political will on the part of governments, the outlook for disarmament, for preventing nuclear war and for humanity will also be bleak.

There is a quite reasonable expectation that such near-nuclear powers as India, Israel, South Africa and Spain, which are parties to the Partial Test Ban Treaty of 1963, but not parties to the Non-Proliferation Treaty, would support and sign a comprehensive test ban treaty. Doubts remain, however, whether China and France, or Argentina and Pakistan, four states not party to either treaty, would join in a comprehensive test ban treaty. Nevertheless, if such a

treaty were signed by the other nuclear powers and the overwhelming majority of other states, pressures would intensify on the four reluctant ones to do so.

The Canadian interest

Ever since Mackenzie King joined with President Harry Truman and Prime Minister Clement Attlee in 1945 in the Three-Power Declaration on the control of atomic energy, Canada decided not to make an atomic bomb itself but to concentrate on the peaceful uses of atomic energy. It became a cardinal principle of Canadian policy, supported by all political parties, to prevent the proliferation of nuclear weapons. Since no country can make a bomb without testing it, or at least could not be sure that it would work, Canada also opposed the testing of nuclear weapons as a way to prevent proliferation and also radioactive fallout.

The Canadian attitude toward nuclear testing was best expressed, and most succinctly, by Howard Green when he was Secretary of State for External Affairs in the early 1960s: "Stop tests, period!" That policy remained in force for more than a decade. During the period from 1959 to 1975, Canada voted for at least a dozen resolutions in the General Assembly calling for a moratorium or suspension of testing pending the negotiation of a treaty to end testing. Canada supported these resolutions even though in nearly all cases the United States and Great Britain did not.

Since 1969, Canada also played a leading role, together with Sweden and Japan, in urging the improvement and use of a network of seismic stations and recorders to detect underground nuclear explosions and to help distinguish them from earthquakes.

Since 1976, however, Canada no longer supports a moratorium or suspension of nuclear tests and insists that a comprehensive nuclear ban must result from a negotiated treaty or agreement between the three big nuclear powers. In fact it has joined with the United States and the United Kingdom in withholding its support from a proposal by the neutral and non-aligned countries, which is also urged by the Soviet Union, for the creation of a working group in the Geneva Conference on Disarmament to start elaborating the provisions of a CTB treaty.

This latter position was perhaps understandable during the period from 1977 to 1980 when the three nuclear powers were themselves negotiating a treaty for a CTB. But since those negotiations were ended, and the US refuses to resume them, it makes no sense at all.

On the merits of the case, in its own interest and in that of all nations of the world who want to prevent the further spread of nuclear weapons, Canada should once again take a leading position in favor of stopping underground testing. The very least it should do is to join forces with the neutral and non-aligned countries in calling for, first, the immediate resumption of the three-power negotiations for a CTB treaty; second, a mutual unilateral or agreed moratorium on testing pending the negotiation of a treaty; and third, the creation of a working group at the Geneva Conference on Disarmament to begin elaborating the provisions of a treaty as a means of facilitating the three-power negotiations and speeding up the conclusion of a treaty. □

Peru's "Shining Path"

by J. Atlin and J. Nef

The current guerrilla war in Peru is reaching the proportions of the much publicized violence in Central America. President Reagan considers the threat serious and has asked Congress to approve twenty million dollars in military aid for Peru in 1986. The violence appears as an irrational spiral of both state and guerrilla brutality. But there is more to it than meets the eye. *Sendero Luminoso* (Shining Path) is not just another insurgent organization. Nor is the Peruvian conflict just another manifestation of an old trend.

On the whole, media accounts regarding *Sendero Luminoso* have tended to be scanty and largely anecdotal. The picture which emerges from the reports is one of ongoing and intense battle between police and guerrillas in which peasants are suffering the greatest losses. Although this picture is not inaccurate, it fails to portray the full impact which such activities are having on Peruvian society.

Lima, where about one-third of the Peruvian population lives, is reminded regularly of the presence of the guerrillas with blackouts and bombings. On numerous occasions, *Sendero* has successfully blacked-out Peru's major cities by simultaneously blowing up a series of power pylons, as was the case during the Pope's visit. Following these events, which affect much of the country's urban population, the government has carried out massive round-ups in the shantytowns in which thousands of people have been taken into custody.

In Ayacucho, the centre of the guerrilla activities, the situation is fluid and confused. The area has been under military control since December 1982 and much of the information which comes out is through official government statements. Even a cursory view of these sources points to a pattern of escalation, with increased guerrilla attacks on police posts and on peasant "traitors," matched almost step-by-step by increased counterinsurgency measures which include the all-too-familiar themes of other similar "dirty wars."

Intensity of the conflict

The confrontation began in May of 1980. *Sendero* declared war on the state at the time of President Fernando Belaúnde's inauguration. By 1982 it had succeeded — through attacks on police posts and assassinations of local officials and teachers — in bringing about mass resignations, driving out the local authorities and creating "liberated zones" in the high sierra. In response, President Belaúnde declared a state of emergency in the departments

of Ayacucho, Apurímac, and Huancavélica and the area was placed under military control. Since that time there has been what many sources have referred to as a civil war between the guerrillas and the security forces. There seems now to be a second front opening up in the coca-growing jungle area around Tingo María.

The death toll since May 1980 is now some 4,000 people, the majority of whom have died since 1982. Amnesty International and other human rights organizations have expressed alarm over the role of the security forces in these deaths. Officially, as of July 1984, about 1,620 *Senderistas*, 1,600 civilians and 160 members of the security forces have been killed. There were also some 1,200 to 1,500 *desaparecidos*, as well as somewhere in the neighborhood of 1,000 people in prison on terrorist charges, although few had been convicted.

The Movement

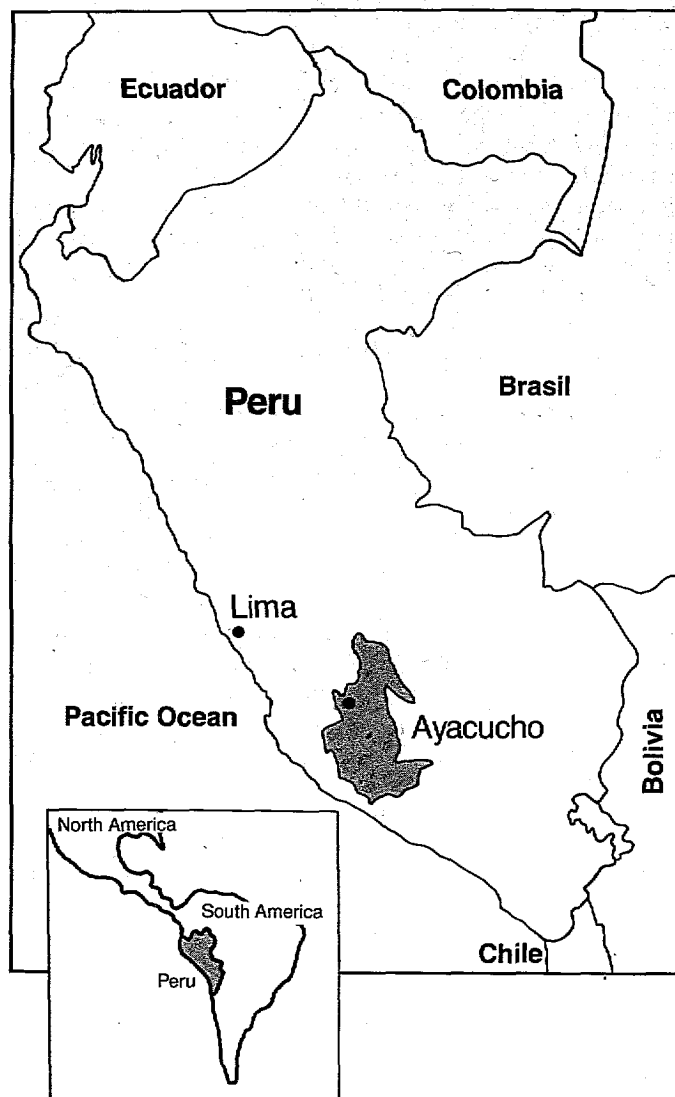
Sendero Luminoso has its roots in the Marxist parties of Peru. The Sino-Soviet split, the Cuban revolution, and the internal conflicts in the 1960s brought an ideological schism in the Peruvian Communist Party. This led to the founding in 1964 of a Maoist party, *Bandera Roja* (Red Flag). Abimaél Guzmán, then a professor of philosophy at the University of Huamanga in Ayacucho, organized a committee of the *Bandera Roja* in Ayacucho. It was composed mostly of students and faculty of the university and a local teacher-training institute. In 1970 Guzmán established the *Partido Comunista del Perú — Sendero Luminoso*. The name came from a statement by the first prominent Peruvian Marxist, José Carlos Mariátegui: "Marxism-Leninism will open the shining path to revolution." A number of small Marxist movements subsequently joined in.

Most of the core leaders of *Sendero* seem to come from a newly-educated provincial lower middle class of recent peasant origins. Many are the children or grandchildren of native Quechua-speaking highland *campesinos* who found themselves faced with vanishing opportunities for advancement as the Velasco Alvarado military-populist regime

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Maoism lives in Peru

collapsed and the economic situation deteriorated in the early 1970s. Rather than originating in the administrative and professional class, as many general works on insurgent terrorism suggest, the leaders of *Sendero* now seem to be of more direct peasant background, frustrated in their attempt to educate themselves into the middle class. Although *Sendero* now seems to be attracting more followers from among the urban poor of Lima and other cities, its original core (with the exception of Guzmán himself) was formed by natives of the predominantly rural Ayacucho



area. The organization has successfully recruited a large number of teenagers from the countryside. These factors may account for its greater support among the campesinos than the earlier Peruvian guerrilla groups of the 1960s (Véjar, de la Puente, Lobatón) which were quickly destroyed by counterinsurgency operations.

Sendero is an exclusive and secretive movement and public statements of its philosophy or policies are rare. Its emphasis on theatricality and propaganda by deed rather than by word has been cited as another distinguishing

feature which sets *Sendero* apart from other Latin American revolutionary movements which seek to expand their support by publicizing plans and programs for the future. The basics of *Sendero's* ideology are, however, quite clear from the few tracts it has published and from its deeds and slogans. The *Senderistas* are orthodox Maoists. They reject all other Marxist groups which make up the Peruvian left and label all governments, including the present one, as "fascist."

Start in the countryside

Ideologically, the *Senderistas* adhere to the Maoist notion of revolution brought about by prolonged popular war based in the countryside and eventually encircling the cities. (Some have compared the movement to Pol Pot's *Khymer Rouge*.) Their revolutionary strategy contemplates an explicit agenda with five stages of armed struggle: the gathering of support in backward regions; assault on the symbols of the bourgeois state; the start of the guerrilla war; the expansion of popular support; and victory over the cities. According to the schedule laid out in a pamphlet published by Guzmán in 1971, the revolution has entered into its fourth stage: popular war. In *Sendero's* view the road to revolution necessarily goes through a terrorist phase. The "objective conditions" for the popular war are created by forcing the government to become repressive. This doctrine, rooted in the anarcho-nihilists of the nineteenth century, was very influential in the "new left" urban terrorism of the Baader-Meinhof group and the Red Brigades in 1970s.

Aside from the strategy of prolonged people's war, there is another important facet in the ideology of the *Senderistas*. Many analysts have noted a strong element of messianism and personalism which surrounds the leader of *Sendero*. The *Senderistas* see Guzmán (known as Comrade Gonzalo) as the successor to, and articulator of, all the great Marxist thinkers. This charismatic trait has been linked by some Peruvian analysts to the prophetic ideas regarding the return of the Inca still held by many Andean Indians. This vision contends that the world was "overturned" at the time of the conquest, with the Spanish gaining the upper position and the Indians taking the lower. However, the old order continues to exist in a latent form in a kind of underworld and will eventually return to ascendancy with the return of the Inca. This legend, which postulates a return to the "proper" order led by a messianic figure, has been the basis for several Indian uprisings in the nineteenth and twentieth centuries.

To what extent *Sendero* has organically incorporated this Andean mythology into its ideology in order to gain the support of the *campesinos* is unknown. One author, David Werlich, asserts that Guzmán was formally expelled from *Bandera Roja* for "heresies," one of which was "occultism," the use of local customs and messianic traditions to gain the support of the peasants. Another analyst, Cynthia McClintock, suggests that *Sendero's* efforts to cut off the Andean communities in its "liberated zones" from coastal society, in addition to its rejection of Peru's Lima-based and primarily white, middle-class-led Marxist parties, may be an attempt to reassert pre-conquest Indian civilization in the highlands. She argues that *Sendero's*

ideology may be centred not only on class war, but on a race war based on Andean ideas of a return to Inca ascendancy.

Sources of support

Sendero's longevity, the amount of territory it has been able to control, and the very small number of proven *Senderistas* captured indicate that a certain level of support and protection — whether voluntary or by intimidation — is being offered to the guerrillas.

The conditions in Ayacucho, where *Sendero* began its activities, have been an important determinant of the population's reaction. Guzmán and his followers spent several years living in the rural communities there before beginning their guerrilla activities. It is likely that they found the peasants open to their ideas because of the historic economic and social marginalization of Ayacuchans. Located high in the Andes, Ayacucho is a region where the majority of the population is still Quechua-speaking and where Andean life, traditions and ideas remain firmly entrenched. It is also one of the poorest regions in Peru, with high illiteracy (55 percent) and infant mortality (19.7 percent) rates and low life expectancy (45 years). As the Peruvian economy deteriorated in the 1970s the situation in Ayacucho worsened: population density increased while incomes decreased. Government spending per citizen in Ayacucho over the last several decades has been less than one-third of the national average and although the populist reforms during the Velasco Alvarado era created a greater space for peasant movements by the removal of the *hacendados* as a political force, they did little to change the material standard of living. Worse, the end of the era of reform left a climate of deep frustration and resentment.

It was in this setting that *Sendero* began to spread its message and its influence. Some of its early actions in liberated zones were designed not only to terrorize the "oppressors" but to benefit the *campesinos*. Well-to-do individuals, corrupt officials, and other unpopular figures were targeted and forced out by threats or killed. In some cases the spoils of these activities were given to the *campesinos* in the form of land or money, and debts owed by them were declared void. Whether motivated by these benefits, by ideological appeals, by a messianic call to rebellion or purely by fear of *Sendero*, people in Ayacucho began to provide the *Senderistas* with food, shelter and new recruits.

Sendero has a reputation for brutality towards those who do not offer active support. In recent times "people's trials" of *campesinos* accused of aiding the security forces seem to have become more prevalent than trials of local establishment figures. *Sendero* has also proven to be a heavy economic burden on people who can ill afford it. Both demands for food, shelter and money, and the attempts to cut off local economies from the national markets have put added hardship on the *campesinos*. The rigid war economy imposed in the areas of *Senderista* control in which peasants were forced to plant only enough for their own consumption and not for the markets, has lost *Sendero* some of the support gained from its other activities.

Moving into the cities

Sendero does not only affect those who live in its major "theatre of operations." Its impact is felt all over the coun-

try. One sees slogans like "Viva la lucha armada" (long live the armed struggle) splashed on walls, which although certainly not endorsements of *Sendero*, are expressions of sympathy with revolutionary ideals. There seems to be a sprinkling of passive support, or at least sympathy, with the movement among some elements of urban society.

In the national political arena, *Sendero* has been repudiated by the parliamentary left which favors the constitutional process. They fear that *Sendero's* "popular war" will alienate potential support and make them easier targets in an all-out anti-left campaign. Despite this leftist antagonism, *Sendero* has established itself as a political as well as a social fact of life in Peru by forcing a reaction from nearly all of the political actors in Peruvian society.

Sendero's opposition to both the Soviets and the present Chinese regime, as well as other Marxist states and parties, makes it unlikely that it is receiving external support. All captured *Sendero* arms are Peruvian army and police weapons taken in guerrilla attacks; the dynamite they use in their sabotage activities is stolen in raids on highland mines. There is, however, probably some truth to the accusations of collaboration between *Sendero* and Peru's cocaine smugglers who share a common enemy in the security forces. Although the extent of the collaboration is unknown, it is likely that *Sendero* extracts money in one way or another from the traffickers working in its areas.

Another element of the connection between cocaine and the guerrilla war is the support which *Sendero* is gaining in its new jungle front largely as a result of a government coca-eradication effort. A September 1984 CBC report stated that the thirty million dollar coca-eradication project funded by USAID "has alienated local peasants and farmers and turned some into guerrilla supporters." The project aimed to tear up coca fields, compensate the farmers, give technical aid in the introduction of alternative crops, and to reinforce the anti-drug police. It has brought few results other than a radical disruption in the lives of the people in the area, a sharp drop in income, and a great deal of resentment towards the police. All this has added up to an increase in support for *Sendero*, which has been able to recruit sizable groups to participate in attacks on police stations and local officials.

Government reaction

Sendero's ability to alter the social, political and economic climate in the country through incessant terrorist attacks on symbolically important targets has a definite disorienting effect on the established social patterns in Peru. Whether the targets are local officials or power pylons which carry electricity to large urban populations in Lima, Arequipa or Huancayo, their obvious vulnerability has certainly contributed to an atmosphere in which the government's ability to maintain order is brought into question.

Terrorist acts within a larger insurgency campaign serve also to create active opposition by provoking the government into repressive "counterterror" measures. In 1981 a sweeping anti-terrorist law was enacted which allowed for the arrest of anyone falling under a vague definition of a "supporter of terrorism." In October 1981, following a series of attacks, President Belaúnde declared a

Maoism lives in Peru

three-month state of emergency in Ayacucho during which a curfew was imposed and constitutional guarantees against arbitrary arrest, search and seizure were suspended. Hundreds of people were arrested and allegations of torture were reported. In August of 1982, after a blackout of Lima and most of the norther coastal cities, a two-month state of emergency was declared in Lima during which several hundred suspected terrorists were arrested.

Eventually, in December 1982, after several months of assassinations of local leaders culminating in the murders of the mayor and deputy mayor of the city of Ayacucho, the President declared a new state of emergency there as well as in neighboring departments. At this point the zone was put under the military control of General Clemente Noel and nearly 2,000 soldiers were moved in. Villages were forced to choose sides and massacres by both *Senderistas* and *Sinchis* (the special anti-terrorist squad of the *Guardia Civil*) were reported. The circumstances surrounding the January 1983 murder of eight journalists by local peasants in an isolated area indicated that the war was becoming increasingly violent, with both the government forces and the *Senderistas* turning villagers against the "opponent" and against each other. Commenting on the report of the government commission established to investigate the massacre, one analyst wrote that while the report raised as many questions as it answered, it did establish that the peasants were being terrorized by both guerrillas and security forces, that the military had encouraged them to make war on *Sendero*, and that the collapse of national authority had forced the peasants into vigilantism.

Failure of development

Besides the use of repression the government has attempted to encourage development in an attempt to alleviate the conditions which facilitate insurgency. A plan was proposed in 1982 to pour a significant sum of money into the central and southern Andes as a complement to the police action. But little if anything has been done towards this end. Given the present economic crisis, development efforts in the emergency zones have understandably been negligible. Even the limited funding cannot be effectively used because Ayacucho and the other areas of guerrilla activity are essentially war zones.

In a 1983 interview General Luis Cisneros, then Minister of War, expressed the need to develop the depressed zones of the country in order to solve the insurgency problem. He outlined broadly the need for decentralization and the creation of regional poles of development, the need for development of resources and infrastructure. He pointed

out, however, the fallacy of development aid as a direct response to an insurgency threat. In an accompanying interview, Alfonso Barrantes, *Izquierda Unida* (United Left) Mayor of Lima, stated that the present government's abuses were contributing to backing for *Sendero*. However, as for how an *Izquierda Unida* government would deal with the problem, Barrantes could only answer that they would follow a policy of democratization and decentralization in the development of depressed areas so that phenomena such as *Sendero* would not arise. It seems that neither the government nor the opposition has any solutions for the situation as it now stands. The problems which exist in Peru today are longstanding and complex structural social and economic ones, of which the present violence is only a symptom. There are no band-aid solutions and simply masking or suppressing the symptoms will not solve the problem.

Failure of counterterrorism

In the meantime, the war continues. Security forces are highly visible in Lima and throughout the sierra. In July 1984 there was a move to replace police with army and marines for counterinsurgency operations in order to combat what the Interior Minister called problems with "brutalization" in the police forces in Ayacucho. The counterinsurgency efforts of the government have forced *Sendero* out of Ayacucho to some extent but its actions are proliferating elsewhere, especially in urban areas.

The presence of *Sendero* continues to shape political events. The *campesinos* continue to be caught in the middle. A Bolivian news magazine described their position this way: "In the Corner of the Dead (the meaning of the Quechua word 'Ayacucho') life is worth little. To be a *Senderista* suspect is dangerous. To be on the side of the government is also dangerous. Not to be either can be mortal." Although it is unlikely that *Sendero Luminoso* will gain enough popular support to topple the government, it is equally unlikely that the government will be successful in the short-term in its campaign to wipe out the guerrilla movement. In fact, it appears that government counterterrorism has become a major contributor to the expansion of support for *Sendero*. What could come out of this vicious cycle of terrorism and repression is that the fragile democratic structures revived in 1980 may give in to a military coup or perhaps lead to a heavy-handed national security regime. In the midst of a profound economic depression which has set income levels back twenty years, *Sendero* may well capitalize on the desperation and on the growing repression in Peruvian society. □

Abandon arms control talks

by Thomas Keating

The decision by the US and Soviet governments to return to the arms control negotiating table in mid-March was greeted with a collective sigh of relief and supportive commentaries in the press and among Western governments. Arms control negotiations have received a great deal of public support over the past two decades and it is hardly surprising to find many observers looking forward to this new round of talks with a great deal of favor. It is also evident that arms control negotiations between the Americans and the Soviets are seen by many as the thermometer by which their bilateral relationship should be measured. So, when the Soviets left the table in November 1983, many believed the US and the Soviets were headed towards the abyss and dragging the rest of us with them.

The widespread enthusiasm for arms control negotiations stands in marked contrast to the abysmal record of these negotiations to date. Indeed criticisms are beginning to appear that question the utility of the existing arms control framework. Nevertheless the general consensus still remains that we should press ahead even if the pace seems inordinately slow. Without prejudging the current talks between the Soviet Union and the USA, we can examine the record to date and consider the possibility that not only are negotiated arms controls not the solution to the arms race but indeed may be part of the problem.

Arms control doesn't reduce

Arms control negotiations are credited with serving many different objectives but only rarely are they seen to be a method by which the nuclear arsenals of the superpowers might be reduced. There is a good reason for this. Over two decades of arms control negotiations have not brought about the destruction of a single nuclear warhead that has not been replaced by another. Instead, after countless rounds of negotiations and numerous agreements, both the Americans and the Soviets have deployed more than twice the number of nuclear warheads that they possessed when the process started. Supporters will, of course, maintain that arms control negotiations were never intended to disarm the superpowers, but rather were designed to place constraints on them and to prevent an uncontrolled arms race. There is a great deal of validity in this observation. Nevertheless, it is surprising that many of those groups and individuals who would like to see fewer nuclear weapons deployed give a great deal of support to the arms control process — a process which has left us with more

weapons than when it began. In short, the faith of would-be disarmers in negotiated arms control has been misplaced.

More commonly arms control negotiations have been promoted as a method by which the Soviets and the US can control the size and disposition of their nuclear forces and thereby reduce the pressures to expand these arsenals that would likely occur in the absence of such negotiations. Thus negotiations and agreements do not reduce the nuclear stockpiles but they do help to keep them at lower levels than would otherwise be the case. It is impossible to demonstrate that the size and character of these forces would have been different today if we had not had more than two decades of arms control negotiations. There are, however, reasons to believe that negotiations have not been as successful in this area as has been commonly assumed. It is arguable that one of the important contributions that these negotiations have made to the arms race has been to intensify competition rather than stifle it, and to drive the Soviets and the Americans into nuclear forces of a size and character that they would not have adopted if arms control negotiations had never taken place.

Arms control negotiations have had an effect on nuclear forces, but this effect has been to pressure the Americans and the Soviets into maintaining larger and qualitatively better forces than they might have if their decisions had been taken independently of the arms control process. This is not to say that arms control negotiations alone are responsible for the existing nuclear forces, for clearly a number of variables enter into weapon procurement policy decisions. For some of the reasons discussed below, however, it would appear that negotiations and agreements have encouraged larger and more destructive forces rather than working as a constraint in these areas.

Enlarge to reduce

First, it is accepted wisdom that one way of bringing the other party to the negotiating table is to undertake the development, construction or deployment of new weapons systems which pose a threat to that other party. Soviet and American research into anti-ballistic missile (ABM) systems in the late 1960s, for example, allegedly provided an impetus to the first round of strategic arms limitation talks

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Talks increase weaponry

(SALT). NATO's decision to deploy ground-launched Cruise missiles and Pershing IIs has been cited as one of the reasons why the Soviet Union decided to begin negotiations with the US on Euromissiles in 1981. The subsequent deployment of these weapons in November 1983, and the proposed Strategic Defence Initiative (Star Wars) research program are now being cited as among the factors that convinced the Soviet Union to try once again at the table. It is difficult to counter these assertions. Indeed, they are probably correct. The net effect, however, is to increase the number or quality of weapons in the system. This in turn undermines, even before negotiations commence, the overriding objective of controlling an expansion of forces. There is something inherently wrong with an arms control process that requires an expansion of arsenals before it can even start.

A second, and related problem, in the existing process, is the commonplace that you have to have something to trade off in order to participate effectively in the negotiation process. For this reason there is strong pressure to deploy more weapons than you might actually require for purposes of security in order to assist in obtaining a bargaining advantage. Alternatively, you might retain weapons that otherwise would have been dismantled so that you would be able to give up something. It is possible that the final number of Euromissiles decided upon by NATO ministers was determined not by security needs alone but to ensure that there would be enough of these missiles left over to meet the security and political objectives of deployment even if the US had reached some sort of agreement with the Soviet Union. The Soviet government, in turn, might have decided to delay dismantling their dated SS-4s, which were being replaced by SS-20s, so that they would have something to give up in the negotiations.

This is hardly an innovative or surprising bargaining technique, but once again the negotiating process has fostered more rather than fewer weapons, with the effect of negating the long-term objective of controlling the size of the respective stockpiles. The negotiated route to arms control also discourages unilateral initiatives because any reduction in one's own stockpile of weapons must be met by some reciprocal action on the part of the other party. Thus even when a reduction of weapons may be in your own interest for economic or security reasons or both, such reductions are delayed until they can be responded to in kind.

Doing the not-forbidden

A third feature of the existing arms control process that has encouraged an expansion of weaponry has been the tendency, readily apparent in the United States, to buy political support for arms control agreements by increasing military expenditures in areas not covered by these agreements. Evidence of this can be found as long ago as 1963 at the time of the Limited Test Ban Treaty when the late Senator Henry Jackson, a consistent opponent of arms control, made his approval of the treaty conditional on a Presidential commitment to intensify weapons research and development through underground testing. The treaty was approved, atmospheric testing did cease, but the overall rate of testing actually increased. It was simply moved underground.

This practice of buying support has continued and was evident most recently in the futile efforts of President Carter to gain political support for SALT II by giving his commitment to such contentious programs as the MX, to increased defence spending and by withdrawing his support for a complete test ban. Historical experience suggests that the political environment in the United States, and especially the treaty ratification process, requires a further expansion in military spending and hardware in order for an arms control agreement to be accepted. These increases might be in conventional armaments but the effect is the same. Once again the objectives of arms control are undermined by an integral part of the process. These pressures to expand budgets and deployments also extend to the various branches of the armed services which, when asked to exercise restraint in one area to meet the objectives of arms control, pressure for compensation in areas left uncovered by the agreement.

A fourth practice that undermines the objectives of arms control is the concerted effort on the part of both the US and the USSR to work to the limits or edges of any agreement reached. In other words, while both parties seem reluctant to violate the provisions of an arms control accord, neither seems reluctant to do absolutely everything that is not explicitly prohibited by the agreement. This is one of the reasons why arms control agreements have done little to prevent either party from developing new and qualitatively superior weapons systems and deploying more than double the number of nuclear warheads that they possessed in 1970 even as they abide by the various accords that were reached in the 1970s.

It is possible that these agreements have prevented the superpowers from doing more, but it is difficult to identify areas into which they would have moved if it were not for these agreements. Instead it is possible that the agreements concluded to date have channeled activity into areas that might otherwise have been left alone (MIRVed weapons are one possibility), or have compelled activity simply because the agreements did not prohibit it, and there existed a fear that the other party might take advantage of this.

Much ado

All of these practices have, I would argue, left us with at least as many weapons as we would have had without arms control negotiations. They have possibly given us more than we would have had if arms control negotiations had not taken place and weapons acquisition policies had been determined on the basis of national security considerations independent of arms control negotiations.

It is also interesting how arms control negotiations paralyze dissent and discussion of weapons and security policy — the rationale being that such discussion undermines one's negotiating position. Thus it is necessary for NATO members, including Canada, to put on a unified face and test the Cruise guidance system or support the SDI as long as arms control negotiations are going on. In some sense it is as if the arms control negotiating process has become the captive of the military planners who, despite their criticisms, have actually used the process quite well and have been able to define security policy within the context of negotiated arms control. The only problem with this is that it not only leads to bad arms control, but it also leads to inappropriate security policy.

National security policy in the United States, as it involves weapons procurements, has been increasingly dominated by the arms control process. One of the best illustrations of this is the increasingly common tendency to look at security as a function of parity and to engage in efforts to mimic the size, type and disposition of forces displayed by the other side. Arms control negotiations have encouraged this tendency because parity is such a useful negotiating principle. Opponents of arms control have also stressed the importance of parity in any agreement and by implication have supported parity in matters of doctrine and decisions on weapon systems. As Lawrence Freedman has stated, however, it is inappropriate to turn a useful negotiating principle into a "profound strategic insight," and as Bernard Brodie argued many years ago, an effective deterrence posture does not necessitate parity. This should be even more evident today given the redundancy existing in the nuclear stockpiles of the superpowers. Yet there are widespread pressures for parity, and negotiated arms control only encourages such pressures. By allowing the arms control process to define security policy we are undermining the potentially compatible objectives of an effective control of armaments and an effective security policy.

"At least they are talking," ha!

Accepting for the moment that arms control negotiations have not only been ineffectual in reducing the nuclear stockpiles of the superpowers, and may indeed have encouraged an increase in these stockpiles, are there any other reasons why we might wish to retain the process? One alternative rationale for continuing arms control negotiations, regardless of their inadequacies in dealing with the problem they are ostensibly designed to handle, is that such negotiations serve as an important and useful forum for bringing the Soviet and US governments together in the same room. The "at least they are talking" option has become a common refrain and seems to result from a view that arms control negotiations were most intensive and successful during the early years of détente. Hence this less hostile period of Soviet-US relations was somehow the result of arms control talks.

It is also a characteristic of the "at least they are talking" tendency to use arms control talks to measure the state of the relationship. When talks are on there is an assumption that the relationship must be in good shape and when they are interrupted things must be going badly. This tendency is in most respects disconcerting. Arms control negotiations deal with the most sensitive and intractable elements of the superpower relationship. While weapons are at one level merely technical systems that are easily manipulated, at another and more subjective level they are the vital organs of the state that allow the state an opportunity to protect and enhance its vital interests. Each weapon becomes part of an overarching security umbrella. Thus while adding weapons becomes a rather simple process, taking them away is substantially more difficult because it is easy to regard any reduction as leading to a leak in the umbrella. Arms control negotiations thus tend to fuel mistrust and suspicion rather than reduce them. As one observer noted, negotiations are "détente-consuming," not "détente-producing."

Altogether, it is difficult to conceive of a process less likely to foster mutual understanding and trust than arms control negotiations. When such negotiations are surrounded by threats of intimidation and charges and countercharges of lack of sincerity and violations, the bilateral relationship is unlikely to benefit. Given the numerous difficulties inherent in trying to reach an agreement in this area and the concomitant difficulties of getting domestic approval in the United States, the process has too many pitfalls to be granted centre stage in the Soviet-US relationship.

Over-expecting

By assigning superpower arms control negotiations so much significance we are undermining what few possibilities exist for success. For one, it gives the negotiations responsibility for managing aspects of the relationship that they are incapable of controlling. Arms control negotiations are not going to resolve superpower conflicts in the Middle East, Central America or Africa, and should not be expected to. The practice of linkage which renders success in arms control conditional upon good behavior in other areas is counter-productive to both arms control and a successful resolution of these other conflicts. Arms control negotiations have enough problems without adding to them. Moreover, given the great likelihood for failure in the existing arms control process, it is important that we do not overestimate the importance of such negotiations, for when failure does occur it is likely that we will read more serious implications into it than are actually there. Thus it would appear that even the "at least they are talking" rationale does not provide a satisfactory basis for continuing the arms control process.

In light of the problems apparent in the arms control process, it is necessary to reconsider the issue of arms control and devise new methods for dealing with it. Assuming that the existing process will continue for at least the short-term future, it is essential that as a first step we reduce our expectations of success and the significance that we grant to these talks as a measure of the superpower relationship. We should also recognize that contacts between the Soviets and the Americans on other issues are as important, if not more important, in reducing the risks of war than are arms control negotiations. As long as governments believe that publics demand negotiations they will continue to use this forum for propaganda purposes and make agreements even more difficult to arrive at than they already are. As public expectations change not only might agreements be easier to reach but failure would have less serious repercussions for the relationship.

Some other routes

Finally, given that negotiations to date have contributed as much to the arms race and superpower tensions as they have to arms control, we should realize that these negotiations must bear some of the responsibility for the current state of over-armament and insecurity. We can no longer afford to have security policy defined within the context of arms control negotiations. If the Soviet and US governments are committed to a reduction in tension and armaments then they should exercise unilateral restraint in the expansion of existing weapons and the development of

Talks increase weaponry

new ones. Policies of unilateral restraint should be communicated to the other party but should not be contingent upon comparable moves. This process would allow both parties to define their security needs with greater flexibility as they moved to lower levels of armaments.

Discussions between the Soviets and the Americans should continue but the objective should not be to reach formal agreement. Rather these discussions should be designed to exchange information and concerns with the twin objectives of maintaining stability and preventing strategic surprises. Policies of unilateral restraint should be encouraged by domestic publics because with the current size of

weapons stockpiles such policies pose fewer risks than an endless search for qualitative and quantitative superiority. While the outcome of such an approach cannot be forecast with certainty it does have a successful historical precedent. The ban on atmospheric testing of nuclear weapons was preceded by a unilateral suspension of atmospheric testing by the Kennedy administration. Negotiated arms control has failed to bring about a lower level of armaments and reduce superpower tension. Instead of continuing to support such an ineffective approach we must look to new options to lower the risks of war and thereby improve our own and the rest of the world's security. □

Letters to the Editor

Author's reply

Sir,

In the interests of continuing the debate on relations with the United States, may I reply briefly to the comments by Mitchell Sharp and Mel Watkins on my recent article ("Economic integration with the USA," November/December 1984)?

Mr. Sharp says I have set up a straw man by saying that his Third Option strategy "inclined" the government towards nationalist policies. He adds, however, that his policies were intended to stem the "prevailing tide of continentalism." So I suggest that our differences here are semantic rather than substantial. The important point, of course, is that however one wishes to label the policies, they failed utterly to stem the tide of economic continentalism. That was the major conclusion of my analysis of the Third Option, and in his reply, Mr. Sharp wisely ignores it in favor of setting up his own straw man — that I am really proposing political union with the United States. I neither said nor hinted at any such thing.

Mr. Sharp says I have every reason to know that he is not a nationalist because he led the fight against the economic nationalists at the 1966 Liberal Party Convention. Indeed I do remember covering that fight as a reporter for *The Globe and Mail*. He can correct me if I am wrong, but I think the critical vote came on a resolution proposing free trade, which Mr. Sharp supported. But times change and so do opinions. For example, the floor manager for Walter Gordon's economic nationalists, opposing Mr. Sharp in that policy debate, was Donald MacDonald, now as Chairman of the Royal Commission on our economic outlook, a supporter of free trade.

I wish that Mr. Sharp had devoted more of his article to the substance of our policy options at present, and less to defending himself against charges I did not make — that he was an economic nationalist.

I am not surprised that my article angered Professor Mel Watkins. After all, he was a leader of the Waffle movement which took the view that "The American empire . . . is characterized by militarism abroad and racism at home." If one believes that, any proposal for closer relations with the United States would be a cause for anger. He was less than fair, however, in painting me as a warrior in the cold war simply because I said that NATO and NORAD seek "to deter Soviet attack." They do, don't they? Professor Watkins may think that the two alliances should not exist, or should have other policies, and I acknowledged that line of thought in my article: "It can be argued that Canadian policy is fundamentally wrong because the Soviet Union does not threaten war, or because the United States rather than the Soviet Union is the real threat to peace, or because Canada's best hope of survival in the event of war would be to remain neutral . . ." But I went on to say that as those are minority views in Canada and certainly not the policy of the new Conservative government, "Policy has to be based on the reality that Canada will almost certainly remain a close ally of the United States." It will, won't it, whatever Professor Watkins may wish to the contrary? I don't really mind him venting his anger on me, but he should not think that insults are a substitute for realistic discussions of policy options.

Anthony Westell
Ottawa

July/August 1985
in Canada \$375
other countries \$425

International Perspectives

The Canadian journal on world affairs

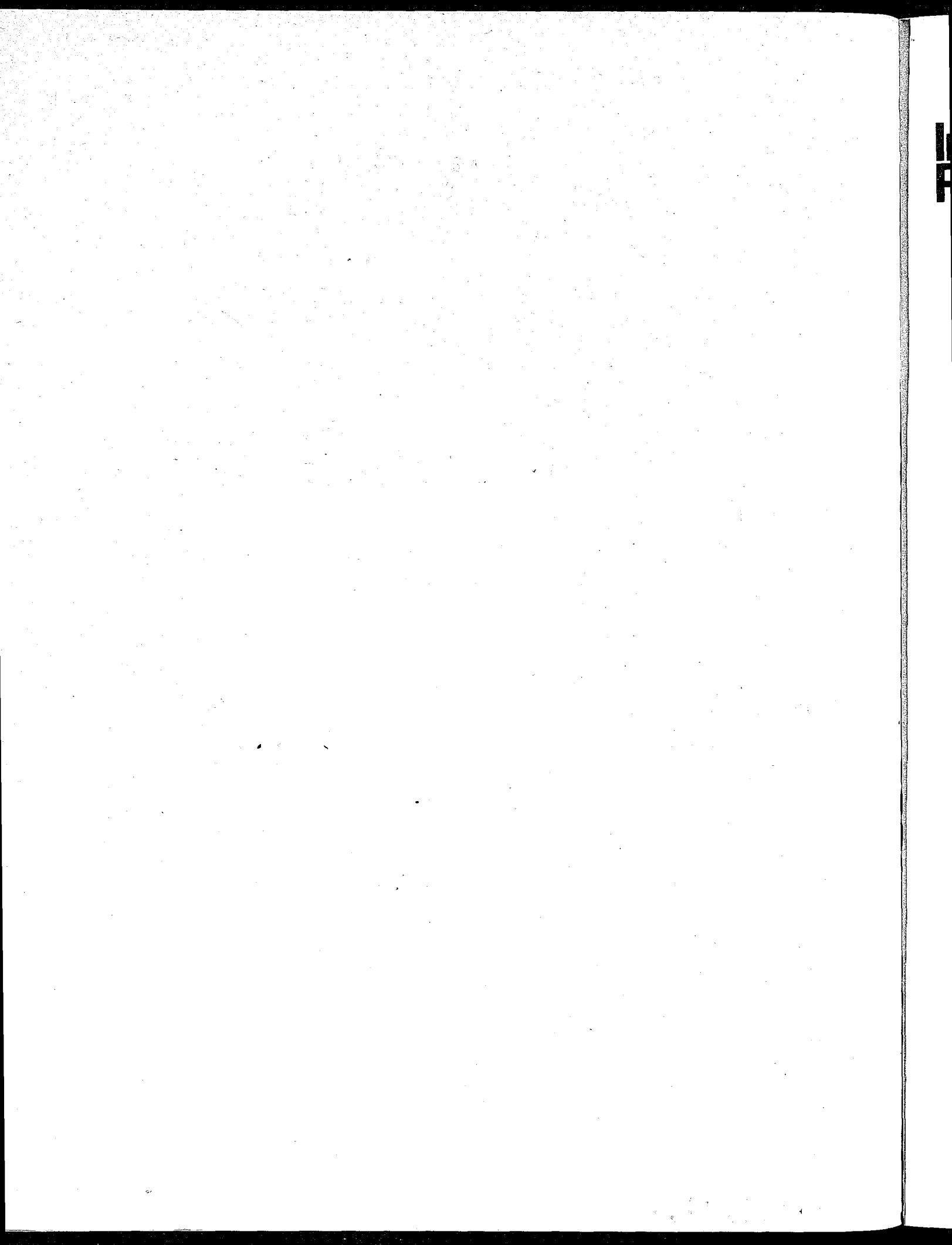
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International Canada

Centre supplement reference material on Canada's foreign relations presented by the Department of External Affairs.

International Perspectives

International Perspectives is published in Canada six times a year by International Perspectives, (95312 Canada Inc.), 302-150 Wellington St., Ottawa, Ontario, K1P 5A4. Telephone: (613) 238-2628

Second Class Mail
Registration Number 4929

Publisher:
Alex Inglis

Editor:
Gordon Cullingham

Editorial Associate:
David MacNeill

Design and Production:
Anita Bergmann

Subscription rates:

In Canada:

- Single issue — \$3.75
- One year (six issues) — \$21
- Two years (12 issues) — \$39
- Three years (18 issues) — \$57

Other countries:

- Single issue — \$4.25
- One year (six issues) — \$24
- Two years (12 issues) — \$45
- Three years (18 issues) — \$69

Subscription address:

P.O. Box 949,
Station B,
Ottawa, Canada
K1P 5P9

International Perspectives is a journal of opinion on world affairs. It takes no editorial position. The opinions expressed are those of the authors.

International Perspectives is indexed in the *Canadian Periodical Index*, *Current Content* and *PAIS Bulletin*.

ISSN 0381-4874
© 1985

Editor's Note:

Canada has to trade to live; and just as surely this periodical has to talk about trade to live. And so the debate goes on, with shifting concerns and constantly new material. In this edition Abraham Rotstein of the University of Toronto sends up some danger signals about pressing the US too hard on freeish trade, and Bruce Muirhead of Queen's presents some new findings on the way our trade promotion efforts do not correspond to market realities.

The world's two largest Communist countries get attention here. China — if it still is a "Communist" country — impresses John Walker with the depth and nature of its social changes since his last visit. And Stephen Lewarne of Carleton takes us through the Soviet press's treatment of the USSR's invasion of Afghanistan — both before and after.

Two important countries have had elections of note this year, and we have articles on each. In one (Greece) a popular President was enthusiastically reconfirmed. In the other (Brazil) the military pulled out and allowed free elections which returned a President who promptly died without taking over. His successor does not have the same heroic stature, but he does have the same tough economic problems.

The intricacies of Canada's international security policy are unravelled in our final item — an historical analysis by H.A. Delvoie of the Department of External Affairs.

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Hidden costs of free trade

by Abraham Rotstein

Less than two years ago we had an almost unanimous chorus from leading business associations, our various economic councils, financial pundits and the academic economists stating that we needed above all else, "secure access" to the US market, namely free trade.

At the moment, the great surge toward free trade with the United States seems to have abated somewhat. The federal government has qualified its initial enthusiasm and is in the process of conducting a domestic survey of opinion on the issue. The Province of Ontario seems less than keen about the idea and the Business Council on National Issues has put out an explicit disclaimer: it is not for "free trade," but favors instead "enhanced trade." Similar disclaimers have been issued by the Chamber of Commerce and the Canadian Manufacturers' Association, which stand respectively for a "comprehensive trade agreement" and "liberalized trade," but not for "free trade." Many of these qualifying phrases signify a retreat into general good intentions that are deliberately vague, or "open-minded." They refer to a process that is still in search of a concrete goal. The trade unions by and large are opposed to a free trade scheme that fails to protect employment.

Since we are already scheduled by 1987 to have 96 percent of our industrial exports enter the United States at tariffs of 5 percent or less, there are very few major industries which we could propose to expand into the American market that are now effectively inhibited by US tariffs. This was achieved by the Tokyo Round of GATT negotiations which began in 1973. It took many years of hard work prior to its final realization in 1987, and I find it curious to see this whole effort suddenly dismissed as virtually irrelevant to the present situation. How did this come about?

Spectre of non-tariff barriers

The key lies in developments within the United States. The US today speaks with two voices and with contradictory objectives. The administration wishes to pursue and extend the liberalized trading world that was built up in the postwar period and is directing its efforts to a new round of GATT negotiations centred on services, high technology and perhaps non-tariff barriers. Congress on the other hand, has been described as being in an "ugly" mood, smarting from the domestic pressures of a \$120 billion trade deficit. Congress is as protectionist today in its outlook as the administration is liberal.

The overriding concern by Canadians for "secure access" to the US market centres on the threat of more widespread use by Americans of non-tariff barriers, a nexus of legislation and regulations that is already in place and which may be invoked by US companies which claim to be injured by foreign competitors. So this is not yet again the classic Canadian debate on free trade versus protection. Canadians are largely reconciled to the substantial freeing of trade within the provisions of the latest round of GATT negotiations. The axis of the entire discussion has shifted and it is the threat of United States protection in its new guise which is our immediate concern.

When we consider this problem of circumventing US non-tariff barriers — trying to acquire what has been called a "trade litigation shield" — we are entering new territory where previous experience in the give-and-take of tariff negotiation may not be a reliable guide. For the same reasons, it may be misleading to fall back on the example of the European Common Market, which was conceived and structured essentially around the concept of mutual tariff reductions. Unless we face up to the new realities of non-tariff barriers — political, economic and legal — we risk another round of arid debate that has little to do with the problem.

Non-tariff barriers present difficulties of an entirely different order from tariffs. Tariffs are an external phenomenon, a "wall" of sorts between countries. They are a known quantity and not in principle discriminatory. From time to time they become a negotiable item, largely subject to the discretion of the particular governmental body responsible for their application and renegotiation. Non-tariff barriers come in many varieties but they tend to be more deeply entrenched in domestic legislation, and serve as a contingent legal device for firms which claim undue injury from foreign imports. Non-tariff barriers may also be more subtle and elusive in their application through covert, arbitrary and ingenious administrative practices by the particular government.

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Non-tariff barriers abound

Difficult to overcome

How can these new non-tariff barriers be overcome? Since they are embodied in US legislation at both the federal and state level (and at the federal and provincial level in Canada as well), it would require some new and unknown type of treaty between the two countries to override all such legislation. The American states and the Canadian provinces would have to be brought on board. The whole enterprise, even if there were the political will on both sides, would be years or even a decade in the making. If we wish to move beyond the vague and well-intentioned phrases such as "enhanced trade" and "liberalized trade," it is apparent that such a treaty is the only concrete and comprehensive answer to the challenge of non-tariff barriers.

The recent backtracking and qualification on the Canadian side seem to emerge from a more realistic appreciation of these new difficulties. Moreover, we are also becoming aware of some of the hidden costs of a free trade treaty that we had not suspected. While these costs remain to be spelled out systematically, they derive from what the Americans would consider "fair" in such an arrangement, with accompanying ground rules.

It may be premature to sketch out the exact direction and the precise conclusions of such potential talks on a free trade treaty. But it is still worthwhile to survey the items that will be on the agenda of these discussions and to note the dimensions of what is at stake.

II

When it comes to trade policy, the watchword in Washington these days is the "level playing field." This phrase is the local vernacular for a major preoccupation with the overt and hidden subsidies that foreign governments provide for their exports. Such subsidies are deemed to be "unfair" competition against US companies.

United States companies that have been substantially injured by the flood of lower-priced imports have tended to see subsidies everywhere in the world rather than ascribing the blame to where it belongs, namely the high US dollar. The countervail cases which they are initiating are geared to a microscopic hunt for "subsidies" unfairly tendered by foreign governments to their exports. This was of course the basis for the Canadian lumber case and the whole question of "stumpage" charges. But we should also understand that the US system is what one commentator has called "a one-eyed referee." In the case of Canadian pork, for example, it was sufficient to prove that the Canadian government had provided subsidies through its marketing arrangements; it was irrelevant to the case that Americans had subsidized their pork products as well. This is one of the many features of US administrative and legal practices that we shall have to face.

It is important to note as well, that what is and what is not a "subsidy" is by no means clearly defined. A body of law and precedent is being built up on this question in the EEC and a similar system of precedents is now in the early phases of development in the United States.

Defining subsidies

This sets the stage for the free trade negotiations — if these materialize. It will be a severe uphill battle to come to

terms with the US conception of what is a subsidy — particularly since that definition is itself not clear-cut and will remain to be defined by the cases that are still to come. If the restless mood of Congress erupts into more protectionist legislation, the term "subsidy" may be stretched over a very wide area and may offer an endless field day for lawyers and legal tribunals.

Besides subsidies, US non-tariff barriers cover a wide range of measures at both the federal and state level: countervail legislation, escape clauses, contingency protection, "Buy America" provisions and outright prohibitions, say, of foreign carriers for inland shipping (i.e., The Jones Act). Some of these barriers may prove negotiable but some may not. There is to my knowledge no known legal device or precedent which will give all Canadian goods free and unimpeded access to the United States. We do not even know how to go about constructing a treaty that will override the "Buy America" provisions at the state level and the "Buy Provincial" provisions — formal and informal — in Canada.

If appears that non-tariff barriers are not a fixed, but a moving, target. The use of countervail legislation, contingency protection and similar measures by US companies is usually a function of the stress to which they are subject by foreign imports and their lobbying successes with Congress. The Canadian quest for "secure access" is thus launched in a situation that is continually in flux and brings with it varying legal and political pressures on imports.

Assume for a moment that some of these issues can be negotiated and a compromise reached. The recent free trade treaty between the US and Israel is a case in point. If we examine its provisions on "secure access," it does not offer a basis for optimism. What the US Congress insisted upon and what is embodied in the treaty is that the US legislation on countervail and on anti-dumping duties remain intact in accordance with the Tariff and Trade Act of 1984. Israel has undertaken to remove all export subsidies, but because its economy is so permeated with subsidies of various kinds, it may still remain vulnerable to countervail actions despite the treaty.

The right to deny entry

Can Canada anticipate anything more certain or more secure in a free trade agreement with the United States? I doubt it. The Americans have a valid point. No national state can relinquish certain basic prerogatives: the right to valuation of incoming goods, the setting of certain product standards, and the right to levy anti-dumping duties. In the exercise of these prerogatives, "subsidies" remain a sticking point and become a potential basis for levying one or another form of countervail duty.

These constitute the basic safeguards that we might expect to form part of any free trade treaty. They are particularly necessary when the very ease of access produces its own temptations. One partner for example, might find it convenient to unload overstocked goods or those that might be going out of fashion.

This is the basic limitation in such simple and seemingly painless formulas as providing "national treatment" for each others' goods. The only sure-fire way to receive "national treatment" is to be part of that same national economy.

Meantime, in anticipation of such negotiations, all we have to work with is the "Law of Anticipated Reactions." This is a law that explains itself. We expect that the Americans would want assurances that Canadian goods coming in under such a free trade treaty would not carry open or hidden subsidies and we would govern our behavior accordingly. The best illustration perhaps is the recent Domtar case. You may recall that one of the reasons that Sinclair Stevens rejected the initial Domtar request for a grant was that this would prejudice the status of the exports from this plant to the United States: it might be construed as a subsidy. The rationale for the final arrangement with Domtar (the loan guarantee) was that it would not be construed as a subsidy since it was consistent with US practice.

This case I think, is emblematic of the general dilemma that we face in buying insurance against US non-tariff barriers. The price for the "secure access" to the US market on which we are so intent, is the silent American presence at the table for virtually every domestic decision that we shall make in the field of industrial policy. Will any particular proposal we are considering be construed by the Americans as a subsidy? Who will be in a position to answer this question? In most cases, not even the US administration, since the body of precedents is still evolving. Would we be tempted in the end to cut through the difficulties and ask for some US tribunal to give us an advance ruling as each particular case arises?

Subsidies and development

Perhaps we will stop short of such an absurdity. But the implications for industrial policy in Canada are obvious. Small business programs, research and development grants, industrial assistance programs, regional development plans (DRIE) and numerous other such activities would be up for scrutiny. The Industrial and Regional Development Program (IRDP), for example, will spend \$344 million this year. The annual total of all grants and special contributions to Canadian business firms is estimated at \$4.5 billion. If any of these programs fail to pass the US test for "fair trade," countervailing duties would be applied and thus would defeat or obstruct the purpose of the free trade exercise.

If we are prepared to dismantle our industrial assistance and incentive programs, our agricultural marketing boards, our subsidies to fish, grain and energy, our efforts to catch up on research and development, most of our active crown corporations that receive government grants, the last vestiges of FIRA that remain in the Investment Canada legislation (particularly the restrictions that apply to the cultural sphere), then we will provide few targets for US firms to shoot at when they go hunting for "subsidies" that lie hidden within these Canadian imports. The fewer industrial programs we have, the less vulnerable we shall be to US non-tariff barriers.

Some may be inclined to reply that this is no great loss since we should be getting rid of all kinds of government interventionist programs anyway. The free trade treaty, they would argue, will simply move us in a desirable direction.

This would be a cavalier as well as a naive response on the threshold of the complex industrial adjustments which we are facing. The uncertainties go far beyond the question

of trade policy or even industrial policy in the conventional sense. In the light of the massive global shifts of manufacturing to areas such as South East Asia quite severe problems are at our doorstep today. This is hardly the time to begin to foreclose our options. Let us explore some of these issues as they relate to the constraints imposed by a free trade treaty.

III

There are many anomalies, contradictions and uncertainties that await us in the formulation of both trade policy and industrial policy. It is apparent that there is no "safe" policy either in attempting to maintain the status quo or in a free trade treaty with the United States.

Many Canadian manufacturers who export to the United States feel vulnerable to impending US trade restrictions. They support a free trade arrangement as a way of getting some protection from the further extension of US non-tariff barriers. But they sense that this is at best an uncertain proposition: a free trade arrangement may not happen, it may take a long time if it does happen, and perhaps it will not afford the secure protection for their exports that they would like. The only fully secure solution, they feel, would be to shift their manufacturing operations to the United States. If we do not have free trade therefore, it is clear that we shall see the departure of some Canadian manufacturing southwards to a safer haven. This process is in fact well under way.

The US subsidiaries in this country are a different story again. Many of them are here expressly to serve the Canadian market. But if there is free and unimpeded access to that market from their main manufacturing plant in the United States, there will be little reason to maintain their Canadian operation, and certainly no reason to expand it. I am not suggesting that there will be a precipitous exit from this country, because there are sunk costs. Some subsidiaries may even stay because they feel that they will have a more secure edge in the Canadian market if they have a Canadian presence. But we may expect an important segment of our US subsidiaries either to close up shop entirely, or to scale down their operations to a sales and distribution network. Warehousing will replace manufacturing.

Either way we lose

The dilemma is clear cut: whether we do or whether we do not enter a free trade arrangement, there will be long-term attrition of Canadian manufacturing from either or both of these sources. This should indicate in itself the important role that an industrial policy will have to play regardless of the outcome of the free trade talks. Put differently, we may not have the option not to have an industrial policy. But there are other difficulties ahead as well.

We must prepare for the general shift of manufacturing processes to the low-wage and high-productivity countries of South East Asia. Here, the Americans are far ahead of us in starting joint ventures and establishing new plants in Japan, Korea, Malaysia and the Philippines. The pressures that this will eventually exert on domestic US manufacturing employment will, no doubt, spill over into Canada.

Non-tariff barriers abound

Many of these issues come to a concrete focus in the present dilemma of our automobile industry. It is not at all clear that we can keep up the previous quota system for foreign cars once the Americans have decided to drop it. The automobile picture is still clouded, but if, as it appears, General Motors' new subsidiaries in Korea and Japan are successfully producing "Chevrolets" for the North American market, then the question of serving the Canadian market with US offshore automobile production is bound to arise. Under the Auto Pact the Big Three have the choice of producing a proportion of their output in Canada or of paying the appropriate duty when they ship to the Canadian market. When there is a low or zero duty, as we would expect under a free trade treaty, the second option, namely, paying the duty, will become increasingly tempting. We would be hard put in the circumstances to discriminate against or to restrict any US offshore production coming into Canada.

Threat of US offshore production

Looking at the more general implications of this proposition, the whole system of voluntary quotas that we have been using to tide us over the problem of waves of cheap foreign imports would be in jeopardy whenever Americans had an interest in the production of offshore plants. This could very soon cover a lot of territory. A related policy that could go by the board is our insistence on production quotas in Canada — a policy that we have been pursuing with some feeble success with Japanese automobiles. But once such firms are partly owned by American interests, the insistence on some production in Canada might not be regarded as consistent with the "level playing field." Another policy option would thus be removed from the few that are now available.

An even larger issue that looms is the race between the United States and Japan for capturing the high ground in new technology. The winner of this race will secure the key to the new manufacturing that will accompany such a victory. If perchance the United States loses this race, what we shall be sharing with the Americans are the miseries of further industrial attrition rather than the benefits of a continental division of labor.

These are only a few of the uncertainties that plague the present debate about the advisability of a free trade treaty with the United States. In the light of the novel industrial pressures that we are likely to experience, industrial policies will become more rather than less necessary if we are to maintain some control on the direction of change and the pace of adjustment. The treaty, however, is bound to constrict significantly our freedom of action in adjusting to these problems.

Control of exchange and tax rates

But the shackling of our industrial policy options is not the end of the matter. A different set of restrictions must be anticipated in regard to control of our exchange rates. The Americans would surely regard any decision to devalue the Canadian currency as an unfair trade advantage — once more, not a "level playing field." A policy of flexible exchange rates seems to be the answer on the surface — that is, allowing the market to determine the appropriate exchange rate. But everyone from Gerald Bouey on down

knows that this is nonsense and that we live in a world of "dirty floats" where governments have substantial control over the level and the rate of change of the exchange rate. (We have certainly paid an inordinate price in Canada in the past few years to exercise that right by supporting the Canadian dollar.) It is clear that we shall have to accept one or another set of external constraints on our exchange rate policy.

I shall mention only briefly the question of tax rates which once again will have to be, as the saying goes, "harmonized" with US tax rates. Coupled with that is our long-standing policy of following US monetary policy and interest rates.

It is not clear what remains of the economic prerogatives of a self-respecting nation state. What policies would we fall back on to stem the tide of our own unemployment, which shows no sign of budging from its base rate of 11 percent? How would we ease our transitions into other industries? Try to think of a set of policies which would involve: no subsidies, no "voluntary quotas," no production quotas where they may touch US firms or their subsidiaries abroad, no manipulation of the exchange rate, and "harmonized" tax rates and monetary policy. This is nothing less than a formula for turning the Canadian economy into a paraplegic.

In the light of such a potential situation, I find the abstract discussion of whether Canadian "sovereignty" will or will not be compromised by a free trade treaty quite beside the point. I suspect as well that this is what lay behind the recent article in *The Economist* that foresaw our fate as the 51st state in the new country "Namerica."

IV

The Canadian fixation with a free trade treaty is, I suspect, driven by our implicit fears that we have an inadequate industrial policy in this country and that we cannot rectify the situation on our own. The free trade camp argues that the economic status quo is untenable and "therefore" free trade and "the free market" (read the US economy) is our only viable option. What makes the free trade treaty look so attractive to some is the ready-made overhaul it will presumably provide for the Canadian economy. However, no impact studies on an industry-by-industry basis have been done; for the free traders they are not considered necessary. The "free market" provides its own infallible radar for flying blind, and free traders cannot even envisage a crash landing.

Our own industrial policy needed

The Canadian economy is in grave difficulty and the absence of an effective industrial policy is our Achilles heel. Reluctant as we are to face up to this issue, it is little wonder that we turn to a ready-made conformity to the US economy as our fall-back position. But the potential repercussions of such a stance have already been noted. Conformity with US economic and administrative priorities would likely have to include as well such areas as antitrust, energy policies and deregulation.

If free trade is at bottom a stalking horse for adopting US industrial policy, it signals a counsel of despair. This

problem of industrial policy should, in my view, be given priority and not become an auxiliary wagon hitched onto a free trade treaty. If we could resolve the issue of industrial policy at home, our latitude of decision in trade policy would be much greater. The free trade alternative is a dubious exercise aiming at two targets with one gun.

While it is true that trade with the United States is now approaching 25 percent of our Gross National Product, it may still be appropriate to ask with respect to the Canadian economy as a whole whether trade is the cart or the horse? Under a free trade regime it will be difficult to discriminate between those policies that we are required to adopt as part of our treaty obligations, and those policies designed to do something for the other 75 percent of the economy not involved in export trade to the United States. What we gain on the turns we may lose on the roundabouts. The freedom from trade contingencies and litigation that we may gain in the export sector is balanced (or overbalanced?) by the constraint of our economic options on the domestic side. We may, in short, be putting the entire economy into a straitjacket in order to acquire some pretended "secure access" for the export sector.

I have drawn an admittedly worst-case scenario to bring out more clearly the hidden costs that are involved. Such events may not materialize in just the way I have sketched out. Exemptions and exceptions can be negotiated. Americans after all, have their own subsidies, although they are loathe to recognize them as such.

An expensive deal

But in buying "insurance," we get what we pay for. Negotiations that may ameliorate the stringency of US preconditions, say on the definition of a "subsidy," will produce their own holes and weak spots in the "trade litigation shield." They will leave us that much more exposed to restrictive actions launched by US competitors.

But the danger lies on the opposite side. Because of the artificial romance that has been generated in this country with a free trade treaty, we have generally turned a blind eye to the costs and compromises that will be required of us

and have failed to appreciate the consequences of the narrowing of our industrial options.

Finally we might step back from this one-sided love affair with a free trade treaty and compare our situation with what other interested countries are proposing to do. Japan is the United States' second largest trading partner and Mexico its third. Why has the issue of a free trade treaty not been raised for either of these two countries? Mexican policy is now oriented to more effective lobbying efforts in Washington to protect its trade interests and to certain administrative adjustments that have been mutually agreed upon. Nobody on either side of the Mexican border is proposing a free trade treaty. The very notion of such a treaty with Japan would be regarded as bizarre both in Washington and in Tokyo. Can you imagine further how totally surreal this idea would be in Washington if, for example, Japan were ten times the size of the United States?

As I mentioned at the outset, the tables have turned in the great Canadian parlor game called free trade versus protection. Although residual elements of Canadian protectionism remain, we have been caught off guard by the fact that the impending issue is the novel US protectionism. We are not certain whether we should expect a squall or a tornado in US trade policy. There may only be a squall, in which case we can enjoy the benefits of the last Tokyo Round of GATT negotiations. As stated earlier, there are very few major industries in this country that could not take advantage of the large US market by 1987 if they chose to do so.

A free trade treaty, on the other hand, presumes that we should take out tornado insurance and pay the high premium attached. My own conclusion is rather different. Nothing and nobody can guarantee us sunshine if a major storm is in the offing. The sensible course is then to pursue the problem of US non-tariff barriers through the new round of GATT discussions. Meantime we should batten down the hatches and tackle directly the many difficulties in our own economy, including our overdependence on the US connection. □

Trade policy askew

by Bruce Muirhead

Much of Canada's post-World War II foreign policy has been marked by a search for commercial counterweights to the overwhelming position of the US market in Canadian economic affairs. Historically, Ottawa has concentrated on developing Western Europe as the necessary balance. For a number of reasons, this policy has failed. The non-recognition of this fact for so long served to distort trade policy in a direction that did not reflect current reality. Perversely, despite an official recognition of this, the bulk of Canada's trade effort, outside the United States, remains in Western Europe. This article will argue that that policy is fundamentally wrong-headed; the future — indeed the present — of the country does not lie in Western Europe, but rather in the Pacific basin. It is to this region that Canadian policy-makers must turn their attention.

Failure of the European option

In the late 1940s and early 1950s, some Canadian politicians and officials were aware of the dangers inherent in a too-intimate economic relationship with the United States. They were also very conscious of Europe's role in the maintenance of Canadian prosperity. Indeed, few subjects were of more importance than the recovery of Western Europe. As John Holmes later wrote, as a trading nation, "much of whose development [has] been geared to European requirements, Canada needs European markets."

During the ten years following 1945 Ottawa had little choice as to with which countries it would trade. High tariffs and inconvertible currencies meant that Europe and Britain were not interested in developing or enhancing their commercial relationship with Canada. Wracked by economic and commercial problems, they discriminated against a wide variety of Canadian products. Such traditional agricultural stalwarts as wheat, bacon, eggs, cheese and apples were now purchased by former customers of Canada from countries that did not use the US dollar as their medium of exchange. Even so, throughout the decade Canadians had sought by whatever means possible to convince their North Atlantic partners of the benefits of ex-

panding Canadian-European trade. Ottawa was determined to establish firmly its presence in the European market after the war while patterns of trade and commercial relationships remained in an unsettled state.

In various ways, the Canadian government demonstrated its commitment to the concept of multilateralism. Through three rounds of tariff negotiations under the auspices of the General Agreement on Tariffs and Trade in 1947, 1949 and 1951, Ottawa pushed hard for lower tariffs and less discrimination against dollar products. As an associate member in the Organization for European Economic Cooperation, it also attempted to ameliorate the worst aspects, from a Canadian point of view, of certain European trade proposals that discriminated against hard currency countries, of which Canada was one. Despite the best efforts of Canadian officials, they were largely unsuccessful. As S.D. Pierce, the Canadian liaison man in Paris for trade matters in the late 1940s, noted then, but which held equally well during the 1950s, "a curse has been placed on Canadian exports" to Western Europe.

Hard dollars, hard exports

Ottawa was also especially concerned about various proposals for European integration of one form or another, such as the Stikker Plan, the Green Pool or the Messina accord, that discriminated against Canadian products. On this issue it was adamant; the government constantly reiterated that Europe should not be built up into a discriminatory trade bloc. It was loathe to allow any exception "to the general policy of multilateralism, non-discriminatory trade and policies, which has generally been pursued since the end of the war by the government of Canada." However, as a middle power with very definite limits to its powers of persuasion, Ottawa could do little to prevent the implementation of such policies. While Canadian representatives in Europe worked diligently to ensure that their government's point of view was made clear, their lack of success was palpable.

Similarly, the United Kingdom, in the prewar era a major consumer of Canadian exports, now discriminated against them on the basis that Canada was a dollar country. With their British counterparts, senior Canadian officials met regularly to discuss commercial issues and to put their case against British discrimination. Their continuing failure was marked by a precipitous drop in the volume and

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value of Canadian exports going to Great Britain in the decade following 1945.

Neither the Western European market, nor especially that of the UK, ever regained its prewar significance as the destination of Canadian products. New patterns of trade were established in the decade following 1945 that have proved impervious to change, despite the best efforts of policy-makers in Ottawa. In the postwar world, Britain and Western Europe never could fulfill the role of counterweight to the US.

By a simple process of elimination, the logical market for Canadian goods was the United States. Fuelled initially by the Second World War and their own internal dynamics and then by events in Korea and elsewhere, the Americans were taking ever-larger amounts of Canadian goods. Major items in the shift of exports from Canada's traditional markets overseas to the US included coarse grains, beef, lumber, newsprint and pulp. Many politicians and officials were torn by the necessity of securing safe markets and the obvious perils associated with an overwhelming dependence on one. Still, in order to survive, Canada had to trade; in a sense, there was no option.

Wasting time in Europe

Given that situation, what relevance does it hold for the present decade? The world today bears little resemblance to that of the 1950s, but those ten years are

instructive as to how Canadian initiatives to increase trade in Western Europe would be met. To suggest in the 1980s that in order to diversify its commercial relationships, Canada should look to the North Atlantic area for markets would imply a misallocation of scarce resources. Canadians have been mesmerized by the *potential* of Europe as a destination for their products for too long. The decade of the 1950s graphically demonstrated that the Continent would have as little to do with Canada in the commercial sphere as was possible. If anything, the failure of the Liberal's so-called Contractual Link in the 1970s provided additional proof. Indeed, as a percentage of total Canadian domestic exports, the European market has contracted. In 1971, the Continent purchased some 16 percent of Canada's total domestic exports, while in 1984 this figure had been reduced to approximately 7 percent. Significantly, this marked decrease occurred during the decade when official Canadian trade policy was directed toward penetrating the European market. While Canada does have enduring political, social, cultural and historic ties with Western Europe, as a market for Canadian exports, it is of limited value. It is certainly not in the country's interest to continue to expend significant energy, time and money on that market in the hope that it will respond to Canadian overtures.

Where does that leave Canadian trade policy? If one accepts the need for a move away from, or at least the necessity of containing its overwhelming dependence on,



Underplaying the Orient

the US, there is an obvious problem. It appears that the most viable markets for Canadian exports are in the developing countries of the Pacific basin; those of South America do not, for the present, demonstrate the same potential. This area is where some critics of the present policy agree that Canada should work on the development of new markets. As a case in point, the country's domestic exports to the ASEAN states (Malaysia, Singapore, Thailand, Indonesia and The Philippines), South Korea and the People's Republic of China have increased some five-fold in dollar value since 1976. Growth in Canadian exports to those countries between that year and 1984 has been phenomenal. In the case of China, for example, they have risen from about \$196 million in 1976 to \$1.2 billion in 1984, while for Indonesia and Malaysia, the figures are \$76.9 million to almost \$300 million and \$30 million to \$188 million respectively. Total domestic exports to the ASEAN group, China and South Korea have gone from approximately \$500 million in 1976 to nearly \$2.8 billion in 1984. This surge is indicative of the general trend in Canadian exports to Asia as a whole. Over that period, total sales have increased from \$3 billion to nearly \$10 billion, clearly surpassing those to Western Europe.

Asia emerges

The Canadian record in the decade of the 1970s in cultivating Pacific rim markets is a creditable one given existing circumstances. Such diverse and unfamiliar markets as, among others, those of the People's Republic, Indonesia and Malaysia have so far responded well to Canadian businessmen. The People's Republic of China, for example, is often cited as a major new market for Canadian goods. If, however, Canada intends to pursue further opportunities there, the government will have to increase by at least several times the number of trade officers currently serving Canadian interests in China. While it may be a "priority market" in the minds of trade planners in Ottawa, this is not reflected by the five trade commissioners assigned to Peking. Similarly, Canada maintains a total of thirty-three trade officers in Asia for the ASEAN countries and South Korea. By way of comparison, despite the falling value of Canadian trade with Western Europe, External Affairs supports 109 trade commissioners and locally engaged staff to oversee Canadian interests in that market.

Some shift in manpower away from the declining markets of Western Europe to the fast-growing ones of the Pacific basin would seem to be in order. While Canada presently sells roughly twice the value of end products to Europe that it does to Asia, it also now sells more fabricated materials to Asia than to Europe. Significantly, the demand of Asian countries for manufactured goods is also expanding as they industrialize, unlike that of Western Europe. If Canada is to capture some portion of the potential market in Southeast Asia for communications technology, air and rail transportation, hydro-electric projects, petrochemicals, manufactured goods and high technology products, it is imperative that the government act soon.

As well, Japanese competition in the region is becoming more keen; Canadian businessmen must cope with nine Japanese *sogo shosha* (trading houses), ranging from Mitsubishi, which conducted \$90 billion worth of business

worldwide in fiscal 1983, to Nichi Men, which captured \$15 billion. Their resources are immense and their product range spans the gamut from instant noodles to rockets. Given the lack of any trading structure even approaching the size and influence of a Mitsubishi, the Canadian government must begin to provide the necessary interface between Asian buyer and Canadian seller. Of necessity, this requires a greatly expanded corps of trade commissioners in Asian countries to facilitate business. Ottawa's trade policy must serve the country's economic self-interest, and it does not when Western Europe is favored over the Pacific basin. Increased emphasis must be put on the latter, especially given the deficit position that Canada is moving into with the countries of Southeast Asia and the North Pacific littoral.

US market remains dominant

It is asserted here, however, that even despite Canada's performance in opening up new markets or augmenting existing ones in the developing world, barring some unforeseen disaster or cataclysmic upheaval in Canadian-US trade relations, the US market will continue to increase, or at least not decline, in importance relative to others. Given its geographical proximity and its enormous financial and commercial power, it makes little sense for Canada to speak of counterweights or "Third Options." Certainly Ottawa can and should cultivate trading relationships everywhere, but it is highly unlikely that these would be sufficient to challenge the dominant US position with respect to Canada.

But that does not make any less compelling the need for Canada to establish new markets for her exports. Europe in the 1980s is of less importance in the commercial sense to Canada than at almost any time during the last forty years. Sales of Canadian goods across the North Atlantic show a steady downward spiral. Perversely, Ottawa continues to emphasize the European connection perhaps at the expense of pursuing other opportunities. Certainly these opportunities exist in Asia and Canadians would be remiss to take them lightly. This will require a reorientation of official thinking from the Atlantic to the Pacific; as Science Council Chairman Stuart Smith has noted, "The sooner Canada begins to think of itself as a Pacific rather than an Atlantic nation, the better it is likely to do."

Attractive postings matter

External Affairs will have to sort out its priorities quickly. In an era of budget cutbacks, the Department cannot satisfy all the demands made upon its resources. It must recognize that continued emphasis on the developed and, for Canadian purposes, static Western European market is not commensurate with the return. However, the well-entrenched "Europeanists" in External Affairs present a formidable force against change. Western Europe remains, by and large, the desired posting and is accorded a concomitant status within External. With the recent reorganization of the Department and the resulting emphasis on trade matters, this is no longer appropriate. Increasingly, continued Canadian prosperity will depend at least in part on the systematic exploitation of Pacific markets. It is time to replace Canada's historically-induced Atlantic consciousness with a Pacific one. □

Socialism with a Greek face

by Constantine Melakopides

The alarmist mythology about Andreas Papandreou, cultivated since his October 1981 election victory, did not impress the Greeks, who returned his Panhellenic Socialist Movement (PASOK) with 45.82 percent of the vote in the June 2, 1985, national elections. Branding him "anti-American," "pro-Soviet," "populist" and "erratic" his opponents attempted to demystify his domestic popularity and to misinform Greece's friends about his socio-political designs and foreign policy intentions. This campaign had been sustained by the Greek opposition press, whose partisanship reached banality, and by influential foreign media, irritated at Papandreou's capacity to end a half-century of right wing rule, his defiant nationalism, his democratic socialism (akin to radical liberalism), and his efforts to carve a stance of relative equidistance from both superpowers.

Two things principally account for Papandreou's return to power: respect for his first government's domestic record and its foreign policy initiatives, and contempt for the electoral campaign mounted by conservative New Democracy, led by controversial Constantine Mitsotakis. This contempt rested on the fact that New Democracy's US public relations firm stressed the wrong themes. They did not recognize that Mitsotakis could not be rehabilitated after his 1965 political sin of precipitating the downfall of George Papandreou's government which he had done in collaboration with the Palace and the external sources of Greek dependence. Similarly, Papandreou's credibility could not suffer from his opponent's harping on his alleged "inconsistency." Nor could his economic record be made to appear disastrous, in view of what he inherited in 1981. In addition, it proved eminently unwise to treat the Greeks as decisively motivated by consumerism and possessive individualism, ready to succumb to imported axioms of (hellenized) Reaganism. In fact, the voters knew, first, that Papandreou's economic planning was only meant to set the rules for the revised game, premised on the rational structures of a modern mixed economy; and second, that he made the right choices in handling Greece's security dilemma and foreign policy conundrum, the problems related to the Turkish threat to Greece and the legacy of Greece's dependence on external decision-making centres.

However, the Papandreou phenomenon is clouded by mystery, given the contradictory views and passions that surround it. Therefore, some schematic observations on

Papandreou's theory and practice may refute the caricatures of his intentions — the notions that his pernicious "radicalism" could eventually transform Greece into a Third World dictatorship, thereby destabilizing NATO's southern flank and threatening security in the eastern Mediterranean.

Intellectual in politics

Before returning to Greece in 1959, Papandreou had enjoyed a distinguished career as an academic economist in the United States. His teaching began at Harvard in 1943 and continued at the universities of Minnesota, Northwestern, and California at Berkeley, where he was department chairman from 1956 to 1959. Initially inspired by the prospect of founding an economic research institute in Athens, Papandreou entered politics in 1964, under the aegis of his father George Papandreou. Elected MP for the ruling Centre Union, he soon headed the party's reformist wing, attracting the wrath of the Greek Establishment by his exposure of its role in perpetuating Greece's backwardness.

Confirmation of Papandreou's early diagnosis of the Greek malady (the Establishment's dependence on the "external factor") was amply provided by the April 1967 Colonels' coup which prevented, as it clearly intended, the re-election of the Papandreous in the approaching elections. Imprisoned and later exiled, Andreas Papandreou left for Stockholm and then Toronto, to teach and lead the fight against the military junta.

Three books that Papandreou produced from his Toronto exile — *Democracy at Gunpoint* (1970), *Man's Freedom* (1970) and *Paternalistic Capitalism* (1972) — summarized the principles of his "vision" for Greece, discussed the necessity of democratic reform for her socio-economic and cultural growth, and intimated the parameters of a future global order. Such an order would be sensitive to the aspirations of the underprivileged, in a multi-polar system, with equidistance from both superpowers.

While not intended as ground-breaking, these books revealed Papandreou's skill for broad theoretical syn-

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Changing China

by John R. Walker

Deng Xiaoping, China's twice rehabilitated leader now at eighty, calls it the "second revolution." The diminutive, peppery Deng, who was toppled from power twice by China's Maoist idealists for taking the capitalist road, now is watching over a massive economic reform of China that he himself calls "building socialism with capitalist methods." Rejecting Mao's collectivist, egalitarian system and the Soviet centrally-planned economy, Deng and his colleagues are experimenting with a mixed economy that is being designed to rely on market forces and decentralized management. In the process they are turning Mao's China upside down.

Deng's hand-picked Prime Minister, Zhao Ziyang, puts it bluntly: "Socialism has only two principles, public ownership of the means of production and paying each according to his work. Beyond that, all structures, systems, policies and measures which can promote the development of production should be freely adopted. We must not bind ourselves as silkworms do with cocoons."

Mao Zedong's thoughts may be the subject more of cynicism than of reverence today, but Marxism modified by time is still the basis of what ideology is recognized in China and the Communist Party is still maintaining its control over this unique and even perilous experiment. As a result in the past five years China's peasants have been encouraged to do what they do best, that is, intensive family farming freed from the restraints of the commune. And elsewhere millions of Chinese have been given their heads to exercise their innate entrepreneurship, to do what Chinese everywhere else in the world do best, make business rather than revolution.

Surviving the Cultural Revolution

All of this has changed the atmosphere and the face of China from what it was during the initially exhilarating, eventually claustrophobic, days of the Cultural Revolution, when China was remolded on repressively ideological lines and a generation of Chinese sacrificed for one man's obsessions. Now, although skyscrapers, automated factories, and luxury hotels are rising in China's major cities and its

new economic zones, and although "get rich quick" is a slogan of progress, this great country still faces the obstacles of poverty and factionalism, of disgruntled idealists and fearful conservatives, of millions who still must eke out a bare subsistence in the hardest of ways.

Returning to China for the first time in five years, and for the most extensive visit since living there for three-and-a-half years in the Cultural Revolution days of the early seventies, I was quite stunned by the changes in almost every facet of society, and by the openness with which this new revolution was being discussed. The most successful signs of the big changes in China are to be seen in the countryside where the dismantling of the commune system has seen agricultural production increase so rapidly that China is practically self-sufficient in grains for the first time. It has been turned into a cotton exporter, has put a wide variety of vegetables and fruit on urban tables again, and has seen a rural housing boom take place.

The responsibility system now in place allows the division of the state-owned land among families or family groups who can lease it and grow what they want, within limits, to pay only a small percentage to the village, and to sell the rest for a profit — within limits set by the village council and the party. In a relatively poor village such as Xuan Wang, near Xian in Shaanxi province, where agricultural production has been doubled since 1980 and per capita income tripled, the former production brigade leader, Liu Ba Yuan, and his family are making 10,000 yuan (about \$4,700 Canadian) a year because he went into business.

"Responsibility System"

It is part of the aim of the new responsibility system to "emancipate the peasant from the land," as a Central Committee official in Beijing put it, by encouraging the best farmers to farm and the others to engage in sideline industries or trade. Thus Liu and his family now run two wheat processing machines, two small village stores, and a two-tractor transport business, as well as their own vegetable plots and pigpens for their own food self-sufficiency.

In a rich rice farming former commune such as Ping Chow outside Canton, where per capita income is nearly four-times that in Xuan Wang village, more people are working in twenty private sideline factories producing everything from cotton textile garments, cement and building tiles, to assembled watches in a joint venture with a Canton

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watch-manufacturer. In Ping Chow a retired seventy-three-year-old peasant such as Wang Zhan can remember nothing like it, sitting in his new two-storey brick house with the electricity just installed to run his new TV set and electric fans. His seven children, all married, now have their own houses for the first time as a result of a local building boom that has seen more housing constructed in the last five years than in the thirty-five years since liberation.

But there are still peasants, especially the newly-rich ones, who worry about the policy changing again as it has so often in the past. There are local officials who fear the rise of "red eye disease" — the envy of the poor for the rich — and they are urging more rural cooperation. And there are Beijing officials who admit there are limits to the arable land left to use, because so much of it was eroded or deforested during Mao's nation-wide campaign to "make grain the key link," which overused land in unsuitable ways.

Far greater problems face the Deng revolution in opening up the urban centres to free enterprise, the industrial plants to decentralized management, and letting market forces loose on the price and wage structure.

Welcome to the "Free Market"

The most noticeable sign of the new entrepreneurship in the cities is the "free market" economy. Its proliferation reveals the extent of the under-employed or plain unemployed in Cultural Revolution China. In a city the size of Chongqing in Deng's pacesetter province of Sichuan for instance, some 150,000 households are engaged in private trade among its 1.5 million citizens. They range from people selling cheap Cantonese clothes or Hong Kong tapes, running food stalls and small restaurants, to those in the furniture or metalware businesses. A former Red Guard commander such as Liu Wen Zhi, fed up at twenty-nine with Mao's revolution, has in five years developed a garment-designing business in Chongqing that now employs eight people and makes him 7,000 yuan (\$3,300 Canadian) a year.

The party keeps an eye on this small business sector through the municipal governments, which license the traders, tax their businesses, assign (with the help of the public security bureau) what streets should be used for hawking their goods, rent small street shelters, and with the aid of newly-formed private businessmen's associations, police for excessive price-gouging or graft and corruption. All of this has returned some of the color and noise, the haggling crowds and pulsing life missing from Cultural Revolution China.

To make Chinese socialism more efficient and productive, the Chinese leadership has given more freedom and initiative to industrial management. The basic heavy industries, such as iron and steel, coal and hydro, are still state-managed under the "commandatory" economy. Yet even here, as officials at the pace-setting Beijing Iron and Steel plant point out, there is more local control. The state may assign an overall production and profit quota, but the factory manager now can use all the profit above that quota figure to raise wages and bonuses, improve the factory welfare program, reform the wage and promotion system, or even, if profits warrant it, buy new equipment or invest

in sideline industries. To do this, he now can sell 15 percent of the factory output on the national market at prices up to 20 percent higher than those which the State pays.

Outside these heavy industries, in the so-called "guidance" economy this decentralization is even further advanced, and as a result productivity in industries such as textiles and electronics has risen rapidly — by perhaps 10



percent a year since 1980. Signalling the consumer demand for refrigerators, stereos and television, Peking officials say the TV industry has actually satisfied the demand for black-and-white sets and is now concentrating on color.

Problems remain

In loosening controls on industry, China soon comes up against the problems of antiquated equipment, energy shortages, lack of transportation, and a general absence of skilled technicians and managers. For instance, when a first-class Hong Kong hotel group works with Guangdong province to build and manage the White Swan hotel in Canton, you get a beautifully-built and first-class-run hotel. But when you get a world-class architect, I.M. Pei, design-

Return of some free market

ing the Fragrant Hills hotel outside Peking, and Chinese building and managing it as a state-run proposition, you seem to get a second-class, already run-down, edifice.

Furthermore, setting free the competitive instincts so long bound — like the feet of traditional Chinese women — means that some factory managers seeking scarce materials are tempted to buy up the lot and resell some at a profit to themselves; to try to set up separate companies to deal in some line of extraneous work at a profit; or to moonlight in factory goods; or to dish out unnecessary bonuses to workers to keep them from griping. All this has led to the present campaign against “unhealthy tendencies.”

Possibly the best known aspect of China's new “open door” policy in industry is the Special Economic Zones that are located in South China. Shenzhen is the biggest of these, just across the border from Hong Kong. Where nothing but rice paddies, lychee orchards and drowsy villages existed five years ago, today there is a bustling city of 300,000 people, business skyscrapers, rows of apartment buildings, broad avenues and new factories. It is to be an example for the integration of the British colony of Hong Kong in 1997 and for testing the plans for the economic modernization of China. Here Chinese capitalists from Hong Kong and foreign businessmen are enticed to build factories or start joint ventures, with special tax breaks, duty-free exemptions for importation of equipment, parts and raw materials, cheap land rents, low labor costs, and the possibility of selling in that billion-man market as well as abroad.

The trade siren

Despite the fact that most of the investment to date is by overseas Chinese, the leadership in Beijing is so entranced with the trade and technology prospects of this type of enterprise that it has now named fourteen other cities as modified open-trade ports, hoping eventually to induce the big foreign multinationals to locate in the bigger and better industrialized cities of the north such as Shanghai and Tianjin. Chinese investment in these zones is considerable, since all the infrastructure, roads, rails, highways, power, harbors and telecommunications is being installed first.

Now China has reached the most difficult section of the road to its unique brand of state capitalism: releasing

the market forces by tackling price and wage reform. Gradually ending the state subsidies on food that have kept prices low and stable for decades is a delicate problem. It is now being done cautiously city-by-city, without to-date any major problems. It is when they must deal with basic items such as rents and electricity that the crunch will come. Similarly, wage reform in a country where taxi drivers earn more than intellectuals and cadres will be touchy, while reforming the job allocation system means disturbing the lifetime job system so as to put real workers in place of ideologues or timeservers — and that is really revolutionary.

China's new “open door” is bringing in more than capital, trade and technology. It also unleashes some of that decadent Western lifestyle that is spreading through China today, whether in taped music and discos, art and literature, fashion and supermarkets, or in the murmured suggestions of economic, even political, freedom. It is more than symbolic, for instance, that Shenzhen economic zone is surrounded by a three-metre-high steel-mesh fence topped with barbed-wire and lighted by floodlights at night to keep unauthorized Chinese out of this glittering imitation of Hong Kong on Communist territory.

Change hurts

All this extraordinary change is being carried out in an arena of intense factional in-fighting. Extreme leftists of the Cultural Revolution decade and old conservatives afraid of change dig in to battle the once-denounced capitalist-roaders. An aging Deng is trying to purge the party, the bureaucracy, the army and the public security forces of all who may obstruct the new economic revolution for motives of ideology or revenge. He has managed to put in place several layers of the new leadership throughout the system, but he may have only a few years left to ensure this new leadership has the charisma, the clout and the power to maintain the present difficult course.

Much will depend on how deep the changes are allowed to go and how much these changes alter the life and well-being of the majority of the Chinese people. Most of them appear to be fed up with thirty-five years of ideological debate and violent strife and want to move beyond the basics of life that were won in the early decades of hard labor and much misery. □

The events of April and May 1985

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"International Canada" is a paid supplement to International Perspectives sponsored by External Affairs Canada. Each supplement covers two months and provides a comprehensive summary of Canadian government statements and of political discussion on Canada's position in international affairs. It also records Canadian adherence to international agreements and participation in international programs. The text is prepared by International Perspectives.

Bilateral Relations

USA

Strategic Defence Initiative

Questions were raised in the Commons during April on the Government's intention to involve in a consultative process those segments of the public desirous of expressing views on Canada's possible support for President Reagan's Strategic Defence Initiative (SDI or Star Wars). Liberal external affairs critic Jean Chrétien, noting that a consultative group on disarmament had already taken issue with several government positions, called upon External Affairs Minister Joe Clark April 15 to seek the opinions of concerned Canadians prior to answering the US invitation to participate in the program. Mr. Clark responded that the invitation remained "under consideration," and that the government welcomed a public expression of views on Star Wars, even those contrary to government policy (see "International Canada" for February and March 1985).

Citing a stinging criticism of SDI by former US Under-Secretary of State George Ball as "deceptive, confused . . . ill-considered, and as undermining deterrence and threatening to escalate the arms race," Pauline Jewett (NDP, New Westminster-Coquitlam) questioned the Prime Minister April 17 on his reasons for a "favorable view of Star Wars." Mr. Mulroney stated that, in agreement with NATO's Secretary-General, he regarded a failure to "proceed with research at this particular time" as the "height of imprudence," noting specifically the possibility of "similar developments" on the part of the USSR.

While the Reagan administration had given a time-frame within which to respond to the US invitation, the Prime Minister proceeded to announce that a "principled and impartial public servant," Arthur Kroeger, had been named to head a team of experts (drawn from both the External Affairs and Defence departments) to consult with American officials, make inquiries on possible costs and benefits, and report on their findings to Cabinet prior to making an official decision. In a scrum later that same day, External Affairs Minister Joe Clark elaborated on the task force's terms of reference. Without a predetermined reporting date, Mr. Kroeger would be examining the strategic, scientific and economic implications of the proposal put

forward by US Defence Secretary Caspar Weinberger (External Affairs transcript, April 18, *Le Devoir*, April 19).

Prior to the Bonn Economic Summit, Mr. Clark stated that he would not be "duplicating" Mr. Kroeger's task of information gathering by raising the SDI issue specifically with US officials, but would use, should it arise, any opportunity to gain "clarification" of the invitation. Canada, he added, remained at the relatively early stage of "determining what exactly" the invitation was, rather than considering an initial response. Several NATO members, including Norway and Denmark (as well as Australia), had already rejected participation (*Globe and Mail*, April 26).

Opposition critics were quick to sense a possible shift toward involvement in SDI in the awarding of two research contracts to both Spar Aerospace Ltd. and Canadian Astronautics Ltd. in late April. Commissioned by the Defence department, the studies were to examine the technological feasibility of space-based radar surveillance satellites, particularly with regard to the updating of the North Warning System (*Globe and Mail*, April 27, 30). The related contracts, operating in conjunction with US specialist companies, would also seek to identify possible industrial benefits for the Canadian high-technology sector in the fields of "remote sensing and telecommunications." Lloyd Axworthy (Lib., Winnipeg-Fort Garry) characterized the studies as the "beginning of a research program" into the area of SDI. Such research, he added, could lead to an "integration" with the planned US satellite surveillance system.

Following the Bonn Summit, Mr. Clark told the Commons May 6 that he had indicated to US Secretary of State George Shultz that Canada still had the invitation under "consideration," and that a decision would be announced when the government's "inquiries and consultations had concluded, on our own timetable, in our own interests." That same day, the Prime Minister, in response to questioning by NDP Leader Ed Broadbent with regard to the participation of the National Research Council (NRC) in SDI research, denied that there existed plans for the NRC to act as the point of contact in Canada for cooperation with the US on SDI (*Globe and Mail*, May 7).

With opposition parties threatening to boycott a special committee proposed to examine External Affairs Minister Joe Clark's recently-released Green Paper on foreign policy, Mr. Clark extended the date previously set for a decision on involvement in SDI. While he had told the Commons external affairs committee May 9 that a decision might be expected by mid-June, the Minister, in response to rising assertions that consultation with the public was essential, later stated that the fall of 1985 might be a more feasible timeframe. The extension would permit public hearings before, rather than after, a federal government decision, he added. He called for all-party participation in the special committee, stating that it could operate as a forum for Canadians to "express their views in a way which will have an influence on the decision" of the government. However, Mr. Clark did not indicate that he would postpone a decision until the committee had submitted an interim report on specific issues such as Star Wars, a prerequisite demanded by both opposition parties.

Freer Trade

The debate over the advisability of a freer trade relationship with the US continued through April and May, with proponents building momentum in their advocacy of greater access to US markets (see "International Canada" for February and March 1985). A brief released by the Canadian Chamber of Commerce in late April, and presented to International Trade Minister James Kelleher, urged immediate bilateral trade talks of an exploratory nature. The brief depicted "non-controversial" sectoral trade agreements as possible "confidence-building measures" in a movement toward a broader free trade arrangement (*Globe and Mail, The Citizen, April 25*). While the Chamber supported a comprehensive agreement, it noted that the sectoral approach, at least in the initial stages of discussion, could hasten the process of liberalization. The comprehensive agreement option (which would permit the exclusion of specified goods or sectors) had been the one implicitly recommended in the government's own earlier trade paper. It was also regarded by the Chamber as promising the "greatest potential economic benefits." Such an approach, the brief added, would not involve a loss of Canadian sovereignty, and would permit a transitional period for industrial adjustment. The brief also pointed to growing protectionist trends in the US as requiring prompt action in order to successfully insulate Canadian export industries.

Emerging from an early May Canada-US trade conference sponsored by the *Financial Post*, was a general consensus on the part of the Canadian business community that the issue had shifted from freer trade per se, to specific aspects of a new bilateral relationship. In attendance, the International Trade Minister stated that following extensive government-industry consultation, he had found "a conviction — not unanimous but fairly general — among Canadian business . . . that they can compete . . . in any part of the world." As well, Mr. Kelleher noted that industry had been in favor of moving quickly to secure and enhance Canadian access to the US (*Financial Post, May 4*). At a press conference in Quebec City, Mr. Kelleher stated that he hoped to begin negotiations with the US by the fall, and expressed the hope that the discussions would

be "well advanced" by the time of the US Congressional elections in November of 1986 (*Le Devoir, May 4*).

Despite the cautious optimism reflected in the federal, provincial and private sector consultations, a senior assistant to the US Special Trade Representative told another Canada-US trade conference that while the US remained "flexible" on the issue, it would be willing to consider only those Canadian proposals it found to be "commercially balanced" — in other words, a mutually beneficial, "fair" deal (*Globe and Mail, Toronto Star, May 6*). He pointed out that Canada could not expect to be exempted from standard international trading rules, and mentioned the growing protectionist trend in Congress. However, he added that the US would leave the initiative to Canada, as the smaller trading partner.

The Premiers of the western provinces (with the exclusion of Manitoba) announced their support for a "common market" with the US (their term for a free trade zone, according to Alberta Premier Peter Lougheed), following a two-day conference in mid-May. In a CTV interview May 16, Saskatchewan Premier Grant Devine outlined their reasons for advocating a common market with the US. Taking as their "active model" the EEC, the Premiers stressed the need for a period of adjustment (allowing industry time to react positively to international competition), while Canada attempted to counter increased protectionist threats from the US. Such a common market, they felt, would not only assist in preserving the status quo, but would also increase economic activity — with a concomitant growth in employment (*External Affairs transcript, May 16*).

A study released by a Canadian economic policy research foundation, the C.D. Howe Institute, issued an even stronger call for a free trade pact with the US. Without endeavoring to secure a bilateral comprehensive free trade arrangement, Canada would remain unprotected against restrictive measures emanating from Congress. The study endorsed a plan for an across-the-board free trade plan, and rejected further attempts at a sectoral approach. Like the provincial Premiers, the study stressed the importance of a phase-in period. Such a plan would restrain the flow of industrial investment to the US (with various Canadian-based companies building plants in the US as insurance against an anticipated growth in trade barriers). Only such an arrangement, the study concluded, could ensure security of continued access to the US, while at the same time creating a more "efficient, adaptive and outward-looking" economy (*Globe and Mail, The Citizen, May 16*).

In a CTV interview May 19, the International Trade Minister again emphasized the importance of the consultative process, particularly on the role of the provinces in formulating a Canadian policy on freer trade. "Our whole national trade strategy is being developed now in conjunction with the provinces," he stated, since provincial cooperation was essential to a successful Canada-US agreement. Mr. Kelleher mentioned as well the involvement of the private sector in the process, including provision for a "rather large private sector consultative board" — including both labor and cultural groups. On the issue of Canadian independence, Mr. Kelleher stated that he perceived no more diminution of sovereignty under a bilateral agreement with the US than had occurred under GATT. As well, it remained "a given" that any arrangement with the US

would not affect the trade of either country with respect to other international trading partners. Mr. Kelleher stressed the "looseness" of definition for free trade under GATT, noting that the word "substantially" had been used in reference to bilateral trade between participating nations (External Affairs transcript, May 21).

Clark-Shultz Meeting

External Affairs Minister Joe Clark paid an official visit to Washington in mid-March for discussions with US Secretary of State George Shultz. Prime concentration during the talks was placed on those areas of the bilateral commercial relationship that had in the past proved contentious, particularly the rising tide of protectionism to be found in Congress (*Le Devoir*, May 21). Mr. Clark stressed Canadian concerns over restrictions placed on several exports, notably hog, lumber and steel products. Representations were made to Mr. Shultz to exert his influence to discourage actions undertaken by individual US Governors to "interfere with legitimate Canadian exports" through non-tariff barriers. And although mentioned, neither a definitive response to Canadian participation in SDI nor concrete proposals for a liberalization of trade were put forward. However, Mr. Clark did state that there was a clear recognition of the "importance of coming to some kind of agreement with the US" (*Globe and Mail*, May 21). For its part, the US government inquired about the date for the dismantling of previous Liberal energy policy legislation. As well, statements were made on both the problem of Great Lakes pollution and the US embargo on Nicaragua (see this issue).

An appeal was also made to the US government to hasten settlement on compensation claimed by a group of Canadians used in CIA brainwashing experiments at the Allan Memorial Institute in Montreal during the late 1950s and early 1960s — operations conducted without either the knowledge or consent of the Canadian government (see "International Canada" for December 1983 and January 1984). Mr. Clark later stated in the Commons (May 22) that he had not received from Mr. Shultz the kind of response which had been hoped for. Despite this, the government intended to "continue, through every avenue that is open to it, to encourage the American authorities to respond with a higher level of compensation." (The US had offered approximately \$20,000 for each of the claimants, an amount considered inadequate by Canada.)

However, prior to the talks, Mr. Clark had remarked to reporters on the excessive amount of media, public and Parliamentary attention focussed on the Star Wars issue — often to the detriment of other important bilateral issues. He noted that the Canadian government remained neutral on the issue, without, at this stage, even a "predisposition" (*Globe and Mail*, May 20). The Minister also pointed to the implications of the SDI debate with regard to the continued strength and cohesiveness of the NATO alliance.

Following the meeting, Mr. Clark, in a press conference May 20, elaborated on the issues covered. The Minister stressed the Canadian government's "disagreement" over the US embargo placed on Nicaragua. In particular, Canada expressed its concern over the possible extraterritorial application of the embargo, which could curtail Canadian trade with that country. Canada would,

Mr. Clark stated, continue to "monitor" the operation of the drafted regulations. With the Nicaraguan government removing their trade office from Miami to Toronto, Mr. Clark assured the US administration that a mechanism had been established in order to ensure that there would be no use of Canada to "short-circuit" the embargo. Canada would not "actively collaborate with an effort to sell directly in Nicaragua by way of Canada, American-made goods that could not be sold from the United States because of the embargo" (External Affairs transcript, May 27). However, he added, Canada would not fail to take advantage of an opening of new markets. Disagreement over the embargo, stated Mr. Clark, reflected a "different sense as to the appropriate approach" to be taken in Central America.

The problem of pollution in the Great Lakes system was also raised by the External Affairs Minister, among other environmental questions. Mr. Clark expressed Canadian concerns over possible actions by Congress that would "reduce the funding available to the [US] to honor obligations under the Great Lakes Water Quality Agreement." Toxic wastes in the area were discussed, and comment was made on the previously agreed upon joint action plan (arranged through consultations between Environment Minister Suzanne Blais-Grenier and EPA Administrator Lee Thomas). On the acid rain front, both Mr. Clark and Mr. Shultz claimed a potential for concrete progress through the establishment of a joint team of official appointees, expected to report soon to their respective governments with recommendations on necessary action.

Great Lakes Pollution

In a recent report, the International Joint Commission (IJC) stated that neither Canada nor the US was proceeding with cleanup programs in the Great Lakes at a speed sufficient to predict when a disappearance of toxins might be achieved. While both countries had signed a 1978 agreement on reducing pollution in the region (as well as instituting protective measures), the projected cleanup had failed to accomplish its stated goals (IJC Second Biennial Report, *Globe and Mail*, April 6). In an attempt to monitor the situation and prod both governments toward more effective control programs, the IJC noted that:

- while phosphorous pollution had been reduced on the whole, various sewage plants had failed to meet set goals;
- toxic chemical controls remained inadequate, and lacked concentration in seriously affected areas;
- responsible government agencies were relying on the IJC to assume some of their functions, thereby reducing the IJC's effectiveness as an independent monitoring body.

The report went on to pinpoint those areas of particular concern having the heaviest pollution. It noted that further, and immediate, action was required to reduce both phosphorous and toxic chemical pollution in order to halt "significant environmental degradation." The IJC reiterated that the proposed strategies for control were appropriate to the institutions of the parties directly involved (i.e., the US and Canadian governments). For this reason, the report urged both parties to "increase their efforts in sup-

port of a coordinated strategy" and to formulate and adopt new water quality objectives.

The problem of pollution in the Great Lakes became of more immediate concern to Canada in early May, when it was announced that a US Senate committee had voted to curtail significantly funds allocated for the construction of key sewage treatment plants in the area (*Toronto Star*, May 7, *Globe and Mail*, May 8). (Involved were \$174 million in grants for plants in eight states.) Following the announcement, Canadian Ambassador Allan Gotlieb expressed Canadian concerns over the possible slowing of cleanup operations resulting from the proposed cuts. Mr. Gotlieb stated that the changes could "jeopardize" the US ability to meet its commitments under the 1978 agreement, and could also have a "negative impact" on Canadians.

Environment Minister Suzanne Blais-Grenier and External Affairs Minister Joe Clark indicated that they also would register their concerns over the proposed cuts with their US counterparts should it prove necessary. However, Mr. Clark stated that while the cuts did not appear to be in direct contravention of the 1978 agreement, he would "continue to make representations." He also noted that the decision reflected a Congressional "budget-cutting exercise" (*The Citizen*, May 8). Speaking in the Commons May 7, Mr. Clark reiterated that while he regretted the decision that had been taken, he would first attempt to utilize "normal channels" before resorting to a direct appeal to US Secretary of State George Shultz. The strongest statement supporting direct government-to-government dialogue on the cuts came from former Liberal Environment Minister Charles Caccia (Lib., Davenport), who stated in the Commons May 9 that as an "accepted fact that the US is the greatest contributor of pollution to the Great Lakes . . . it is up to this Government to make it clear, in the strongest possible terms, that Canada expects our shared waters to be protected."

A more positive report issued from the mid-May meeting between Ms. Blais-Grenier and Lee Thomas (EPA Administrator). Agreement was reached on developing a plan by fall of 1985 for Niagara River toxic wastes (one of the areas of most concentrated pollution in the Great Lakes system). Ms. Blais-Grenier stated that a "high priority" had been given to the project, with both countries meeting with an established plan by mid-October (*Globe and Mail*, May 10). Information exchanges would enable both task forces to work from a "common set of data and analyses." As well, assessments would be made of the worst sources of regional pollution and a cleanup schedule would be formulated. Less success was evident on the previously announced cuts in funding. However, Mr. Thomas indicated that Canadian concerns would be forwarded to the proper US officials.

Lumber Dispute

In another instance of protective US measures against Canadian exports, a trade bill was introduced in early May which would place restrictions on Canadian softwood lumber — only one of several pending that would attempt to change the definition of subsidy (see "International Canada" for February and March 1985). Directly aimed at domestic "stumpage" or timbercutting fees (royalties paid

by companies for tree harvesting, which tend to be lower in Canada than in the US), the bill would treat them as subsidies liable to countervailing duties in the US. Although not aimed directly at Canada or the lumber trade alone but rather at foreign natural resource suppliers, the proposed legislation could severely affect the Canadian lumber trade (*Globe and Mail*, May 10). The introduction of the bill was further indication of the impact felt by the American lumber industry by the rising tide of Canadian exports (now estimated at 31 percent of the US market).

However, talks continued, at the urging of the US lumber industry, between the US and Canada on the issue of Canada's growing share of the US market. But US trade representatives were not reassuring, with nothing of "substance" having been achieved thus far (*Globe and Mail*, May 15). One US official intimated that failing a bilateral attempt to resolve the "difference," Congress might act independently. The Canadian lumber industry threatened possible retaliatory measures of their own should restrictions be placed on Canadian exports.

The National Forest Products Association, with interests on both sides of the border, had previously remained neutral in bilateral lumber disputes. By mid-May the group had indicated its intention to "fully participate" in the US industry's efforts to protect its interests against Canadian imports. Canadian lumbermen represented by the Association expressed their disappointment over the decision, pointing out that the high value of the US dollar probably played a more significant role in Canada's rising share of the US market than any form of "subsidy" (*Globe and Mail*, May 16, 17). In a further escalating gesture, the Association's resolution was followed by the establishment of a coalition to fight growing Canadian competition in the lumber sector.

Garrison Diversion Project

Following years of bitter controversy over the possible harmful effects of the Garrison Diversion Project in North Dakota, the Canadian government officially acknowledged its approval of a modified version of the plan (see "International Canada" for December 1984 and January 1985 and preceding issues). The diplomatic note stated that "Canada considers that the commission plan, as a package, does not pose threats to Canadian waters and, once approved by Congress, should resolve a long-standing problem on the Canada-United States agenda" (*Winnipeg Free Press*, *The Citizen*, April 3). Canada had consistently opposed the original scheme, citing possible harmful effects on the fauna of the Manitoban water system. The compromise plan had been devised by a special US commission established to resolve the dispute, and involved a scaling down of the land to be irrigated, the construction of a new water supply system, and an agreement to abolish a direct link between North Dakota and the Hudson Bay drainage basin of untreated water. Since the modified legislation did not follow the commission's proposals exactly, it was hoped that a subsequent congressional subcommittee rewriting would "contain guarantees protecting Canadian interests fully."

Despite the general consensus on the modified version, North Dakota (along with its Governor, George Sinner) continued to press for the original plan. While threats

of retaliatory action against Manitoba had been issued, a more conciliatory tone emerged when Governor Sinner suggested a possible joint study of biota and fauna transfer. This would establish a "scientific base from which to make future decisions" (*Winnipeg Free Press*, April 27). Canada had already indicated its willingness to cooperate on a technical level in a baseline survey of "species and pathogens" (proposed in the Garrison Commission's final recommendations).

Throughout the dispute, Canada had been adamantly opposed to the Lonetree Reservoir, and in mid-May former North Dakota Governor William Guy called for further study of Canadian claims that the reservoir's construction would prove harmful to Canadian fisheries. Governor Sinner, pressed to go forward at the recommendation of the Garrison Conservancy District Board, stated that Canadian participation in the study was essential, and that he would contact Canadian leaders in order to discuss its implementation (*Winnipeg Free Press*, May 13, 14). Provincial spokesmen stated that while Manitoba would be willing to engage in "consultations," a large amount of new evidence would be required to reverse their original opposition. The province, while ready to cooperate in a new study, would not be "prepared to negotiate away [its] concerns or rights."

Egypt

Peacekeeping Force

Following requests from both Egypt and Israel for a Canadian contingent in the Sinai multinational peacekeeping force, Canada agreed to send both troops and helicopters within the next year (see "International Canada" for February and March 1985). Defence Minister Erik Nielsen indicated that the Canadian helicopter unit would be replacing an Australian unit which was being withdrawn in 1986. Having "decided in principle" to participate in the force, Canada would proceed with a negotiation of specific terms for the commitment (*The Citizen*, April 11, *Globe and Mail*, April 12). To be determined, the Minister added, were the logistics of equipment and personnel numbers, related costs and transfers. Mr. Nielsen noted that the Canadian contingent would not place a strain on armed forces capacity or on existing commitments. Although the Sinai peacekeeping force operates outside the auspices of the United Nations, Mr. Nielsen stated that the present decision did not indicate a departure from previous Canadian peacekeeping roles, noting that contingents remained active both in Cyprus and the Golan. Canada will assist in monitoring adherence to the Israel-Egypt peace accord, reporting on violations and troop movements.

Iraq

Visit of Trade Minister

Iraqi Trade Minister (and Member of the Revolutionary Command Council) His Excellency Hassan Ali visited

Canada May 6-10, accompanied by a delegation of Iraqi officials from several government ministries, organizations and the Central Bank. Bilateral discussions, held with International Trade Minister James Kelleher and officials, focussed on stronger commercial ties with Canada. Mr. Ali examined Canadian capability in the technological and industrial sectors, focusing on "power, telecommunications and transportation." A move was also made among the Canadian private sector to spur trade and investment in Iraq. As well, Mr. Ali opened, with Mr. Kelleher, the Canada/Iraq Joint Economic Commission in hopes of fostering cooperation between the two countries. While the principal focus of the visit had been on strengthening economic ties, it had also provided an opportunity for Canada to offer continued support for efforts toward a "just negotiated settlement" of the Gulf conflict between Iraq and Iran. Canada took note of the Iraqi government's "positive stand" on the issue, for which Mr. Ali expressed his appreciation (External Affairs communiqués, May 1, 10).

Ireland

Visit of Prime Minister

Prime Minister of Ireland, Garrett FitzGerald, paid an official visit to Canada May 6-8, meeting with Prime Minister Brian Mulroney for talks on strengthening bilateral ties. Prior to his departure for Canada, Mr. FitzGerald had noted the distinct similarities between Canada and Ireland as nations existing beside larger powers with dominating cultural and economic forces (*Globe and Mail*, April 26). Stating that a new Canadian government offered an opportunity to "go over a number of areas of mutual concern," Mr. FitzGerald pointed out that Canadian and Irish foreign policies had, in the past, "run rather parallel." For this reason, Mr. FitzGerald was provided with a briefing on the results of the Bonn Economic Summit by Mr. Mulroney. While he acknowledged that the summit had not fulfilled expectations, Mr. Mulroney added that it might prove to have laid "the groundwork for progress in international trade" (*The Citizen*, May 9).

Bilateral trade was a key issue in the discussions between the two leaders, with Mr. FitzGerald issuing a call for greater Canadian investment in the Irish economy, and Mr. Mulroney requesting information on the intentions of Ireland with regard to closer ties with the European Economic Community (and possible effects on Canadian agricultural trade). The Irish Prime Minister also stressed the problem of sectarian conflict in Northern Ireland, appealing to both the government and Canadians to discourage support for the outlawed Irish Republican Army (IRA). He noted as well that Canada might play a significant role in making workable any formula for unification developed with the United Kingdom (*Globe and Mail*, May 7).

Caution was the keynote of Mr. FitzGerald's coverage of the sectarian violence. He noted several aspects that might alleviate the virulence of the confrontation, among them the more stringent laws restricting shipments of arms to the IRA from North America, and a growing movement among expatriate Irish to "promote reconciliation." Interviewed May 7 by CJOH television, he stated that condi-

tions in the near future might prove sufficient for the nationalists, although an enforced minority, to "identify sufficiently with a system of government, security forces, [and] judicial system that there will no longer be any basis for those who seek to change conditions by violence" (External Affairs transcript, May 9).

The Irish Prime Minister indicated that Mr. Mulroney had promised "maximum support" for efforts at developing a political solution to the problems of Northern Ireland. Canada had not been called upon directly to assist in ongoing negotiations with the United Kingdom, but rather to offer financial and moral support should some compromise agreement be achieved. He also stated his appreciation for past statements made "quite clearly and firmly" by Mr. Mulroney against the IRA and in support of a "durable and workable" peaceful arrangement (*The Citizen*, May 9).

Japan

Automotive Imports

The continuing debate over whether to retain some form of quota system on Japanese automotive imports remained a contentious point between the government and opposition members (see "International Canada" for February and March 1985). (The previous restrictive agreement with the Japanese expired March 31, without having been renewed.) Speaking in the Commons April 1, Prime Minister Brian Mulroney stated that discussions with the Japanese were "ongoing." He also indicated that the government felt that there had been a "relatively low rate of investment" by the Japanese in the Canadian automotive sector, something sorely needed by the Canadian industry. Wishing to see "that attitude changed," the Prime Minister was optimistic that the negotiations would result in an agreement on a "progressive basis" that would be "extremely beneficial" to both the Canadian industry and its workers. While indicating that quotas would most likely remain in force, the Prime Minister refused to state, when questioned by Steven Langdon (NDP, Essex-Windsor), whether any determined quotas would be an increase over previous levels.

Later in the month (April 29), Minister of Regional Industrial Expansion Sinclair Stevens, in response to further questioning in the Commons on the imposition of either interim or long-term quotas on Japanese imports, stated that the government had indicated to the Japanese that "until suitable arrangements [could] be made, they should not increase" shipments to Canada. Japan had been requested, until final arrangements had been made, to stay within the approximately 18 percent penetration level of the Canadian market. While an agreement had not yet been formulated, discussions had been "beneficial on both sides," the Minister said. Canada would continue to press Japan on the importance of "sourcing and more investment" in the Canadian automotive sector. He added that the arrival of imports would be strictly monitored in order to determine whether "sizable increases" had materialized.

However, while discussions continued, Japanese officials notified Canadian representatives that Japan was unwilling to restrict their imports to the levels of 1984 (*Globe and Mail*, May 18). Despite the refusal, Japan did agree not to proceed with a surge of imports that would act to the detriment of the Canadian industry. No specific numerical increase over last year's levels was mentioned. Japan has maintained that sourcing and investment were a matter for the private sector rather than for government intervention.

MP Steven Langdon pointed out in the Commons May 21 that the Japanese had rejected the 18 percent level proposal and called for interim quotas. Responding, Mr. Stevens again stated that negotiations were continuing and saw in complaints about Japanese manufacturers "holding up deliveries" an indication that the Canadian request "was being complied with." However, Opposition MPs called for tougher action during bargaining, including threats of quota imposition, if only as an interim measure, should an agreement not be reached within a two-week period. Mr. Langdon, speaking outside the Commons, noted that "by starting to sound tough, we won't have to get tough." Canada must, he added, conduct the negotiations as if prepared to move unilaterally (*Globe and Mail*, May 22).

Namibia

Constitutional Arrangements

Following an announcement by the Government of South Africa of new constitutional arrangements for Namibia (along with the establishment of an interim government), Canada expressed its concern over the unilateral measures taken by South Africa. External Affairs Minister Joe Clark stated that the Canadian government held the transfer of power in Namibia to be "null and void," and any arrangements arising from such measures would have "no status" under the existing UN Settlement Plan. Canada remained firmly committed to the UN Security Resolution (435) outlining the "only internationally recognized" basis for Namibian independence. Only a constitution drafted by freely elected representatives of the Namibian people, would be recognized by Canada to have effect. "Deploring" the step taken by South Africa, Mr. Clark concluded by stating that Canada "urged" that nation to proceed with the implementation of the UN Resolution (External Affairs communiqué, April 19).

Nicaragua

US Embargo

While attending the Bonn Economic Summit, President Ronald Reagan signed an executive order authorizing a trade embargo against Nicaragua "in response to the emergency situation created by the Nicaraguan Government's aggressive activities in Central America" (*Globe and Mail*, May 2). The sanctions involved the prohibition of

import and export of both goods and services between the US and Nicaragua, as well as a severing of air and sea links. The Reagan administration had issued a statement on those "provocations" which had generated the embargo. Most countries attending the Bonn Summit reacted adversely to the announcement.

Attending the summit, External Affairs Minister Joe Clark immediately stated that Canada had not been consulted prior to the announcement and would not be curtailing either social or economic aid to Nicaragua. Mr. Clark deplored the increased East-West confrontation in the country, and reiterated a call for support for the Contadora peace initiative as the most workable process for stability. He added that the embargo was US policy, "not ours." Those same sentiments were expressed back in Canada by External Relations Minister Monique Vézina in a scrum May 1. She added that Canada would remain autonomous in its foreign policy, maintaining "normal commercial and diplomatic relations," its increased aid program, and its support for the Contadora process (External Affairs transcript, May 2).

Speaking in the Commons May 2, Pauline Jewett (NDP, New Westminster-Coquitlam) questioned both Ms. Vézina and Regional Industrial Expansion Minister Sinclair Stevens on the possibility of an extraterritorial application of American sanctions, and on the viability of increasing Canadian trade to Nicaragua. Ms. Vézina stated that, while it would be monitored closely, the embargo did not hold extraterritorial connotations. Mr. Stevens responded that there had been no indication of US pressure to restrict Canadian companies (or US subsidiaries in Canada) "from carrying on whatever trade relationships they feel are appropriate with Nicaragua." During that same Question Period, Nelson Riis (NDP, Kamloops-Shuswap) stated that a US trade official had indicated that regulations might be brought forward restricting subsidiaries (under threat of heavy penalties) from exporting to Nicaragua products with a significant US content. Mr. Stevens responded that, should such regulations be imposed, Canada would seek consultations with US officials for a review of the situation. Ms. Vézina added the next day that assurances had been received in Bonn that "branches of American companies [would] not be affected by the embargo." That same assurance was reiterated by US Ambassador Paul Robinson May 3, when he stated that no adverse effects would be felt by Canadian companies since the embargo applied only to those companies exporting from the US to Nicaragua (*Globe and Mail*, May 4).

While the External Affairs Minister had expressed his "regret" that the US had failed to notify Canada prior to the embargo's invocation, Prime Minister Brian Mulroney later indicated that he had not been "surprised" by the US failure to communicate its intentions, since the Reagan administration was well acquainted with the Canadian position on Central America. Later, Mr. Clark noted that Canada had "quite a deep disagreement with regard to the American approach to Central America." Canada, he added, maintained that the essential problem was of a socio-economic nature, and intrusions of East-West considerations (such as the US move) were not "helpful" (*The Citizen*, May 6).

Upon his return to Canada from Europe, the Prime Minister told the Commons that Canada had taken the

position that action such as the embargo was neither "in the interests of Canada nor consistent with our traditions." Mr. Clark added, both in the Commons May 6 and in a scrum May 7, that he had made known to US Secretary of State George Shultz Canada's disagreement over Nicaragua "at length and vigorously." He had also stressed Canadian concerns that the embargo might adversely affect the "strength and vitality" of the Contadora process. He reassured opposition Members that the government would monitor closely the "formulation and application" of any US regulations with regard to companies operating in Canada. An examination would be made, he added, of the possible need for increased assistance to Nicaragua following a determination of the exact nature and effects of the US sanctions.

When the US regulations were issued in Washington May 8, they were designed so as to permit US goods to be exported to Canada for "incorporation into manufactured products destined for Nicaragua" (*Globe and Mail*, May 9). As well, US subsidiaries would be allowed to export goods of Canadian origin. However, US firms would be prohibited from utilizing Canadian subsidiaries to circumvent the embargo by transferring goods to third countries, unless "substantially transformed." (Content quotas for goods shipped from Canada did not form part of the regulations.)

Nicaragua, after closing its trade office (known as World Commerce Corp.) in the US, announced that it would be transferring its North American operations to Canada, with an office in Toronto. It was noted that since the Sandinista takeover in 1979, Nicaraguan trade with Canada had increased while trade with the US had declined. With the announcement came a statement from the External Affairs Minister that the newly opened trade office would not be allowed to "short-circuit" the trade embargo by using Canada to "explicitly" sell American-made goods in Nicaragua (*The Citizen*, May 21).

Romania

Visit of President

Arriving in Canada April 14 for a four-day official visit, Romanian President Nicolae Ceausescu met with Prime Minister Brian Mulroney, Cabinet and government officials for talks on both trade and political issues. Noted for his independent stand in areas of East-West tensions, Mr. Ceausescu indicated his hopes for progress in the Geneva superpower nuclear arms talks. However, the prime consideration during the talks were closer trade ties between Romania and Canada. While Romania wished to sell more manufactured goods (including electrical equipment, vehicles, clothing and machine tools), that nation sought greater imports of Canadian natural resources (from uranium and coal to mineral ores and asbestos). At the same time, Canada remained cognizant of the fact that Romania represented one of the few remaining candidates for the purchase of Candu reactors. With two already under construction, there existed prospects for additional sales in announced Romanian plans for expansion of that country's nuclear facilities. Mr. Ceausescu discussed previous re-

quests for counter trade — in this case, an exchange of Romanian goods for nuclear equipment and technology (although Romania has guaranteed hard currency for Atomic Energy Canada Ltd. [AECL] technology) (*Globe and Mail*, April 13, 15).

While greeted by protest groups condemning Romania's human rights record, Mr. Ceausescu proceeded with his talks with the Prime Minister, who pointed out that middle powers such as Canada and Romania — non-nuclear, non-expansionist, and with small standing armies — should consult on world issues usually left to the superpowers (*Globe and Mail*, April 16). Both leaders indicated their support for a direct meeting between Soviet Leader Mikhail Gorbachev and US President Ronald Reagan. Mr. Ceausescu stated that members of both the Warsaw Pact and NATO should meet regularly in order to both "discuss and contribute to the success" of superpower negotiations" and to "check the dangerous course of events towards tension and war."

While Canada currently maintained a two-way trade relationship with Romania worth roughly \$70 million, Mr. Ceausescu called for an increase to \$1 billion by the end of the century. Canadian officials noted that such a figure might be achieved through further Romanian purchases of nuclear equipment and technology, as well as long-term mineral contracts. Toward that end, Mr. Ceausescu signed with AECL a protocol, providing for "broader Canadian participation in Romanian construction of nuclear reactors" (*Globe and Mail*, April 17).

While a joint communiqué issued by Mr. Ceausescu and Mr. Mulroney focussed on the trade relationship between Romania and Canada (noting particularly the scope for long-term economic and industrial agreements between the two), it also covered areas of international concern. Similar strategies existed in efforts to "preserve peace, promote constructive dialogue and create a climate of confidence and cooperation among states." Both leaders agreed on the urgent need to halt the arms race and eventually reduce the level of arms (both nuclear and conventional). The Geneva negotiations between the superpowers were regarded as a significant first step in the direction of "balanced, equitable and verifiable agreements" on reductions. Romania and Canada signalled their continued support for the Helsinki Final Act, and for the settlement of international disputes through political, peaceful means — mentioning in particular such areas of conflict as the Middle East and Central America (External Affairs communiqué, April 17).

South Africa

Apartheid

Further comment on the desirability of enforcing adherence to a now-voluntary code for Canadian companies operating in South Africa was made in the Commons April 15 by MP Warren Allmand (Lib., Notre-Dame-de-Grâce—Lachine East) (see "International Perspectives" for February and March 1985). In the fight against the apartheid policy of the South African regime, either economic sancti-

ons or the implementation of a "mandatory program" for Canadian businesses was essential, he stated. Responding, External Affairs Minister Joe Clark stated that the government was in the midst of a "very thorough review of the appropriate" Canadian policy toward South Africa — a review with the goal of reducing the "sin and crime" of apartheid. Mr. Allmand proceeded to request "immediate" action in the face of escalating violence, and Mr. Clark added that action, to be "effective," required a "coordination of action with other countries." The Minister also stated that he would consider a suggestion for all-party "consultation," in order to arrive at "unanimous agreement" on any statement or position which Canada might take.

United Kingdom

Visit of Prime Minister

Prime Minister Brian Mulroney paid an official visit to Britain prior to his departure for the Bonn Economic Summit. Arriving April 28, Mr. Mulroney met with Prime Minister Margaret Thatcher, The Queen and British business interests. Media reports portrayed the visit as an attempt to refurbish the bilateral relationship, which had become strained over several issues under the Liberal government of Pierre Trudeau (various *Globe and Mail* reports, late April). While the summit meeting and the US SDI program were discussed, Mr. Mulroney endeavored to assure the Thatcher government that Canada was developing a new policy on international trade and investment — to the encouragement of both. The visit also provided an opportunity to reassure Britain that a closer relationship between Canada and the US would not act to the detriment of Canada-United Kingdom ties — especially in the area of trade. Mr. Mulroney noted that Canada's securing greater access to US markets would be in the best interests of its other trading partners, including the EEC (of which Britain was a member). He added that trading partners such as the EEC would be uneasy should Canada "minimize its relations and commercial opportunities with such an important market" (*Globe and Mail*, *The Citizen*, April 29).

However, Mr. Mulroney was repeatedly questioned by the British media on the likelihood that a refurbished and strengthened relationship with the US would diminish the EEC connection. He responded by saying that although a "privileged and important role for Canada" in the US market remained a priority, the "cornerstones of our relations remain unchanged" (*Globe and Mail*, April 30). The April 30 meeting between the two Prime Ministers proceeded without any indication of major disagreement (other than certain Canadian protective trade measures), with Ms. Thatcher supportive of Mr. Mulroney's proclaimed intention to champion Third World concerns at the Bonn Summit (without, however, giving any offers of concrete assistance). Mr. Mulroney stated that the British Prime Minister appeared "favorably disposed," recognizing the "special role of Canada in this domain and our particular responsibility." On the issue of SDI, both leaders expressed their national concerns over the development

stage (in contrast to their general agreement on the research stage) of the space-based defence system (*Globe and Mail*, May 1).

USSR

Nuclear Freeze Proposal

In the midst of the Geneva arms control discussions, the USSR issued a call for an international nuclear arms freeze to match its own announced plan to freeze further deployment of intermediate-range missiles until November of 1985. However the Soviet initiative met with an immediate rejection from both the US and the United Kingdom, who pointed out that the freeze, if implemented, would lock in an existing Soviet nuclear superiority (*Globe and Mail*, April 11, 12). In Canada, prior to an official government response to the call, Liberal external affairs critic Jean Chrétien suggested that the Soviet move might signal an opportunity for the US to provide a significant "gesture," including a possible reduction in the "rhythm of deployment." However, the Soviet seven-month freeze was not regarded by the government as the same "positive statement" seen by Mr. Chrétien. Canada followed the US and Britain in rejecting the Soviet call, seeing it as "clearly designed to influence western public opinion" at a particularly sensitive period. The External Affairs Department noted that the Geneva negotiations were "confidential" and not the proper forum for a unilateral announcement of a call for a freeze (a call which in fact had been put forward by the USSR on a previous occasion). A departmental spokesperson stated that, in Canada's opinion, the "prospects of agreement [would] be enhanced if the confidentiality of the negotiations [were] respected."

Clark Visit

External Affairs Minister Joe Clark headed for the Soviet Union for an eight-day official visit in early April, armed with a series of topics of Canadian concern. While a resumption and possible expansion of trade, cultural and scientific ties were high on the list for discussion, Mr. Clark was also prepared to confront Soviet officials (including Foreign Minister Andrei Gromyko) on the issues of human rights, Jewish emigration, family reunification and compensation for Canadian victims in the 1983 Korean Airlines destruction. The anticipated Canadian response to the US invitation to join in SDI research, and the more general question of the Geneva arms talks, were also planned for consultation. Prior to the visit, articles in Soviet journals had portrayed Canada as compromising itself by tightening its relationship with the US — an indication that the USSR did not welcome the new relationship between Canada and the US (*Globe and Mail*, April 1).

At a press conference held April 1 in Novosibirsk, Siberia, Mr. Clark stated that the purpose of the trip was to "express" rather than "debate" Canadian government policy. The Minister outlined areas of key consideration, namely SDI research (regarded by Canada as allowable under the ABM treaty), human rights and the general imbalance in two-way trade. He added, that while a member

of the NATO alliance, this did not "preclude or limit [Canada] from taking advantage" of the fact that Canada and the USSR were neighbors with the ability to reach "across the various alliances." Mutual fears might, said Mr. Clark, be reduced through interchange. He concluded by noting that discussion of issues of contention between the USSR and Canada, while approached in a spirit of "broader cooperation," would be undertaken with "caution, courtesy and firmness" (External Affairs transcript, April 9).

Following his talks with Mr. Gromyko, Mr. Clark held another press conference in which he reiterated the Canadian stand with regard to being an "active and reliable member of NATO," while noting the opening of communication between the USSR and Canada despite serious disagreements in specific areas. Discussing regional tensions, Mr. Clark admitted that both countries had a divergence of opinion of the source of those tensions, noting specifically Afghanistan, Central America, the Caribbean and the Middle East. He also put forward to Mr. Gromyko the importance of not relying too heavily on the Geneva process, but rather to make use of the multilateral forum at all levels. Mr. Clark also made known the importance attached by Canada (as a government and as citizens) to human rights and family reunification issues — noting that the Soviet record in this area formed a large part of the Canadian perspective on the USSR.

On a more positive note, Mr. Clark noted the exchange of views on increased trade ties, particularly in the areas of northern development, oil, gas, agricultural machinery, grain (of great importance to the USSR) and fish products. As industrialized nations with "fragile environments," the USSR and Canada would attempt cooperation in the scientific field to determine possible damage through pollution (with emphasis placed on trans-border acid rain). However, any future agreements on such issues, added Mr. Clark, would depend on the degree of mutual benefit to be derived. Areas of fundamental disagreement had received an airing, with "points made directly" in an open dialogue, although the major part of the discussion had ranged over those topics most likely to achieve some progress "in the short term" (External Affairs transcript, April 9).

Several rebuffs marred the generally favorable tone of the discussion, however, with Mr. Gromyko spurred by questions from Mr. Clark on the Soviet record on human rights. When Mr. Clark raised the issue of Jewish dissidents held in detention (providing a list of 100), Mr. Gromyko responded that the USSR did not discuss its "internal matters with any state at all . . . We will stick to our Soviet laws, and we will continue to be guided by them. The decisions will be taken by us and by no other party" (*Globe and Mail*, April 4). Another sensitive issue was the Soviet downing of KAL flight 007 in 1983. While Canada has claimed compensation for Canadian civilians killed on that flight, Mr. Gromyko denied Soviet responsibility, stating "Let those who are culpable take the blame and the responsibility." Mr. Clark pointed out that 007 had been a civilian liner "shot down by Soviet military aircraft." Despite a virulent anti-American address by Mr. Gromyko (particularly on SDI and the militarization of space), Mr. Clark continued to stress the positive aspects of the Canada-USSR relationship and the possible broadening of its base.

While refusing to reconsider the Canadian stance on SDI and Canada's interpretation of the ABM treaty, Mr. Clark concluded by noting that "our common nordicity offers us much to share."

Addressing the Commons April 23 following his return to Canada, the External Affairs Minister stressed the importance placed by Canada on human rights. Responding to a question from Alex Kindy, (PC, Calgary East), Mr. Clark stated that, as he had remarked to Mr. Gromyko, Canada would reveal a "greater willingness" to accept "more extensive relations" with the USSR should the Soviet attitude toward family reunification and human rights reveal a more concrete support for the Helsinki Accord.

West Germany

Overfishing

Charges of overfishing of cod off the Canadian east coast by West German vessels was raised in the Commons May 1 by George Baker (Lib., Gander-Twillingate), who requested that the Minister of Fisheries and Oceans, John Fraser, investigate the "blatant violation" by an EEC member country of the terms of a multilateral agreement. Mr. Fraser acknowledged that he had received some "preliminary information" and would endeavor to secure further information as to whether West Germany had already caught three times the entire EEC quota (limited to 9,500 tonnes) for the area under Canadian jurisdiction (both within and without the 200-mile zone). However, he rejected Mr. Baker's call for an expulsion of the West German fleet prior to a complete investigation.

The following day, Mr. Baker once again raised the issue in the Commons, and Mr. Fraser stated that the overfishing was a "shocking . . . breach of understanding" between Canada and the EEC. While aggravating an already serious conservation problem, the overfishing was

depleting a stock clearly recognized internationally as being a Canadian resource. High level bilateral and multi-lateral meetings were ongoing, since the matter was regarded as "serious" enough to be "pursued vigorously." However, while protests had been launched, the response had not been "satisfactory." The Minister also pointed out that Canada could only physically interfere with overfishing which occurred within the 200-mile limit. At the same time, he noted that anything other than a negotiated resolution would not be conducive to a lasting solution, since to "destroy the contractual agreement" under which the EEC recognized Canadian resources (especially those beyond the 200-mile limit) could lead to even more serious repercussions.

In addition to the previous consultations with EEC representatives, Prime Minister Brian Mulroney raised the matter with West German Chancellor Helmut Kohl during his visit to Germany later that week and explained the Canadian position on the overfishing. As well, Mr. Fraser, during a two-week visit to Europe beginning May 5, met for further discussions with his West German counterpart in response to the overfishing problem. He had received assurances that the remaining West German vessels operating in the area (the "Nose of the Bank") would immediately be leaving the region. However, he indicated that "future cooperation on matters of this nature [was] necessary to maintain the stability of present and future bilateral fisheries relations" (Fisheries and Oceans communiqués, May 6, 10).

Answering questions in the Commons May 9, acting Fisheries Minister John Crosbie mentioned Mr. Fraser's meetings in West Germany, and reiterated that Canada had "underlined" the seriousness of the problem. While the "Nose of the Bank" was beyond legal jurisdiction, Canada had impressed upon West German authorities that "such action, if continued, [would] have serious consequences" for EEC fleets operating within the 200-mile Canadian zone.

Multilateral Relations

Bonn Economic Summit

Canadian Participation

Prime Minister Brian Mulroney, attending his first economic summit conference in Bonn, West Germany, entered the early May discussions, by his own admission, more as a listener (or mediator), than as a principal actor. The Canadian position echoed much of the US stance, particularly in the fields of trade and economic policy. Canada supported the US call for a new round of multilateral trade talks, stronger economic growth (through the removal of obstacles to growth and regulatory obstructions), and cuts in budget deficits. Canada remained in line with the US and Japan on the advisability of proceeding with a new round of trade talks without, as had been suggested by the EEC (especially France), tying such talks directly to a simultaneous discussion of international monetary policy. Canada, along with the other participants at the summit, received a plea from the US to stimulate the growth of their own economies (as well as embark on deficit reduction), since the end of the current period of US growth seemed imminent (*Globe and Mail*, April 26).

Mr. Mulroney attempted to act as conciliator between France and the US, with their opposing views on the urgency of a new round of monetary talks. The Prime Minister also indicated, in his stated concern for the interests of the Third World, that although absent from the summit, developing countries could be directly, and negatively, affected by decisions arising from the talks. While previous economic summits had not been used for discussing the Third World predicament, Mr. Mulroney pressed for a consideration of debt problems and difficulties in obtaining financing. At the same time, he acted as conciliator between the US (calling for negotiations on trade liberalization and the removal of non-tariff barriers at the earliest possible time), and France (calling for discussions on a stabilization of the international monetary system) (*Le Devoir*, May 1). However, while Canada remained firmly in support of the general US stance, Mr. Mulroney indicated that he would not participate in a "common front" against France.

Canada issued a call to the other summit participants

(and all industrialized nations) to join in opening their borders to a freer flow of products from developing nations. Mr. Mulroney stated that Canada remained firmly behind US appeals (echoed by Japan and Britain) for an enlargement of the GATT accord, taking into consideration the future inclusion of agricultural products and trade in services (*Le Devoir*, May 2, *Globe and Mail*, May 4). Canada put forward the concept of a "Third Window," whereby nations struggling with mounting international debts, but unable to secure special development aid and low-cost loans because of their relative wealth as compared with poorer developing nations, would receive assistance through the "active participation of the World Bank."

Also discussed was the US SDI research program, which received full endorsement from the summit members — without involving them in any agreement for direct participation as yet. Reservations were also expressed over the imposition of a trade embargo by the US on Nicaragua, with Canada mentioning the possibility of a damaging effect on Canadian trade. Interviewed in Bonn, External Affairs Minister Joe Clark told reporters that while assurances had been received from the US that no interference would be exerted on Canadian trade to Nicaragua, Canada would continue to monitor any regulations introduced by the US since "inadvertent consequences" might adversely affect Canadian exports (External Affairs transcript, May 7).

In the joint declaration issued at the end of the summit, participants agreed to engage in efforts to strengthen economies, to develop employment opportunities, to halt protectionism, to correct "persistent economic imbalances," and to improve the stability of the international monetary system. In particular, Canada would concentrate on the promotion of investment and job creation, the removal of obstacles to "sustained, non-inflationary growth," budget deficit reduction, and a restraining of government expenditure. As well, entrepreneurial activities in the private sector would be encouraged (*New York Times*, May 6).

Central America

Contadora Process

While Canada had contributed suggestions for strengthening the first draft of the Contadora Peace Process for Central America, the Contadora member nations proceeded to consider those recommendations in their development of an altered proposal (see "International Canada" for October and November 1984). The federal government had not been satisfied with the verification process of the initial draft and had proposed several amendments to the Contadora countries (Panama, Colombia, Venezuela and Mexico). At a meeting held in Panama April 11, with nine Latin American nations represented, the Canadian suggestions received their first official consideration (*Globe and Mail*, *The Citizen*, April 12). Despite the strong likelihood that Canada would be asked to participate in any signed peacekeeping agreement, Canadian officials indicated that no official request had been received to supervise and monitor compliance. The draft treaty now under discussion would entail the development of a timetable for the withdrawal of foreign military advisers and the dismantling of foreign bases, placing a halt on arms buildups in the region, and an opening of discussions on arms reductions. However, Canada had indicated its willingness to "seriously consider" participating in an observer force should the Contadora process result in a treaty. The Canadian recommendations, it was noted, involved provisions to "stiffen compliance" with the treaty. These included financing of an observer force (constituted with proper political authority), and access to the media for publicizing treaty infractions.

EEC

Beef Imports

The ongoing dispute between Canada and the EEC over subsidized beef exports from Europe continued through this two-month period, with further threats of retaliatory action by both parties (see "International Canada" for October and November 1984). Interviewed May 1 by CTV, EEC Ambassador Dietrich Hammer stated that the EEC was concerned over measures instituted by the Canadian government to curb exports of beef from the Community, measures according to the Ambassador adopted in violation of rules of international trade, including the GATT. Mr. Hammer added that export subsidies provided to EEC farmers did not amount to an unfair competitive advantage, but had resulted in an EEC penetration of Canadian production limited to 2 percent. With Canadian production declining, he noted, circumstances indicated that allowing further imports into the Canadian market would "guarantee and maintain" acceptable prices for Canadian consumers. European beef remained competitive, not because of subsidies, but because of the exchange rate with a devalued Canadian dollar. Should a negotiated arrangement prove impossible, the EEC would be entitled under GATT to institute retaliatory measures (in the form of

increased tariffs) on Canadian agricultural products (External Affairs transcript, May 9).

Responding to criticism in the Commons May 14 from Maurice Foster (Lib., Algoma) that the government was allowing a vastly increased quota for EEC beef imports, International Trade Minister James Kelleher stated that an agreement had been reached with the EEC that had not "sold out the interests of the Canadian beef producers." However, the exact terms of the settlement, while initialed, would not be released until ratified by both parties.

OECD

Ministers' Meeting

In mid-April, Canada chaired the annual Organization for Economic Cooperation and Development (OECD) foreign and finance ministers' conference held in Paris. The major topics on the agenda focused primarily on the US—that country's massive and growing budget deficit, its highly-valued currency, and increasing protectionist trends. While Canadian officials predicted mounting OECD pressure to reduce the US deficit, further calls were also expected in favor of a new round of multilateral trade talks. At the same time, an OECD committee had advocated the adoption by member countries of an "investment-first" policy both to promote economic growth and to alleviate unemployment. The Canadian delegation placed an emphasis on assisting developing countries to reduce their economic vulnerability (*The Citizen*, April 11).

Immediately prior to the meeting, the OECD had just released an interim report (commissioned in 1982) on the "Costs and Benefits of Protection." The study indicated that trade was faced with growing non-tariff barriers (such as quantitative restrictions), while at the same time encountering reduced direct tariff barriers. However, protection "had not proved an efficient means of sustaining employment," but rather had increased consumer prices of protected goods. As well, no evidence existed that protected industries had used allotted "breathing spaces" to restructure and become more competitive internationally. Developing countries suffered disproportionately because of their reliance on sustained export growth to manage indebtedness. These were the bleak findings confronting the ministers as they met in Paris (External Affairs communiqué, April 12).

In his statement on cooperation for adjustment and resumed progress in developing countries, External Affairs Minister Joe Clark reiterated the need for a new round of multilateral trade negotiations. Without a resumption of growth in the Third World, prospects for both the developed and developing nations remained inhibited for the one and poor for the other. Mr. Clark noted that OECD members were appreciative of the interdependence of debtor and creditor nations. In order for developing nations to improve productivity and become better integrated in the international trade mainstream, they required both internal adjustment and external assistance—in the form of "adequate financial flows, liberalization of trade, resumption of investment, enlightened management of the problems of indeb-

tedness" and a further strengthening of multilateral institutions. Canada, said Mr. Clark, envisaged a larger cooperative role for both the International Monetary Fund (IMF) and the World Bank (External Affairs statement, April 11).

At a press conference following the sessions April 12, Finance Minister Michael Wilson added that emphasis had been placed on the importance of basic structural reform, with most countries agreeing on the problems raised by spiralling deficits. Obstacles to economic growth would have to be removed in order to establish stable, non-inflationary growth. And Mr. Clark acknowledged a "general agreement" on the "urgency" of a new round of trade talks and on a series of preparatory meetings as early as the summer of 1985 (External Affairs transcript, April 30).

United Nations

Canadian Support

Canadian Ambassador to the United Nations Stephen Lewis issued several strong calls in late April for continued international support for the beleaguered UN — receiving much criticism of late within the US — and in particular several of its agencies. Speaking specifically of UNESCO, Mr. Lewis stated that Canada should neither withdraw from the agency (as the US had done in late 1984), nor should it withhold financing. Canada has indicated its intention to attempt to effect reform from within UNESCO rather than adopt a "shock tactic" similar to the US decision (see "International Canada" for February and March 1985). This view was reiterated by Mr. Lewis, despite "a sense of palpable mismanagement" within UNESCO (*Globe and Mail*, April 27). Expressing his "impatience" over the negative criticism UNESCO had attracted to itself under the directorship of Amadou Mahtar M'Bow, which had had a negative impact on various other UN agencies, Mr. Lewis called for a "de-politicization" of the organization. Advocating a return to its original mandate to encourage educational and scientific pursuits in the Third World, Mr. Lewis suggested further support in the pursuit of eradicating a "self-indulgent" bureaucracy.

Soon after the pro-UNESCO statements, Mr. Lewis attempted to gain the support of other UN envoys in a defence of the UN against threats from right-wing critics in the US. With the aim of forming a nucleus of pro-UN ambassadors, Mr. Lewis indicated a desire to "take on detractors" and not let "illegitimate criticism go by without response" (*Globe and Mail*, April 30). If successful, Mr. Lewis intends to have the Ambassadors approach the US public directly rather than issue resolutions from within the UN itself. Singled out for particular criticism was the US-based Heritage Foundation, a conservative "think-tank" with putative influence on Reagan administration policy. The Foundation had recently issued a study on the UN, in

which were mentioned (and criticized) "inefficiency, cronyism, high pay . . . corruption and illiteracy." Mr. Lewis characterized the Foundation as "sometimes entirely inaccurate and fundamentally destructive" and essentially anti-internationalist. While recognizing the shortcomings of the UN, Mr. Lewis cited its "extraordinary strengths."

Heritage Foundation vice-president Burton Pines responded to Mr. Lewis's charges, stating that the Ambassador's behavior was "inappropriate," and adding that "If I were a Canadian citizen I would want him recalled immediately [as] an embarrassment to his country." Mr. Pines notified the press of his intentions to contact both the US State Department and Prime Minister Brian Mulroney (CBC Radio [External Affairs transcript], May 6). Defending the Foundation's studies, Mr. Pines stated that the criticism had been levelled at the UN's "extraordinary politicization" (*Globe and Mail*, *The Citizen*, May 7). Describing Mr. Lewis's charges as an "outrage," and a meddling in internal US affairs, Mr. Pines characterized the Ambassador as a "loose cannon" if his statements did not reflect official Canadian policy. Mr. Pines later rejected the Lewis charges of "philistinism" and "inspired sophistry" operating under the guise of "dispassionate criticism." He also denied that the Foundation, while critical of "some activities," had condemned the UN "as a whole." Mr. Pines was requesting "clarification" from the Canadian government as to whether Mr. Lewis had spoken in his official capacity as a representative of the government (CHEZ radio interview [External Affairs transcript], May 7).

The Prime Minister firmly supported Mr. Lewis, stating that the Ambassador had been a "tremendous and thoughtful representative of Canada. He did not leave his right as a citizen aside when he became an Ambassador and when he speaks, he speaks for the Government of Canada (CBC Radio [External Affairs transcript], May 8).

Space Committee

With the news that the UN Conference on Disarmament had established an *ad hoc* committee to deal with the problem of arms control in outer space, the Canadian government acknowledged its firm support for the mandate given the *ad hoc* committee. External Affairs Minister Joe Clark stated that the committee had been established to "identify, through substantive examination, issues relevant to the prevention of an arms race in outer space." Reporting to the Conference in August of 1985, it will consider both existing agreements and proposals as well as future initiatives, he added. Canada had been a "strong and consistent" supporter of efforts to examine the problems of arms in space, and welcomed the committee as a forum for their examination. Mr. Clark stated that the committee would in no way jeopardize or undermine the Geneva negotiations between the superpowers, but would, in fact, "complement and actively reflect the realities" of those talks. Canada would, he concluded, "reinforce its efforts" in focussing on the issue and would "participate actively and effectively." The objective would be to foster consensus and understanding on the means to prevent the militarization of space (External Affairs communiqué, April 9).

Policy

Aid

African Relief

Voluntary contributions from Canadians continued to outpace the government's matching system during April, and Africa Emergency Aid (AEA) spokesmen noted that private sector donations had outstripped original government allocations by 300 percent. (The AEA administers government funds in a program to match those raised by NGOs.) The significant outpouring of funds from Canadians indicated, said AEA chairman Jack Maybee, a desire to see the relief effort continue. While not directly lobbying the government for an extension of the matching fund (already doubled in February), Mr. Maybee noted that the amount already raised was a "strong statement" on the part of the public (*Globe and Mail*, April 19). Despite criticism that some food donations were not reaching those for whom they were intended, AEA spokesmen pointed out that there had been a decline in the death rates of refugee camps. "Such a glimmer of hope, however sporadic, instills public confidence that a greater tragedy can be forestalled," they added.

In a similar vein, a parliamentary committee report unanimously recommended that the federal government establish another twenty-five million dollar matching fund for 1986. The necessary funds should be allocated even should they impinge on other foreign aid commitments, the report added (*Globe and Mail*, April 25). While a ceiling had been placed on matching funds for the last fiscal year, the external affairs and defence committee suggested a repetition of the previous plan. While the report anticipated a falling off in the private sector, the government should be prepared to "make an effective response" — to the amount suggested in the recommendations. The money, the report continued, need not necessarily be "new money" but might be found in aid program reallocations. While urging that African emergency coordinator David MacDonald continue in his post with an expanded mandate for delivery monitoring, the report did not, however, suggest any large scale change in the foreign aid network (such as in transportation and in reporting on possible problem areas).

Testifying before the committee April 25, CIDA president Margaret Catley-Carlson pointed out the problems

inherent in trying to provide the maximum amount of aid with a minimum number of field staff. Noting the publicity arising out of reports of mismanagement of Canadian donations in Africa (see "International Canada" for December 1984 and January 1985), Ms. Catley-Carlson stated that such incidents had to be balanced against the additional costs of more stringent monitoring (involving greater numbers of field workers). While reports of mishandling of food assistance might undermine credibility, development might itself diminish with increased costs in personnel (*The Citizen*, April 26).

While also acknowledging the importance of emergency relief, former Liberal Agriculture Minister Eugene Whelan, upon his return from Africa, spoke of the dangers of ignoring long-term development. Funds originally earmarked for development projects (such as reforestation, seeding, education, water projects, well drilling and dam building) were being redirected toward the emergency supply of food aid. This, in effect, would stop development. Africa, with proper management and the right kind of assistance, might, said Mr. Whelan, be made productive rather than deficit countries. Canada should, he added, concentrate future assistance on science and technology in the fields of food research and production — sentiments often reflected in statements made by the African emergency relief coordinator (CBC Radio [External Affairs transcript], May 18).

Defence

Satellite Radar Contracts

Defence Minister Erik Nielsen, questioned in the Commons April 30 on the issuing of two contracts to Canadian firms for research into satellite-based radar systems by NDP Leader Ed Broadbent, stated that the contracts mentioned had no connection with the North Warning System (see "International Canada" for February and March 1985), but involved rather an exploratory examination of a

space-based surveillance system. While denying a request for a moratorium on further space contracts, Mr. Nielsen added that such research had no connection with either Star Wars or the militarization of space. A moratorium could only bring "to a shuddering halt" any Canadian initiative in the research area. The present contracts would, stated the Minister, identify "the technologies critical to the development of such a system needing immediate research funding." The studies would determine what financing and new technology would be required by Canada in future should such a surveillance system prove necessary. According to a Defence department spokesman, the contracts would lay a groundwork for a "follow-on" to the NWS (*Globe and Mail*, May 1).

Disarmament

International Progress

Remarks delivered by Canada's Disarmament Ambassador Douglas Roche before the UN Disarmament Commission May 8 were strongly critical of the progress made during the past decade by the international community. Mr. Roche opened by stating that "achievement had been zero," with the military having more arms, the governments more rhetoric and citizens more frustration (Canadian UN delegation communiqué, May 8, *Globe and Mail*, May 9). Mr. Roche stated his regret that those nations signing the 1978 Final Document of the UN's First Special Session on Disarmament had apparently forgotten its content: "Mankind is confronted with a choice; we must halt the arms race and proceed to disarmament or face annihilation." Citing the dismal record of negotiations during the past half-decade, the Ambassador noted that UN resolutions had become "a smokescreen concealing the intellectual obfuscation that prevents meaningful steps forward." He advocated strong multilateral efforts to ensure that the bilateral negotiations at Geneva did not fail. For disarmament to succeed, Mr. Roche added, the UN, as the most effective multilateral forum, would have to maintain international trust in order to achieve "sustained consensus." While acknowledging that consensus had, in the past, often been lacking, it was "fundamental" in ensuring that the UN could proceed on disarmament. Canada had its own views on the objectives to be assumed by the UN (working in tandem with the Geneva talks), including: efforts toward a comprehensive test ban treaty; efforts toward non-proliferation of nuclear weapons; the creation of a convention on chemical weapons; and the prevention of an arms race in space. Collective security, for both East and West, depends upon dialogue and cooperation — a "collective will" for consultation.

Environment

Acid Rain Control

Without waiting for further federal action on the problem of acid rain, Quebec Premier René Lévesque and

Massachusetts Governor Michael Dukakis convened their own bilateral conference on transborder acid rain pollution in early April, held in Quebec City. They invited both the Canadian and US special envoys on the problem of acid rain, Bill Davis and Drew Lewis, appointed during the Quebec Summit between Prime Minister Brian Mulroney and President Ronald Reagan in mid-March. While the envoys failed to accept the invitation to participate in the conference, it attracted experts from across Canada and the US. Conference organizers had indicated that the meeting would be an opportunity to familiarize participants with both the principal problems and government actors (both state and provincial) involved in the fight against acid rain. However, despite the absence of the envoys, Mr. Lévesque and Mr. Dukakis, along with other delegates, discussed the difficulties involved in what has been estimated as a multi-billion dollar cleanup (*The Citizen*, April 4).

At the conference, Mr. Lévesque noted that should an agreement be reached among eastern provincial and state leaders, it would provide ammunition to exert "maximum pressure" on both the US and Canadian governments to proceed with concrete action (*La Presse*, April 11). Particular emphasis, he added, would be placed on convincing the central US states and the Reagan administration of the urgent need for progress in halting acid rain pollution. Most participating states and provinces advocated the adoption of a common objective to begin a cleanup of major pollution sources (primarily in the US midwest).

However, agreement among those representatives attending the Quebec conference was not unanimous, with New Hampshire Governor George Sununu calling upon Canada to clean up its own pollution before embarking on a critical campaign against US sources and programs (*Globe and Mail*, April 12). Mr. Sununu cited higher emissions per capita for Canada than the US, and claimed that Canada had "done nothing." He was challenged by both Canadian participants and foreign academics, who noted that the statement, in such a symposium, was both "unfriendly and unwarranted." Criticism was also evident of the appointments of the special envoys, most participants indicating their belief that the US government had not changed its fundamental attitude toward acid rain — that more research rather than action was required. Federal Fisheries Minister John Fraser stated that the time had come to end rhetoric and to search for "the political will to find solutions," rather than to continue to place blame on neighboring nations.

Scientific evidence presented at the conference indicated that most forests in North America (particularly in the north-east) were directly threatened with destruction and "dieback" from acid rain. Problems with the pollution of essential water resources were also a matter of urgent concern, continued the experts (*La Presse*, April 12). The ecological damage suffered by the region was, for the most part, characterized as "grave," if not irreversible. Wisconsin Governor Anthony Earl suggested the adoption of methods developed in West Germany for the reduction and eventual alleviation of damage caused by acidic pollution, noting that West Germany had instituted strict measures to ensure that further damage to Bavarian forests did not occur.

Following the conference, the New England Governors announced that rather than wait for the Reagan administration to act, they would be prepared with a plan to reduce emissions by the time of a June meeting between eastern Governors and provincial Premiers (*Globe and Mail*, April 13). That latter meeting would announce a "multinational program," designed to "educate" the US and Canadian special envoys, and to lobby the US government. Details on technology and cost sharing would also be discussed. By mid-May, Governor Dukakis and Premier Lévesque had announced the program to be presented to the June conference, and had characterized it as a "very strong joint position," proposing stiffer controls (*Globe and Mail*, *Montreal Gazette*, May 11). They called for other state and provincial leaders to accept the plan for the reduction of sulphur-dioxide emissions. However, specific levels for reductions were not mentioned.

Foreign

Green Paper

External Affairs Minister Joe Clark's long-awaited Green Paper on foreign policy was tabled in the Commons May 14. Entitled "Competitiveness and Security: Directions for Canada's International Relations," it was a discussion paper rather than a statement of determined government policy. Designed in simple terms (some critics in the Opposition said simplistic), it was written in order to spur public debate on future directions for Canadian foreign policy. Concentrating heavily on economic considerations, as reflected in the title, the paper outlined Canada's comparative place in the world community, both politically and economically. With the major portion given to Canada's economic performance and prospects for the future, the report provided a relatively bleak outlook for Canada's position in the international marketplace.

The paper dealt primarily with economic interdependence, focusing primarily on Canada's relationship with the US. Mr. Clark stressed the importance of strengthening Canada's performance in the US market, noting that Canada must pursue a role in the "continuing development of international economic cooperation." With the great influence of the US on the Canadian economy, greater and more secure access to US markets was essential. With trends toward even greater interdependence growing rapidly, Canada must attempt to "harness them to serve Canadian interests." Rising US protectionist sentiment in Congress posed one of the greatest economic threats to Canada and must be countered, either through negotiation or the development of progressive technologies capable of competing successfully beyond the domestic market.

While the US played the key role, interdependence was influencing all aspects of Canadian economic performance. Canadian influence had and would continue to diminish with a decline in competitiveness, and Canada could no longer rely on "traditional advantages" such as natural resources. Both productivity and R & D would have to improve immeasurably to maintain an already declining world position. And despite a desire to increase our share

of the US market, Canada must not jeopardize the "integrity of the GATT system." Although consideration should be given to traditional markets such as Western Europe, advantage should also be taken of new, expanding markets in Asia, the Pacific Rim, and the Caribbean.

While these economic indicators reflected a need for urgent reappraisal, the position of Canada as an influential partner among world leaders also required serious attention, according to the paper. For it was in the area of "military capability that our power has been most markedly been in decline." Examining Canada's support for NATO, which the Minister took as a given, the report did reconsider the exact role for Canada in the alliance. Mentioned was the possibility of rearranging priorities from Europe to the North American continent (in particular the Arctic regions).

On Canadian security, with the largest threat coming from the Soviet Union and East-West tensions, Canada must play an active role in easing such tensions and working toward stability in the Third World. However, the "discrepancy" between resources and security commitments must be lessened. While Europe remained "the most critical military region in the world," Canada must exert full control over its national territory in order to maintain its sovereignty. Canada also had a role to play in arms control and disarmament discussions, and here the multilateral forums could be most effective. For that reason, added Mr. Clark, Canada remained a staunch supporter of the aims of the UN. However, the UN needed "revitalization," particularly in the area of international security and stability.

Criticism was sharp and swift that the Green Paper failed to come to terms with the most critical issues of foreign policy (South Africa, Nicaragua, SDI) with its heavy concentration on trade and economic prospects. The strongest criticism came from MP Pauline Jewett (NDP, New Westminster-Coquitlam) during a CTV interview May 15, when she called the paper a "charade" and an "investment document." She noted that the SDI decision would probably be made by the government prior to the issuing of a report by a proposed parliamentary committee established to examine the issues outlined in the Green Paper (External Affairs transcript, May 16). For that reason she typified the committee itself as a charade, and acknowledged that NDP participation would be unlikely. (Present at the same interview, Jean Chrétien [Lib., Saint-Maurice] noted his own reluctance to become involved in the committee without receiving agreement to cover SDI.) This point led to a storm of controversy in the Commons when both Liberal and NDP opposition members threatened to boycott the committee should assurances not be forthcoming that discussion of SDI would take place prior to a government decision.

Speaking in the Commons May 15, Mr. Chrétien stated that the Liberals would agree to sit on the proposed committee should the government agree to give priority consideration to Canadian involvement in SDI research and closer trade ties with the US. Defence Minister Erik Nielsen stated that such a demand was an "abdication of responsibility to participate in the parliamentary process." Liberal Leader John Turner called for the withdrawal of the Green Paper as "an insult to the intelligence of Canadians," and requested that the government produce a "really

serious paper on issues relating to the nuclear arms race, external trade and human rights."

Sharply critical of the opposition's reluctance to take part in the committee examination of the paper, the External Affairs Minister issued a rebuke in the Commons May 16. Mr. Clark stated that boycotting the committee denied "Parliament the opportunity to be heard on foreign policy, and it denied the people of Canada the opportunity to take part in the discussion . . . It also denied the Government the benefits of the advice of individual Canadians on environmental, strategic, and trade questions." While issuing another call for opposition participation, Mr. Clark later spoke on CBC Radio the same day on the purposes of his paper — namely, to "engage debate" and reactivate the Canadian tradition of "active, direct citizen involvement" in the formulation of policy (External Affairs transcript, May 16). On the SDI issue specifically, the sorest point with the Opposition, Mr. Clark added that the only government decision made so far had been on the advisability of the US engaging in research. Canada had not yet decided to participate in that research (with a decision expected within the next "three to four months"), and it would be another five or six years before the viability of SDI had been determined. Speaking in a scrum May 17, Mr. Clark added that both the public and the Opposition would have an opportunity to submit their views because of the delay in issuing a response on the US SDI invitation. "A consensus will emerge before we have to make a decision," he stated, should the Opposition join the committee, which, he added, would establish its own timeframe and agenda (External Affairs transcript, May 17).

Opposition to the committee softened slightly several days later, with Liberal Leader John Turner suggesting in the Commons May 21 that a House committee be established to examine both SDI and the trade issue and report back to Parliament prior to a government decision. The External Affairs Minister responded that the government would "continue to be reasonable" in its attempts to meet opposition demands in order to proceed with committee hearings. Mr. Clark also announced that a House Leaders' meeting would be held that day to negotiate further on the terms necessary for the committee's creation.

Human Rights

International Conference

Canada acted as host country to a six-week conference dedicated to human rights and fundamental freedoms beginning in early May. This meeting of the Conference on Security and Cooperation in Europe (CSCE) involved the participation of human rights experts and official government representatives from a wide variety of nations from both East and West. Welcoming delegates, External Relations Minister Monique Vézina noted that the conference provided an opportunity to ensure that security be balanced with efforts to "bring about a more effective implementation of the Helsinki and Madrid commitments to respect human rights and to cooperate on humanitarian matters." The Minister stressed the high priority placed by

Canada on human rights issues in foreign policy, stating that respect for such rights exerted great influence on improved cooperation among CSCE member nations (External Relations statement, April 23).

Despite Ms. Vézina's optimism that the CSCE shared an "appreciation that mutual interests are best served by a spirit of reasonable compromise," the conference proceeded to get off to a rocky start with sharp confrontations between East and West over procedural and substantive matters. While External Affairs Minister Joe Clark had stated in the Commons April 29 that Canada would raise with the Soviet Union cases of human rights abuses both "generally and specifically, in formal sessions and in corridors," such proved difficult. Acknowledging that "solid progress" needed to be made during the CSCE process, Mr. Clark added that the Soviet Union "must accept" that trade and economic relations with Canada were interdependent with a "more acceptable performance in the area of human rights." However, it was the Soviet Union which refused to allow public access to the conference, calling for a media ban on the proceedings, and requiring nations to merely discuss their handling of internal affairs. Western nations, Canada among them, called for a public review of the human rights records of signatories to the Helsinki Accord. The confrontation between the Soviets and Western nations continued to overshadow the discussions (*Globe and Mail*, May 7). Canada, as host, had been pressed by Amnesty International to call for a "full performance review" of the human rights records of the thirty-five participating nations.

The External Affairs Minister also addressed the conference, admitting that the issues under discussion were particularly sensitive, with most nations holding "reservations and concerns" on the subject of examining rights records. Despite differences in cultural traditions and historical experiences, the CSCE nations should never allow national boundaries to "insulate" countries from concerns over abuses in other countries. With compromise, the conference might provide an impetus for improving on each nation's commitment to rights accords (External Affairs statement, May 7).

While wrangling continued over procedural points, both on the openness of the sessions, closing times and phases of duration for debate (most initiated by the Soviet delegates), and with the conference in closed session, Western nations continued to press for discussions on "substantive" issues. However, as Mr. Clark noted in the Commons May 8, the conference was ruled by consensus, effectively guaranteeing any participant a veto on decisions formulated. Mr. Clark added that, as host, Canada was "not in a position to impose its standards," but should proceed as a participant and "respect the processes of the conference" as they had previously been established. "Seeking a public tribunal" to express Canadian dissatisfaction with the human rights situation in the Soviet regime would be counterproductive, he added.

Western delegates, leaking information to the media, spoke of further confrontations between the Soviet and US delegations, with the USSR claiming that no attempts should be made to "interfere" in the internal affairs of the Soviet Union "under any pretext," and the US stating that most participants were in agreement that a government's

human rights practices were a proper subject for "international concern and discussion" — a sentiment echoed by Canada (*Globe and Mail*, May 10).

In the first major outline of Canada's attitude on the issue (other than Ms. Vézina's and Mr. Clark's general introductory remarks), Canadian Ambassador to the conference, Harry Jay, told delegates that abuses often arise from such factors as "bureaucratic rigidities, ethnic chauvinism, historic trends of religious persecution" and mistrust between those who govern and those governed (*Globe and Mail*, May 14). While he noted that such factors were not uniquely related to specific political or socio-economic systems, Mr. Jay outlined abuses in Europe (not mentioning countries by name), ranging from political and religious persecution, abridgements of rights of minorities and the imprisonment of human rights activists. Mr. Jay also spoke of the problems encountered in Eastern European countries by those individuals seeking to emigrate.

Later in the talks, Mr. Jay used diplomatic phraseology to decry increases in punishments meted out to dissidents in Soviet bloc countries, stating that: "There has been a recent sharp reduction in the threshold of demonstrable truth substantiating charges levelled against members of that long-suffering minority [the Jewish population], while the threshold of punishment meted out to those of them who have sought to exercise their human rights appears to have sharply increased" (*Globe and Mail*, May 25). Mr. Jay stated that the Soviet Jews had been singled out as a persecuted minority because of the particular concern shown in the past by Canadians. While acknowledging that the language used by Canada in its criticism had been mild, Mr. Jay (and later Mr. Clark in the Commons) stated that Canadian concerns, though restrained within the confines of the conference meetings, would be made known "in the corridors" and among other conference representatives.

Immigration

Oral Hearings for Refugees

A Supreme Court ruling in early April that pending refugee cases required oral hearings was greeted by immigration advocates as a breakthrough in providing prospective refugees with adequate guarantees. Based on an interpretation of the Charter of Rights and Freedoms, the ruling decided that the Charter applied to aliens as well as Canadian citizens. Now all refugees present in Canada were covered by the provisions of the Charter and would be given the right to a full hearing to determine whether they were fleeing "religious, racial or political persecution" (*Globe and Mail*, April 5). Oral hearings as a right had previously been denied under the Immigration Act. However, the decision involved a large backlog of applicants seeking refugee status (estimated at nearly 20,000). Complaints had already been received by officials about the treatment received by applicants in detention centres upon their arrival in Canada (see "International Canada" for February and March 1985).

Immigration Minister Flora MacDonald indicated that new procedures would be devised to determine the legitimacy of refugee claims. The Supreme Court decision, while not altering the criteria for determining claim legitimacy, dealt with the "fairness of procedures." Applicants were now provided with the "right to call witnesses, make legal arguments and be apprised of the government's case" (*Toronto Star*, April 6). Ms. MacDonald did not immediately reject the suggestion (coming primarily from immigration-aid workers) that the Immigration Department establish an amnesty program to handle the large backlog of applicants now requiring oral hearings.

By late May, the government had devised a program to provide the backlog of refugee applicants with landed immigrant status (*Globe and Mail*, May 25). Because of the size of the backlog, the necessary extra time and money would require the institution of a program whereby the applicants might be "streamed into the landing process." The plan would represent a partial amnesty. While still required to pass previous medical and security checks, refugees from certain countries would be automatically processed for landed immigrant status. Those coming from countries with a high level of so-called "frivolous" refugee claims (including Jamaica, Portugal and Bangladesh) would be subject to the refugee determination process (which includes a hearing). However, no blanket amnesty was foreseen.

Committee Report

A Commons committee report was released in early April advocating increases in immigration levels, and more particularly increases in the number of "entrepreneurial class" immigrants. While the report was not endorsed by Liberal and NDP committee members, it received full support from Conservative members, who stressed the advantages to be gained by a policy of attracting to Canada those immigrants with entrepreneurial skills and sufficient capital to establish businesses (and thus alleviate, to some degree, the unemployment situation by providing new jobs for Canadians). However, in the Commons April 2 Opposition members characterized the report as elitist and overly-focused on economics. Sergio Marchi (Lib., York West) regarded an advocacy of increases in immigration conditional on wealth as "immoral," and called for a more "humanitarian" approach. Responding, Acting Prime Minister Erik Nielsen stated that the report was one source, among many, of advice for the Immigration Minister's consideration on future policy.

Conservative committee members defended the recommendations, stating that it reflected "a recognition of cycles in the economy and population" — hence the stress on increased levels and the economic considerations (*Globe and Mail*, April 2). However, Liberal immigration critic Lucie Pépin (Outremont) called the report "premature and superficial," and lacking in a thorough understanding of the problems involved in rising immigration levels coupled with shortages in immigration staff and services. Consensus on increases, she added, should first be achieved before instituting recommendations such as those outlined in the committee report.

For the Record

(supplied by External Affairs Canada)

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Soviet Press and Afghanistan

by Stephen Lewarne

The Soviet invasion of Afghanistan on December 27, 1979, took place in an unstable international environment and in a potentially volatile domestic situation. Two events were of key importance: the marked downturn in Soviet-US relations; and the revolution in Iran.

During the autumn months of 1979 the Soviet Union's relations with the United States had reached a low ebb. The SALT II Treaty, just signed in June, was under considerable attack in the US Congress. President Carter's inability to persuade Congress to accept SALT II lent credence to the Soviet's belief that he was a weak leader, who (unlike his predecessors Ford and Nixon) had little control over the political process which he claimed to govern. Carter, unable to fulfill his "promises" on international accords, had taken a back seat to the anti-Soviet American Congress, which had become dominated by the interests of the Pentagon.

Such was the Soviet understanding; so when Carter announced the MX program, increased the force readiness of the Seventh Fleet in the Arabian Sea, and jointly with NATO announced the deployment plans of theatre nuclear weapons in Europe, his leadership appeared erratic and hostile.

Islamic stirrings

The revolution in Iran had two salient features which threatened the Soviet Union. First was the vehement anti-Americanism sparked by the revolution of 1979, culminating in the seizure of the US Embassy on November 4. This gave the Soviets cause for concern, because, in the event of an American intervention in Iran — a justified fear from the Soviets' point of view, due to the number of US-owned assets in that country — the Soviets would be faced with a large US military presence on the border of the Soviet Union itself. Second was the spread of revolutionary Islamic fundamentalism. With Afghanistan in disarray — as it was — by the autumn of 1979, there was good reason for the Soviets to fear the spread of revolutionary Islam within Afghanistan, and so, contributing to regional unrest within its own predominantly Muslim central Asian republics.

The Soviet media campaign which accompanied the subsequent invasion had to deal primarily with these two events. Keeping them in mind it is possible to see that preparation in the Soviet press had started to take place as early as October 1979. It followed a pattern that was both

standard for Soviet propaganda vis-à-vis the West (and China), and original in its treatment of the religious and nationality questions that arose from the events in Iran.

The Soviet press coverage had two broad characteristics. First, in order to deal with what was seen as growing Western aggression, it was necessary to explain the civil unrest in Afghanistan as part of a "predatory imperialist plot" against the Afghan people and their sovereign state. Second, that "plot" was endangering the goals of the Amin's April Revolution of 1975. This threat was actively represented, the Soviet media asserted, by CIA and Beijing "chauvinist" agents.

This is a characteristic which has run through the Soviet press in various degrees since the Ninth All-Russian Congress in 1921. Here Lenin warned that the imperialist powers were aggressive and intolerant of the Soviet state and that the USSR must be prepared for any action taken against it. The extension of this came shortly after the invasion of Czechoslovakia in the form of the "Brezhnev Doctrine," which asserted that the imperialist powers were hostile to the whole Socialist commonwealth and it was the duty of the USSR to lend "fraternal assistance" to any member of this commonwealth in order to protect the "gains of socialism."

Brothers don't invade

This notion had two predominant manifestations in the media coverage of the Afghan crisis. First, the word "invasion" was never mentioned. The Soviet Union was lending "assistance" to its socialist ally and then only upon the request of the ruling People's Democratic Party of Afghanistan (PDPA). Second, if anyone were to blame for the deterioration of control, it was those Afghans who were in "the pay of the imperialists."

The second characteristic of the press coverage was the emphasis on the religious and nationality questions. The Soviet press was forced to deal very delicately with the religious unrest in the whole region and its reverberations on the Muslim nationalities in the central Asian republics. Hence the press asserted that the rights of Islam were being

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violated. These violations were a result of "imperialist aggression" and it was the responsibility of the Soviet Union "to protect the rights of Islam." This theme became a characteristic of the media campaign both to appease the Soviet Muslim nationals and favorably to contrast itself with the Americans, whom the Iranians had already branded as the "villains" against Islam.

Let us deal with the second characteristic first as it provided much of the explanation in the Soviet press for the "imperialist aggression."

In *Izvestia* on October 5, 1979, a lengthy article reported the visit of an important Afghan religious leader to Moscow (his name and title were not mentioned). He claimed, according to *Izvestia*, that the Soviet Union had reached a more than satisfactory degree of both religious and cultural freedom. It was implied that the Soviet Union understood the religious needs of Islam and was quite prepared to defend its existence and culture.

Classes or religions?

This piece was followed by a 4,000 word article in *Pravda* on November 16 titled "Can Communism and Religion Cooperate?" Here the philosophical justification

was provided for the invasion of a Muslim neighbor. The article stated that "Islamic slogans" had been misused by the counterrevolutionary forces in Afghanistan, and that the entire Iranian revolution had led to a distortion in the meaning of Islamic slogans. It went on to insist that those who held the same religious beliefs could find themselves on different sides of "class barriers." This portrayed the Afghan crisis as a class conflict rather than a religious one. However the article stated that class conflict can often threaten the precepts of all religions and hence must be eliminated. This rationale then allowed the Soviets to proclaim that they were "protecting the rights of Islam and all religious thought as a fundamental right of the Afghan people." Thus, when Amin was replaced by Karmal in December 1979, the request made in the name of the PDPA for Soviet assistance was to help fight a "holy war" in protection of the rights of democracy and Islam.

The claim that the Soviet Union was the protector of Islam was made intentionally to compare itself favorably with the United States. This was simple since anti-American sentiment was running high in Iran. It was easy therefore to say that the United States was trying to divide the

Afghanistan chronology

July 1973:	Prince Mohammad Daoud ousts King Zhair, establishes the Republic of Afghanistan.
April 1978:	Revolutionary coup by leftist Afghan officers. Nur Mohammad Taraki becomes Secretary General of the People's Democratic (Communist) Party of Afghanistan (PDPA).
November 1978:	Land Reform Decree.
December 1978:	Soviet Union and Afghanistan sign a Treaty of Friendship, Good Neighborliness and Cooperation.
September 1979:	Taraki ousted by Hafizullah Amin.
November 1979:	American intelligence records Soviet troop movements in northern Afghanistan and at Bagram, the military airfield north of Kabul.
December 24, 1979:	Soviet combat troops move into Afghanistan, take Kabul.
December 27, 1979:	Amin replaced by Babrak Karmal (Karmal still in the USSR).
December 27, 1979:	PDPA requests Soviet assistance.
December 29, 1979:	First public announcement in the USSR of Soviet assistance to Afghanistan.
December 31, 1979:	Karmal arrives in Kabul.
January 23, 1980:	"Carter Doctrine" announced, invokes sanctions against the USSR.
March 1981:	Reagan announces that the United States will aid the Afghan "rebels."
August 1981:	Second major land reform (concession to tribal and religious leaders).
March 1982:	Number of Soviet troops in Afghanistan reaches approximately 100,000.
Spring 1983:	Number of Soviet troops scaled down to 80,000.
Spring 1985:	US intelligence reports Soviet troop increase to 120,000.

Muslim world, while the Soviet Union was willing to help an Islamic republic.

The external threat was then cast in this light. In the October 2 edition of *Pravda* an article appeared titled "Inciters from the Associated Press." It debunked the claims by the Associated Press that the Afghan rebels had attacked the Soviet Embassy. Calling these assertions false, it went on to say that the report was part of a Western plot to stir up and mobilize those "who opposed the April revolution," and that the US press was only trying "to incite violence against Soviet officials."

Anti-Islamic West, anti-Islamic China, etc., etc.

Elaboration on this theme came on October 9 in *Izvestia*. The article titled "Afghan 'Refugees' and Their Overseas Patrons." asserted that the "imperialists are aiding those opposed to the April revolution." Those involved "are Western special services and pro-Beijing agents." Further, it was asserted that the refugee problem was created by the CIA, which was working actively along the Pakistan border. The CIA was "in fact" paying one of the rebel leaders, Rakhman Kul, to coerce and bribe Afghans to assemble in Pakistan, receive Chinese and American arms and slip back into Afghanistan to stir up counterrevolution.

These accusations were then extended in an article which appeared on November 27 in *Izvestia*, titled "Whose Interference?" No longer were the Americans and Chinese merely assisting counterrevolution in Afghanistan; now they were using their claims of Soviet interference in Afghanistan "a justification for both American and British intervention in Iran." The portrait of an imperialist world trying to thwart the Islamic revolution and ready to strike at a region so close to Soviet territory was a crucial part of preparing the Soviet population for its invasion of Afghanistan.

With the Soviet media maintaining that the US and Britain were prepared to invade Iran, it was important to discredit Western accusations that the Soviet Union had sent troops into Afghanistan. As late as December 23 an article appeared in *Pravda*, "Soviet Troops in Afghanistan? Pure Fabrication." In this article it was denied that any military units had been sent to Kabul as had been reported in the Western press. In a now familiar tactic the article moved from denying to attacking the intentions of the US press. "The ominous nature of the American media," it was stated, was to "pursue political goals that endanger the Afghan people." Again, the accusation was made that the CIA and Beijing were training counterrevolutionaries in Afghanistan and that this constituted a "flagrant intervention in the internal affairs of Afghanistan and are dangerous intrigues."

Easing in Karmal

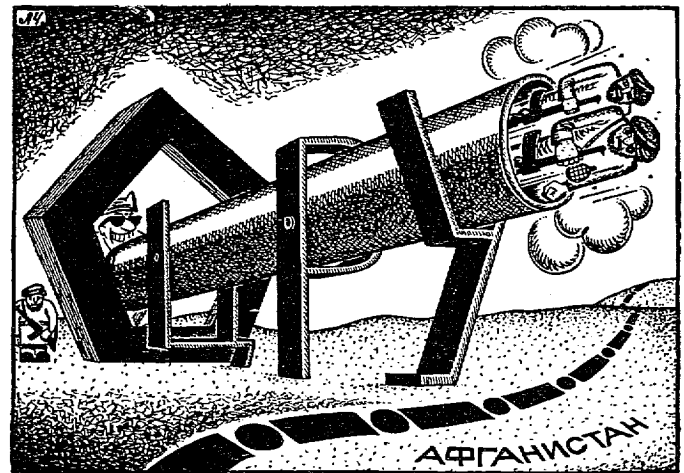
As it was clear to the Soviets that Amin was unable to control the civil strife near the end of December of 1979, it became more and more apparent that they would have to intervene to prop up the PDPA and to quell regional unrest, especially along the Soviet-Afghan border. Amin's ouster and the Soviet invasion which followed were then explained in the context of the three-month campaign that had preceded the invasion. On December 27 TASS an-

nounced that Amin had been replaced by Karmal. "At last," the report stated:

after cruel suffering and torment the day of freedom and rebirth has come for all the fraternal peoples of Afghanistan. Today the torture machine of Amin and his henchmen . . . has been broken.

This would come as a surprise to a Western reader who had followed the events in the Soviet press. There had been no mention of Amin's "torture machine." In fact, only five days earlier in the December 23 *Pravda* article, Amin had been quoted praising the Soviet Union for its "profound respect for Afghanistan's independence and national sovereignty." Yet to the Soviet reader, the explanation was quite normal. Amin was reported to have been part of a "greedy imperialist" plot, an accusation which was confirmed by a report in both *Izvestia* and *Pravda* on December 30, when Karmal announced that Amin had actually been a "spy for the Americans." The media then explained the change in leadership as a necessary step in combatting the already well-publicized imperialist intervention.

The "invasion" itself was announced on December 29 in *Pravda*. The article, "Appeal by the Government of



The translated Russian caption reads "The CIA and the Pentagon provide bases in Pakistan for the training and launching of armed bands of Afghan counterrevolutionaries" (*Pravda*, September 13, 1984).

Afghanistan," stated that the PDPA "took account of the broadening interference from the West and Beijing in Pakistan among the refugees, and requested Soviet assistance." The Soviet Union, proceeding from the December 5, 1978, *Treaty of Friendship, Good Neighborliness and Cooperation*, responded to this appeal.

Soviet selflessness

The press reports out of Kabul which were carried in the Soviet press all confirmed the "fact" that the Soviet Union was protecting the "goals of the April revolution." These goals were made clear by Karmal in a radio address which was reprinted in *Pravda* on December 30. He stressed that the PDPA was protecting the rights of all the Afghan people, "entrepreneurs," "landowners," "clergymen" and "all classes." When in the same issue of *Pravda* it

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was announced that religious leaders had been released from Afghan prisons, this confirmed to the Soviet population and specifically to its Muslim citizens, that the Soviet Union was indeed protecting the rights of Islam from the encroachment of imperialist aggression.

All that remained was for the Soviet press to display international support for the Soviet "assistance." The first endorsement was reported in *Pravda* on December 30. Both Prague and East Berlin lent their support to the Soviet actions and appropriately criticized the "forces of imperialism and Maoism." A TASS report the next day claimed that support had been voiced in Vienna, Paris and Beirut. However, the most important support came from India. This endorsement was crucial to the Soviet domestic media campaign and was significant also for the Soviet Union in its relations with the non-aligned nations of the UN. The statement by the Indian Foreign Minister, reported on December 31 in *Pravda*, that the Soviet action "did not violate non-alignment" claimed international legitimacy for the Soviet "assistance."

The Soviet press coverage of the Afghan crisis accomplished three essential tasks. First, it debunked Western press claims of Soviet "interference," by showing that these claims were merely part of imperialist aggression. Second, it managed to attribute the unrest in Afghanistan to this aggression. Finally, by reporting that events in Iran and the accompanying rise of Islamic fundamentalism were opposed by the Americans and British, it portrayed itself as the "protector" of Islam. While non-Soviet Muslims may doubt this assertion, it nevertheless allowed the Soviets a rationale to offer their own own Muslim citizens for their actions in Afghanistan.

Since the invasion

Although the Soviets hoped for a quick victory, it soon became apparent that they would have to adjust to a long and protracted anti-guerrilla war. The media campaign which had been launched in the months before the full-scale intervention on December 27 was simply drawn out to justify their continuing intervention. There was no articulated anti-war movement in the Soviet Union — as there had been in the United States during the Vietnam War — and this was a great advantage. The object was to keep it that way. The essence of the media campaign therefore was to conceal the nature of the war, and focus upon the "imperialist threat."

Accusations of "military interference" by Washington were reported regularly in both *Pravda* and *Izvestia*. The essential difference in the tone of the coverage as the conflict drew on, was that the Western imperialist aggression was now responsible for a "real undeclared war against

the Afghan revolution." This "undeclared war," Brezhnev asserted at the 26th Party Congress in February 1981, "created a direct threat to the security of our southern border."

Brezhnev had then broadened the scope of Soviet involvement. No longer was it simply to lend "fraternal assistance" to a socialist ally, but it was to protect the Soviet Union itself. By adding this sense of "external threat" to the media campaign, the "need" to be in Afghanistan and the "correctness" of the involvement was increased.

The most important aspect of the media coverage, especially since 1982, has been the absence of any detailed reporting of the conflict. The vociferous cries of "imperialist" aggression are old phrases with key words that often tend to be blurred into other international issues by the Soviet reader. What he is likely to focus on are the events and casualties resulting from the war. This type of information however, is not reported. The number of casualties are not given in the Soviet press (and indeed, even by the best Western estimates, are not high). When specifics about the fighting appear, they are usually reported in a story-type format in *Krasnaya zvezda* (the military newspaper), and are usually about individual acts of heroism, rather than accounts of tactical victories.

Lowering the religious and political temperature

While the imperialist aggression aspect of the media campaign has grown since the invasion, the references to Islamic fundamentalism and the Soviet Union's desire to "protect" Islam, have decreased. One explanation of this is the relative calm in their central Asia republics despite the intervention. With at least a seven-way split among the Muslim factions resisting in Afghanistan and a war between two Muslim states (Iran and Iraq), the fear of concerted resistance by Soviet Muslims to Soviet rule has been reduced.

The media campaign since the invasion has essentially followed these lines. Interspersed with justifications for intervention in the press are speeches by Karmal in which he asserts that the PDPA is building socialism and "normalizing" the situation. The point of the media campaign appears to have been to make Afghanistan both a remote issue and an example of that same imperialist aggression which the Soviet press cites in other international issues.

One analogy is revealing. The press campaign was not about to create a "crisis of legitimacy" as it had in the United States during the Vietnam War. Jonathan Steele in his *Limits to Soviet Power* (Penguin, 1984) has drawn the comparison with Ulster. "Russians," he says, "talk about it as the English talk about Northern Ireland — only rarely." To most Soviet citizens Afghanistan is a remote place. It will be fairly easy therefore, to continue to portray the conflict as a faraway but necessary irritant. □

Brazil's new democracy

by F.W. Orde Morton

On May 8, 1985, the Brazilian Congress passed a constitutional amendment which effectively completed Brazil's long march back to democracy. Future presidents will be chosen by direct popular election. Elections for mayor in the twenty-three state capitals will be held in November. Perhaps most striking of all, the Brazilian Communist Party (PCB), clandestine for all but two years since its foundation in 1922, has been allowed to operate legally. In principle, a final stage of re-democratization remains. A Constituent Assembly will meet, probably in early 1987 but possibly earlier, to give Brazil a new, more coherent, and more socially progressive Constitution. But, depending on the political forces which win control of the Assembly, this will be either a tidying-up operation or the first step onward to fundamental social change. Brazil already enjoys the essentials of political democracy.

Democracy arrives

Military rule lasted almost twenty-one years, yet was always in principle temporary. The period of severe repression from 1968 to 1975 was followed by a crab-like return to constitutional government, culminating in the presidential election of January 15, 1985. Conducted by an electoral college carefully rigged to ensure the election of a civilian sympathetic to the departing military, it nonetheless returned Tancredo Neves, one of the few members of the traditional political class who had never collaborated in any way with the military governments. Tancredo owed his election first and foremost to the popular demand for an end to military rule, expressed by the 1984 campaign of demonstrations for direct presidential elections. He consolidated it by his own unmatched political skills. His conservative background, long association with moderate reformist parties, and vast knowledge of Brazil won in fifty years of political life made him at once acceptable to a majority of the military, reassuring to conservatives, and a symbol for millions of a new Brazil, the "New Republic." His death on April 21 without having taken office was an irreplaceable loss.

Yet Tancredo's election had aroused expectations of change which he would have found very difficult to fulfill. His successor, José Sarney, does not have that burden, although he runs the risk of being compared with what a now-beatified Tancredo would have done. Sarney was born in 1930, in the poor and remote Northeastern state of

Maranhão. From 1964 to 1984 he was a consistent supporter of the military regime, serving as governor of his state, in the Senate and as president of the military's PDS party. In August 1984 he left the PDS at the head of a faction to whom the party's candidate for the presidency, Paulo Maluf, was unacceptable. The support of that faction, organized as the Liberal Front, ensured Tancredo's election in January 1985 in return for Sarney's election as Vice-President.

The accidental President

Sarney's credentials as a democrat are thus equivocal, yet he also has enemies on the right. He began his term strengthened by the wave of emotion at Tancredo's illness and death, and by the belief that there was no alternative consistent with the continued consolidation of the new democracy. These will be diminishing assets, and Sarney lacks a national political base. A novelist and poet of some distinction, by birthplace and character he represents an older, simpler Brazil. Neither he nor the Liberal Front has significant support in the industrialized, urbanized states of Central and Southern Brazil. To govern effectively Sarney must keep his support in the Northeast, build working relationships with the congressmen and state governments in the two great states of São Paulo and Minas Gerais, and identify himself with the aspirations of urban Brazil.

In theory, Sarney should have no trouble in doing this. He and Tancredo were elected by the Democratic Alliance, the coalition of the Liberal Front and the opposition PMDB (Party of the Brazilian Democratic Movement), the largest political party in Brazil and long the sole legal opposition to the military governments. The Alliance has a majority in both houses of Congress and includes the governors of São Paulo and Minas Gerais. In practice, matters are less simple. The PMDB is not so much a party as a broad front. It includes forces ranging from former collaborators with the military to a large element which is unequivocally on the far left. Its members in Congress are undisciplined, and the nine state governments it controls are inclined to go their own ways.

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Civilian government at last

The left in the PMDB, based in the industrial cities, will make uneasy bedfellows for Sarney. They distrust his past and they are themselves under pressure in their political base from left wing parties not included in the Democratic Alliance. The most important of these are the PDT (Democratic Labor Party), ostensibly a social democratic party, in fact the personal vehicle of Governor Leonel Brizola of Rio de Janeiro, and the PT (Workers' Party) which in recent years has emerged from the industrial unions of São Paulo.

Brizola was the leader of the non-Communist left under the presidency of João Goulart in 1961-1964. He is still widely regarded as an extremist, but his immediate challenge to the Sarney government is expressed in constitutional terms. Brazilians have made it clear they want direct elections for President. The only legitimate regime is one originating in such elections. Therefore, Sarney's claim to rule is fundamentally illegitimate and direct elections should be held as soon as practicable and in any case no later than November 1986, rather than in 1988 as the government intends. November 1986 happens to coincide with the end of Brizola's term as governor, and he could use Rio as a base to campaign for the presidency. This obvious self-serving weakens his campaign, but he is potentially a formidable opponent. Unpopular with much of the middle class and the Marxist left, both of whom regard him as an opportunistic demagogue, he is an exceptionally skilled communicator with the urban masses, in person or by television. Direct elections are an ideal drum for such a man to beat.

Brazilian unions

While the PDT is one man, the PT is the first party to grow out of a mass movement, self-consciously the party of the labor unions. The political role of the Brazilian trade unions is important and will certainly grow under the democracy. Brazilian political parties tend to be ephemeral shufflings and groupings of the professional politicians; more than a dozen new ones have appeared since the military's restrictions on their formation ended. Unions, in contrast, are stable organizations. They were created on the lines of Italian fascist corporatism by Getulio Vargas, with one union for each industry in each municipality, and now number over 8,000. Forbidden to form national federations, they were conceived as a means of controlling the workers' demands rather than fulfilling them.

In the 1970s, however, several unions, and particularly the large metalworkers' unions in Greater São Paulo, began to shake off the tutelage of the federal Ministry of Labor. Guided in many cases by the radical wing of the Roman Catholic Church, which saw them as a means of "opting for the poor" on the principles of liberation theology, the São Paulo unions evolved a distinctive ideology which owes something to the Church, much to Marx, but relatively little to Lenin. Its political embodiment was the PT, founded in 1980 and the most consistently radical force in Brazilian politics.

Seeking control of the unions

The PT and the unions its controls are a threat to the working class political base of the PMDB and the Democratic Alliance. The former has little influence in the

unions except for the unions of the rural migrant laborers. It has therefore relied on an alliance with the Brazilian Communist parties, both the Eurocommunist PCB (Brazilian Communist Party) and the PC do B. (Communist Party of Brazil), formerly Maoist, now Albanian-line. Although the military in theory took power to save Brazil from the Communist threat, in practice it tolerated the long-standing Communist influence in the unions and allowed known Communists to run for office as PMDB candidates. With the emergence of the PT, the Communists and the PMDB have closed ranks still further in the face of a common enemy, and the Communists are now among the government's most loyal supporters. Legalization has been their reward, although this may not compensate them for the loss of revolutionary glamor and the burden of association with the government's measures.

The competition for control of the unions has contributed to the widespread labor unrest which broke out in April and May. The parties are under pressure to outbid each other in demanding higher wages, better working conditions and social reforms. This presents the government with difficult choices. Concerned for its political base, it is also responsible for managing the economy and reaching an agreement with Brazil's external creditors. Neither of these is consistent with an outburst of wage-propelled inflation. Officially, the government is taking the line that the corporatist structure will soon be swept away by a new labor law. Negotiations on working conditions will become the affair of employers and workers, with the government responsible solely for maintaining order and protecting property. While admirable in principle, this policy will encounter difficulties in practice. Maintaining order has already required the use of force, reminiscent of the military regime and unlikely to win the government friends among the workers. Further, the government is by far the largest employer in the country. Strikes in essential public services and the state corporations concern it directly and present choices which cannot be avoided.

The struggle for control of the unions, and the government's part in it, will be crucial for the future of the new democracy. But it will have relatively little to do with creating a more just society in Brazil. There are many millions of wretchedly poor Brazilians, but few of them belong to the metalworkers' union of São Paulo. Improvements in their condition must come about from economic growth and a more active program of social benefits.

Economic snarl

Before his death Tancredo had recruited an able team of economic ministers and advisers. Carefully balanced among his political bases of support, they were to be led by his nephew Francisco Dornelles, an experienced administrator whom he made Minister of Finance. Sarney has kept Tancredo's team, but it was widely expected that a struggle would erupt between monetarist and Keynesian factions, reflecting in turn the conflicting pressures on the government to control inflation (now running at 220 per cent a year) reduce the federal government deficit at US\$14 billion, and reach agreement with the IMF; all this while providing better housing, health care and education, more and cheaper food, higher wages and a start on agrarian reform.

The pressures are real, but the solution has been frustrated by the facts of the situation. Given its political base and the external and internal situation it inherited, the government has no choice but to try to do all of the above at once. Programs of social welfare have begun, with subsidies on basic foodstuffs for consumers and producers, low-cost public housing, and a 6 percent increase in the minimum wage (a major measure, since many workers are paid in multiples of the minimum wage). More daringly, a major program of agrarian reform has been announced. The cost of these measures is to be met — while reducing the federal deficit — by increased taxes, austerity throughout the huge federal machine, and an end to the costly megaprojects of the military regime. The political strains which will certainly arise from a serious attempt to control the deficit and limit wage increases are to be forestalled by a “social pact” among government, employers and labor which will define the broad lines of economic and social policy for the next four years. Unfortunately, it is doubtful whether such a pact can be negotiated among the government’s nominal supporters, let alone with the PDT and PT.

That foreign debt

At approximately US\$100 billion the Brazilian foreign debt is the largest in the developing world. The new government has stated that the debt will be paid, but on the basis of realistic appraisals of the country’s situation, and in a way which respects Brazilian sovereignty and allows it to resume economic growth. Such goals can be adjusted to the interests of Brazil’s creditors only by continued rescheduling of the debt, negotiations for which are now under way. The year of 1985 in itself presents few problems. The problems arise in connection with the proposed agreement for rescheduling all payments of principal falling due through 1991. Brazil’s macro-economic goals, the degree of IMF supervision of the economy, and the possible capping of interest rates all enter into these highly complex negotiations whose outcome cannot easily be foreseen.

It is clear, however, that what the Brazilian government signs in New York will be conditioned by what it believes Congress and the public in Brazil will accept. Further, its judgment may be mistaken; what it signs may not be enforceable in the real world. The bankers would do well to bear these political considerations in mind. Brazil’s balance of trade has shown remarkable improvement since 1982, making the debt burden just manageable. Now the overriding interest of all parties is a long term agreement, politically viable in Brazil and compatible with the renewed economic growth which is the only chance of a permanent solution to the debt.

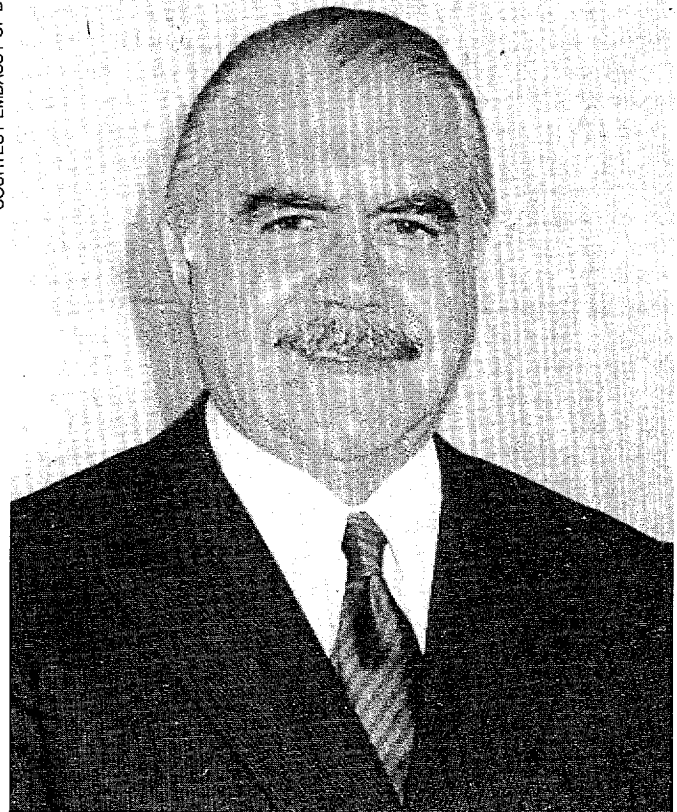
So far the debt has had relatively little effect on Brazilian foreign policy. In spite of suggestions in Brazil and abroad that the debt be settled by direct negotiations between the Brazilian government and the governments of the creditor states, it is arguably in Brazil’s best interests to keep the debt in a separate compartment and thereby retain the maximum freedom of action in other foreign policy spheres.

Foreign policy consistency

Brazilian foreign policy has a long record of coherence and predictability, based on a high degree of elite con-

sensus on its methods and goals. Conducted with skilled pragmatism by the professional foreign service (known as the Itamarati) it has consistently aimed at avoiding dependence on any single developed power or on the developed world as a whole. When the military took power in 1964, it was widely expected that Brazilian policy would become strictly aligned with that of the United States, but this phase was both brief and incomplete. Under the military regime foreign policy reflected the ruling ideology of “national security,” of achieving genuine national independence through the autonomous development of the

COURTESY EMBASSY OF BRAZIL



President José Sarney

Brazilian economy. This was a philosophy fully consistent with the Itamarati’s deepest traditions. Automatic alignments were avoided, in favor of a universalist policy which acknowledged Brazil’s status as an American and Western nation while refusing to be limited by it. Relations, and particularly economic relations, were developed with Spanish America, the Middle East, the Soviet bloc and China. By 1981 35 percent of Brazil’s trade was with the Third World, and the relative importance of United States trade and investment in Brazil had reached its lowest point since World War II.

The first oil crisis of 1973 reinforced this pattern. Heavily dependent on oil imports from the Middle East, Brazil was forced to make security of supply a major policy goal. Relations with the Afro-Arab countries assumed new importance, and successful efforts were made to increase exports to Iraq, Nigeria and Saudi Arabia. Steady demand from the Middle East helped to make Brazil a major arms

Civilian government at last

exporter. The second oil crisis of 1979-80 had sharply different effects. The increased cost of oil, together with the rise in international interest rates, made the Brazilian debt unmanageable and forced Brazil in 1982 to turn to the IMF and to accept a bridging loan of US\$1.5 billion from the United States Treasury. The stage seemed set for a resurgence of United States influence in Brazil, especially when the strong American dollar caused Brazilian exports to the United States to increase rapidly.

Just as its predecessor in 1964, this turning to the United States proved temporary, and it is unlikely to be repeated under the democracy. The Itamarati has remained true to its creed of avoiding close ties with any one developed state. This position will have popular support, since the Brazilian left is intensely suspicious of US motives and goals in Latin America, and sensitive to any real or apparent subordination of Brazilian policy to American. United States attempts to crush the Sandinista regime in Nicaragua will keep this sentiment alive; significantly, even under the military regime, Brazil extended export credits to Nicaragua. Other sources of conflict with the United States are not lacking, notably US efforts to protect their industries against Brazilian imports. Unsuccessful in stemming the import tide, these efforts are nonetheless a major irritant. Their inconsistency with Brazil's need to earn dollars to pay the US banks causes American declarations of solidarity and friendship to be received with caution even by Brazilians favorably disposed to the United States. The real possibility that Brazil will renew diplomatic ties with Cuba will not help matters.

Canadian involvement

This situation presents Canada with an opportunity and with a challenge. The 1970s were a banner decade for Canadian-Brazilian relations. Brazil was recognized as a priority area by the Canadian government. Trade increased steadily to reach CDN\$1 billion by 1980. Canadian investment in Brazil was substantial and — for the first time — diversified. Canadian banks, with loans to Brazil of some CDN\$6 billion, have an obvious stake in the country's future and have been active in the debt negotiations. Official contacts have also increased, with many ministerial visits and the establishment of a Joint Economic Commission. In recent years, Canadians for the first time have visited Brazil in considerable numbers, and a start has been made on Brazilian studies in Canadian universities.

Canada's *opportunity* is to build on this foundation. There is every reason to suppose that the new Brazilian government, concerned to diversify its economic and political ties as much as possible, will welcome Canada's efforts. The *challenge* is more subtle, since it involves a change in rooted habits of thought. Brazil must be seen as Canada's equal in world influence and as a country which has much to offer us. Although Brazil itself stresses its Third World status (for sound practical reasons), it is clearly a Third World country with a difference. It is unfortunate that the Canadian media, on the rare occasions when they pay attention to Brazil, unfailingly stress the poverty of much of the population. The poverty is real, and often terrible, but it is only one aspect of Brazilian reality. As such it is an inadequate basis for Canadian policy and Canadian attitudes. Perhaps most important, it is a problem which only the Brazilians can solve. Canada does not give governmental aid to Brazil, nor should it do so (although it supports non-governmental organizations working in Brazil). As equals Brazil and Canada can have a profitable and mutually rewarding relationship.

Good luck, Brazil

President Sarney is reported to be sleeping only three hours a night. It is easy to see why. Under the military Brazil became an industrialized and urbanized society, but at the cost of vast foreign indebtedness and of ignoring social injustices. Many of these social injustices were centuries old but had become less easy to endure in a world where everyone had access to television. The military took power believing that fiscal discipline and technical knowledge could put the economy to rights. Twenty-one years later the economy has problems on a scale unimaginable in 1964, and the military show every inclination to leave the civilians to grapple with them. The new government must try to pay the debts of all its predecessors, to the foreign banks and to the Brazilian people. This is a tall order, but in its favor is the remarkable stability and flexibility which Brazilian society has hitherto displayed. Most Brazilians want democracy to work, but for many of them, democracy means the possibility of social change rather than the rule of law, or of the rights of individuals and minorities, or of a government accountable to the legislature and the voters. The government's challenge is to create a democracy which can be all these at once. □

Canada's international security policy

by L.A. Delvoie

The most fundamental duty of any Canadian government, as of any national government, is to ensure the physical security of its citizens. Domestically, the government fulfills this responsibility through the promulgation of laws, the establishment of courts, and the maintenance of police forces and correctional institutions. Externally, it does so first and foremost by maintaining armed forces charged with assuring the defence of its citizens, of its national territory and of the nation's basic interests. More broadly, however, the national government must have a security policy; it must marshal all of the political, diplomatic and military resources at its disposal, not only to be in a position to defend the nation and its citizens, but also to prevent or forestall armed threats to their welfare, from whatever quarter.

In the last forty years, Canada's security policy has been characterized by essentially four complementary and mutually reinforcing elements: (1) collective defence and deterrence; (2) international peacekeeping; (3) arms control and disarmament; and (4) conflict resolution. The genesis and rationale of each of these elements will be examined in turn.

Collective defence and deterrence

Canada's approach to national defence has traditionally been governed by two basic determinants, geography and demography. On the one hand, Canada faces on three oceans and has a land border with only one other nation. This geographic reality, bolstered as necessary by the existence or presence of the British Royal Navy, was the principal guardian of Canada's security throughout much of its early history as colony and nation. Canada has had the good fortune to be one of the few nations on earth to have been spared invasion for a period of 170 years.

On the other hand, a combination of Canada's geography and demography makes it a highly vulnerable country. It is the second largest nation on earth, but is extremely sparsely populated. Its population is inadequate in size and resources to provide for its own defence over such a large land mass. This reality, combined in the mid-twentieth century with the development of the long-range bomber and the intercontinental ballistic missile, has left Canada with little or no choice but to look to others for assistance or cooperation in ensuring its security.

In other words, the Canadian government, in seeking to fulfill its responsibilities to the nation and its citizens,

had before it one of two choices: to become a client state or protégé of some great power, or to become a proponent of and participant in some system of collective defence. The Canadian government chose the latter course.

There arose, of course, the question as to where Canada should look for partners in collective defence. Here again, some of Canada's basic determinants inevitably came into play in identifying the elements of mutual interest which must underlie any such enterprise: geography, language, common political institutions and values, as well as the socio-economic realities of North America. These elements pointed in the first instance to the United States. History, language and culture pointed to Britain and France. A shared Western civilization, as well as patterns of twentieth century immigration to Canada, pointed to countries such as Belgium, Holland, Portugal, Italy and Germany. But as the experience of history in the twentieth century, and in particular the history of the periods leading up to two world wars made clear, the existence of a community of interests was insufficient in itself to prompt the creation of a collective defence system. What was also required was an external stimulus, a shared perception of a threat and a shared will to defend against that threat.

Birth of NATO

That external stimulus was provided in the late 1940s by the actions, policies, pronouncements and military capabilities of the Soviet Union, in which Canada and a number of other Western countries saw a direct threat to their interests and to their security. Canada thus joined with these countries in creating a standing politico-military alliance whose vocation was the collective defence of its member states. This was the North Atlantic Treaty Organization which was created in 1949 and which marked its thirty-fifth anniversary in 1984.

NATO as a defensive alliance rests on two basic pillars. On the one hand, it maintains a military capacity to defend its members in the event of attack. On the other hand, it maintains a politico-military system capable of

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Historical analysis

detering attack against its members by the threat of retaliation causing unacceptable damage to a potential aggressor. These remain to this day the two fundamentals of NATO as a security organization, defence and deterrence.

To the collective defence effort of NATO, Canada makes a small but militarily significant contribution: a brigade group of land forces and a group of fighter aircraft stationed in West Germany; a combat group of land forces committed to come to the assistance of Norway in the event of crisis or conflict; a fleet of twelve destroyers and eighteen Orion patrol aircraft dedicated to anti-submarine surveillance and defence in the North Atlantic ocean; and training facilities in Canada for the armed forces of allied countries, especially the United Kingdom, the Federal Republic of Germany, the Netherlands and the United States. Under a subsidiary bilateral agreement with the United States, Canada also contributes warning systems and squadrons of fighter aircraft to NORAD for the joint defence of North American airspace.

The benefits which Canada has enjoyed as a result of its membership in NATO are out of all proportion to the size or cost of its military contribution to the Alliance. By virtue of NATO's success in deterring any major East-West armed conflict, and especially the outbreak of war in Europe, Canada and Canadians have enjoyed thirty-five years of peace and security. NATO has also provided Canada with full membership in a major forum for consultation and coordination of policy on all aspects of East-West relations: defence, arms control, trade, cultural exchanges, and social and humanitarian issues. Finally, membership in NATO has provided an additional dimension, an added "intimacy," to Canada's bilateral relations with a number of countries with which it has a host of interests unrelated to defence and security, most important among them, of course, the United States and the member states of the European Communities.

International peacekeeping

The second element in Canada's security policy is international peacekeeping. (The term is used here generically to cover the activities of peacekeeping forces, military observer missions, mixed armistice commissions and truce supervisory organizations.) As with defence and deterrence, peacekeeping relies on the use of armed forces personnel, but in a very different mode and to somewhat different purposes. Peacekeeping operations are primarily geared to indirect rather than direct threats to Canada's security, to regional conflicts which could escalate, bringing about direct confrontation between outside powers and thus posing a threat to world peace generally. They also, of course, contribute to alleviating the regional consequences, political, economic and humanitarian, of these conflicts.

Peacekeeping units are normally injected into regional conflicts at an intermediate stage between the cessation of active military hostilities and the resolution by the parties to the conflict of the issues which gave rise to it. Their purpose is essentially two-fold. First, through observation, reporting, negotiation, intervention or interposition, to prevent or arrest outbreaks of violence which could lead to a renewal of more generalized hostilities. Secondly, to seek to provide a period of calm or a less charged atmosphere in which the parties to the dispute can proceed

with the business of making peace. The first of these objectives is frequently achieved by peacekeeping missions. The second, far more rarely — not due to any failure of peacekeeping, but usually to the lack of political will on the part of the parties to resolve their basic differences.

Most of the main peacekeeping operations of the last thirty-five years have been launched under the auspices of the United Nations through resolutions of the Security Council or of the General Assembly. Canada, as a strong supporter of the United Nations and of its Charter, has been one of a very few countries which have participated in virtually all the peacekeeping operations mounted by the United Nations. Members of the Canadian armed forces have served in UN peacekeeping operations in Egypt, Syria, Lebanon, Jordan, Israel, Yemen, India, Pakistan, Zaire and Cyprus. Under auspices other than the UN, Canada has also participated in truce supervisory commissions in Vietnam, Cambodia and Laos.

International peacekeeping is an occasionally dangerous task, often frustrating and frequently debated. The question which recurs most often is whether peacekeeping tends to delay the achievement of political solutions to problems by removing the pressures of active armed conflict which might otherwise force the parties to negotiate seriously. This question remains, for all practical purposes, unanswered, but it always has to be weighed against the possibility that the withdrawal of peacekeeping units might lead to a renewal of hostilities, to their escalation involving outside powers and eventually to a threat to world peace. In the event, the course of prudence has usually prevailed and peacekeeping operations have been maintained so long as there appeared to be a useful role for them to play.

Arms control and disarmament

A third element in Canada's security policy is the pursuit of arms control and disarmament. This is different from the first two in that it involves not the use of armed forces but of skillful diplomacy and political will, accompanied by a mastery of strategic concepts and of highly complex technical detail.

The three principal objectives pursued by Canada in the realm of arms control and disarmament are: one, to improve security for Canada and its allies by achieving strategic stability and a military balance between East and West at the lowest possible level of forces; two, to attenuate the destructiveness of war and the suffering engendered by armed conflict through bans or limitations on certain types of weapons; and three, to permit in the long term the diversion of financial, scientific and other resources from military purposes to other purposes.

In pursuit of these objectives, Canada participates actively in a number of multilateral arms control and disarmament conferences in Geneva, Vienna and Stockholm. The aims pursued in these conferences include a ban on the testing of nuclear weapons, the non-proliferation of nuclear weapons to countries which do not now possess them, a regime limiting the militarization of outer space, a ban on the production and stockpiling of chemical weapons, a balanced reduction in the conventional forces maintained by NATO and the Warsaw Pact in Central Europe, and a regime of militarily significant confidence-building measures applicable throughout Europe.

Through its membership in NATO, Canada is also

privity to the unfolding of the bilateral nuclear arms control negotiations between the United States and the Soviet Union and has an opportunity within the Alliance to make known its views on the course of those negotiations.

Canada can frequently make a useful contribution to the arms control process in the realm of ideas and techniques, and by exercising constructive diplomacy in the search for compromises leading to agreements. However, there is one inescapable reality: Canada is not a major military power and does not possess any weapons of mass destruction. It can therefore be only an indirect contributor to the process of actually reducing or eliminating these types of weapon systems. Recognition of this fact is not a recipe for inaction but rather for espousing realistic rather than utopian proposals and developing coalitions with like-minded countries, especially allied countries, to increase the prospect of furthering those proposals. As the Secretary of State for External Affairs, Joe Clark, said recently before the United Nations General Assembly, arms control and disarmament will remain "a constant, consistent, dominant priority of Canadian foreign policy."

Conflict resolution

A fourth element in Canada's security policy can, for want of a better term, be called "conflict resolution." Ideally, this is a process aimed at finding solutions to the basic political or politico-strategic problems which are the source of military confrontations or diplomatic deadlocks. More often, it involves primarily an attempt to find a *modus vivendi* between the protagonists to a dispute. Here the instruments can be either classical bilateral or multilateral diplomacy in the carrying out of political leadership or political will.

Over the years Canada has been active in a variety of conflict resolution initiatives. Individually, or in conjunction with the United States and the United Kingdom, it endeavored during the 1960s to find a solution to the Cyprus dispute. Within the UN Security Council it was involved at various times in endeavors to find basic political solutions to various aspects of the Middle East problem. For the last few years Canada has been active within the United Nations Contact Group charged with developing proposals for the settlement of the Namibian problem in southern Africa.

The Trudeau initiative

More recently, and perhaps better known to the general public, were the endeavors of former Prime Minister Trudeau to defuse the state and spirit of confrontation which prevailed in East-West relations in late 1983 and early 1984. The preeminent purpose of Mr. Trudeau's initiative was to generate the political will and confidence necessary on both sides of the East-West divide to bring about a lowering of tensions and a general improvement of relations. He was also at pains to identify any common ground which might exist between East and West as a point of departure for a resumption of the disrupted arms control negotiations between the United States and the Soviet Union.

It was in this spirit that he advanced the following series of propositions:

1. Both sides agree that a nuclear war cannot be won.
2. Both sides agree that a nuclear war must never be fought.
3. Both sides wish to be free of the risk of accidental war or of surprise attack.
4. Both sides recognize the dangers inherent in destabilizing weapons.
5. Both sides understand the need for improved techniques of crisis management.
6. Both sides are conscious of the awesome consequences of being the first to use force against the other.
7. Both sides have an interest in increasing security while reducing the cost.
8. Both sides have an interest in avoiding the spread of nuclear weapons to other countries — so-called horizontal proliferation.
9. Both sides have come to a guarded recognition of each other's legitimate security interests.
10. Both sides realize that their security strategies cannot be based on the assumed political or economic collapse of the other side.

Even this relatively modest set of propositions did not commend itself to the governments of the USA or of the USSR. This was to some extent indicative of how bad was the state of East-West relations at the time Mr. Trudeau put them forward. But Canada remains committed to continue to work towards an improvement in East-West relations in the interests of its own security and of world peace. Speaking before a university audience in September 1984, Prime Minister Mulroney spoke of the need to persevere in efforts towards the reduction of tensions and the attenuation of conflict, towards the creation of conditions for lasting peace: "There can be no letup in our efforts to reduce the threat of war. No matter how frustrating or difficult, negotiations must be pursued . . . The exercise of political will is nowhere more important than on this issue on whose outcome the lives of our children and of humanity depend."

A concluding thought

Canada's political traditions and orientations, as well as the relatively modest size of its military establishment, have effectively ruled out the pursuit by Canadian governments of hegemonistic or imperialistic ambitions, as well as the unilateral projection of force abroad as an instrument of foreign policy. As a result, Canada's security policy is in many respects synonymous with the quest for international peace and security. Through its participation in the collective defence system of the North Atlantic alliance, Canada contributes not only to its own national security but also to deterring an East-West conflict which would have devastating consequences for the world at large. Similarly, through its peacekeeping, arms control and conflict resolution endeavors Canada seeks to improve, attenuate or eliminate situations which could threaten its security by posing threats to world peace generally. Thus in discharging its fundamental national duty to provide for the physical security of its citizens, the Canadian government is engaged in a multi-faceted enterprise whose aim is global peace. □

Book Reviews

Foreign policy is not domestic policy

by William Barton

The Politics of Canadian Foreign Policy by Kim Richard Nossal. Scarborough (Ont.): Prentice-Hall Canada, 1985, 232 pages. \$14.95

Here is a book that has appeared on the scene at exactly the moment when its message can serve a valuable purpose in the interests of all Canadians. It should be required preparatory reading for the members of the Parliamentary committee set up to study the "Green Paper" on Competitiveness and Security, because it sets out with clarity and brevity the relationship between foreign and domestic policy, and the constraints that must be taken into account if the outcome is to be realistic and attainable.

Judged by the experience of one who was involved in the shaping and execution of Canadian foreign policy for over thirty years, this book describes the mold which determines the shape of that policy in both its internal and external dimensions as it really is, rather than the way some politicians and bureaucrats have sought to present it.

In the first paragraph of the introduction Nossal stakes out the argument that contrary to the persuasiveness of the image that foreign policy is little more than an external dimension of domestic policy, there are important differences. The exposition of these differences takes up Part I of the book, which he calls *The Parameters of Decision*, and which he divides into two sections, the "External Dimension," and "Society and Foreign Policy."

These parameters, in their external dimension, dictate that whereas governments have a substantial degree of control over their domestic policy agenda, foreign policy decision-makers, particularly those of a small state, are destined to be forever reactive, responding to the rivalries of the dominant powers, to the periodic pressures for a revision of the status quo, to the persistent threats to systemic peace. The "policy instruments" available to foreign policy makers make outcomes far less predictable than for domestic policy. In theory these instruments include force, non-violent sanctions, coercion, inducement and persua-

sion. In practice most states have to rely on persuasion — or diplomacy — to achieve their goals.

Because of its limited capacities, its vulnerabilities, and its dominant relationship with the USA, Canada's most potent technique in achieving objectives is to use its persuasive abilities — in the context of international politics, diplomacy. It is for this reason that for a state in Canada's position, a diplomatic corps with standing and reputation is not only essential, but potentially one of the state's most useful assets in its dealings with the rest of the world, as the record of Canadian diplomacy in the decade after the Second World War demonstrates. By contrast, many of the initiatives undertaken in the 1970s failed, not only because the objectives were often cast without regard to the constraints of power, but also because the craft of Canadian diplomacy had suffered since 1968.

The question of capabilities is critical for a state in Canada's position. The bulk of Canada's foreign policy is directed toward Washington for obvious reasons. There is a clear inequality of capabilities between Canada and the USA, but we are not thereby relegated inexorably to the rank of a weak state. Rather, it is a matter of showing "how wit with small means may accomplish wonders where great force availeth not."

Nossal concludes the discussion of parameters with an analysis of the position of the government in dealing with the domestic environment influencing foreign policy. His conclusion is that the government enjoys relative autonomy in this area. While interest groups are very active in the foreign policy process, they generally enjoy little influence over the behavior of the state. The important point is for policy makers to recognize the bounds set by civil society on acceptable foreign policy behavior.

Part II of the book deals with what Nossal calls "The Apparatus of State." He methodically examines the roles of the political executive, the bureaucracy, the legislature and the provincial governments. By its subject matter this section is more expository than analytical, but it is nonetheless incisive and perceptive.

In the concluding section Nossal recapitulates his thesis. As he sees it, the politics of Canadian foreign policy present a multifaceted image. The domestic policy preferences of the governmental apparatus are constrained and impelled only within the broadest parameters established by civil society, but the state has no such autonomy in international politics. The essentially anarchic external en-

vironment imposes tight constraints and imperatives on those who chart Canada's course in world politics.

Although the book is presumably intended to fill a useful role as a university text, it has the virtue of avoiding academic stuffiness, and merits the attention of all those who are, or should be, interested in the subject, especially politicians and senior bureaucrats. There are useful annotations at the end of each chapter, and the only minor fault, in the opinion of this reviewer, is the penchant of the author to use words that require a handy dictionary. How many readers will know, off-hand, the meaning of "diuturnity" or "semasiological."

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The peacekeeper's lot

by Bruce M. Williams

In the Interests of Peace: Canada and Vietnam 1954-1973 by Douglas A. Ross. Toronto: University of Toronto Press, 1984, 484 pages, \$35.00.

Douglas Ross has produced an exceptional and needed study of Canada's role in Vietnam during the period 1954-73. This is a monumental survey of Canadian foreign policy, both its formulation and implementation with respect not only to Vietnam but also in particular to the United States and the other great powers with interests in that part of the world.

Vietnam prior to 1954 was perhaps little known to Canadians and certainly was not an area of acute concern to Canadian foreign policy-makers. The fact that Vietnam and indeed Cambodia and Laos did become focal points of Canadian foreign policy concern is vividly described and analyzed by Professor Ross. The author reviews and assesses the impact which participation by Canada in the International Commission for Supervision and Control had on the development of Canadian policy for Vietnam and indeed on its formulators. The problems of Vietnam became an issue for successive Canadian governments and produced strains elsewhere for Canada's foreign relations. This is most clearly illustrated in Canadian-US relations when the latter became inexorably drawn more deeply into Vietnam, and Canadian political leaders — Prime Minister Lester Pearson and the Secretary of State for External Affairs Paul Martin in particular — attempted to defuse the situation. Professor Ross details with great skill Canadian concern about US policy in Indo-China and quite correctly,

in this reviewer's opinion, rejects those who would claim that Canadian policy was supine. His balanced judgment of Canadian policy is ably presented and his research is impeccable.

One does not have to agree at every stage with Professor Ross's interpretation of the elements which went into the making of Canadian policy on Vietnam. Even so, his detailed review of the problems facing the Canadian component of the Supervisory Commission from the early days of 1954, when the issue of freedom of movement from North to South dominated the work of the Commission, is flawless.

Canada was in many respects a reluctant candidate for the Commission but once embarked on the project, Canadians determined to ensure that Canadian peacekeeping efforts, even if not always appreciated, were directed to maintaining an armistice settlement, uneasy and imprecise though it might be.

Canadian policy in Vietnam could not be divorced from the broader aspects of Canadian relations with the United States, and at times this consideration became overriding. Professor Ross deftly records the ramifications of this factor — from the very outset of the Commission — through the Seaborn and Ronning initiatives — and finally to the newly reconstituted Commission from which Canada subsequently withdrew. Canadian policy on Vietnam was clearly not always precise but efforts to find solutions were not lacking.

It can perhaps be argued that the formulation of Canadian foreign policy has always been shrouded in ambiguities. Some might even go so far as to argue that it has been Byzantine both in formulation and implementation. This would be too harsh a judgment. By the same token Professor Ross's thesis that Canadian policy on Vietnam has been the product of groups of officials in the Department of External Affairs with varying philosophical tendencies is intriguing. Professor Ross argues that Canadian Vietnam policy was over the years primarily the product of liberal-moderates with occasional oscillations to left-liberals and conservatives. This is an interesting argument and one which merits carefully concern and thought. There can be no argument that Canadian policy on Vietnam was susceptible to Canadian political leaders and officials finding a middle ground which would permit accommodation with United States policy as well as participating effectively in a Commission which was hobbled from the outset.

This is a fine volume and should be read carefully by anyone interested in the Canadian experience in Vietnam and how membership in a Commission in a distant and unknown land, now so beset by sadness, influenced so many Canadians and forced them to ponder on the wider issue of what role there is for a country such as Canada in trying to be a peacekeeper.

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Book Reviews

Other international politicians

by Peyton V. Lyon

The Third World Coalition in International Politics by Robert A. Mortimer. Boulder (Colorado): Westview Press, 1984, 194 pages, US\$22.00 (cloth) and US\$9.95 (paper).

Nonstate Actors in International Politics by Phillip Taylor. Boulder (Colorado): Westview Press, 1984, 247 pages, US\$30.00 (cloth) and US\$13.95 (paper).

Nonstate actors, it is now widely accepted, are increasingly important in the congested international arena. They deserve systematic study. By attempting to be systematic, however, Phillip Taylor has produced a book that reads like a cross between a textbook and an encyclopedia. Robert Mortimer, by contrast, limits himself to an historical account of the two main institutions of the Third World. The result is both readable and insightful.

Apart from a dozen pages on multinational corporations and international labor unions, and comparable attention to transnational ethnic groups such as the PLO, Taylor treats only inter-governmental entities such as NATO, the European Community, ASEAN and OPEC. His decision to ignore the United Nations and its agencies is perhaps justified by the extent of the existing literature. (Even so, it is high time for a contemporary study of the UN of the quality of Innis Claude's *Swords into Ploughshares*, but Taylor's pedestrian style suggests that he is not the author for the task.) Taylor makes a serious effort to be comparative by drawing a common set of questions from the literature on international integration. The attempt, however, becomes tedious and offers little enlightenment. Do we really need to be told, for example, "The Secretariat is always located in the city considered to be the headquarters of that organization?" After treating NATO as by far the more significant decision-making body, Taylor concludes curiously that it is "perhaps no less" important than the Warsaw Pact Organization. He considers that Canada and the United States provide the best example of international integration between the two countries, but says nothing about their institutional arrangements.

Robert Mortimer's updated study of the growing pains of the Nonaligned Movement, and its somewhat larger economic counterpart, The Group of 77, is as authoritative as it is sympathetic. Frequently it catches the drama in the creation of new institutions. Only in his conclusions does Mortimer's commitment to the Third World, combined with a clear awareness of the painful facts, create confusion.

Starting almost from scratch, the Third World nations have evolved a complex set of institutions capable of formulating and defending common positions on many issues of central importance. Yet they are rarely able to settle disputes between their own members, and East-West rivalry continues to strain Southern cohesion. Mortimer, however, shows how "creative diplomacy," notably that of Yugoslavia and India, has enabled Third World unity to

survive such trials as the blatantly biased Presidency of Cuba; the "moderates" do at times prevail and it is only the shortsighted hostility of the United States, he maintains, that has blocked progress towards a more equitable economic system.

Fair enough; United States policies towards the Third World are as indefensible as they are pivotal. Mortimer contends that the Third World through its organizations has achieved "power" that it would be "perilous" to neglect. But is "power" the right word when the organizations have so clearly failed to make gains towards their primary goal, economic justice? Neither militancy nor moderation has succeeded in budging the principal barrier to change, and Mortimer fails to show how the United States, now that it no longer minds being disliked, suffers because of its opposition. The ability to maintain a substantial degree of Third World unity may well be a diplomatic triumph, but to what purpose when economic disparity continues to increase?

The Third World's cause might well be less daunting if its posture were seen to be truly nonaligned. Since little can be expected of the Soviet Union, it is folly to accept for membership its close associates, such as Cuba and North Korea, while rejecting those of the United States, notably Pakistan. Mortimer states briefly the official nonaligned explanation that it is a matter of bases, not ideology. Had he been less committed, he might have been more critical. These are minor flaws, however, in a generally superb study.

Peyton V. Lyon is Professor of Political Science at Carleton University in Ottawa.

International organizations at work

by Robert P. Cameron

Multilateral Negotiation and Mediation edited by Arthur S. Lall. Toronto: Pergamon Press, 1985, 206 pages, \$30.00.

For students of international affairs or interested laymen, this compact collection of articles provides a comprehensive survey of the scope, limitations and *modus operandi* of the principal international organizations where multilateral negotiation and mediation are regularly practised. Most of the authors, including Britain's Lord Caradon and Canada's Arnold Smith, have drawn on their long experience as outstanding practitioners of the diplomatic profession. The editor is Arthur Lall who also has a wealth of experience both as India's Ambassador to the UN and as a Professor of International Relations at Columbia University.

There is much in this book of interest to students of the United Nations. Canadians, who traditionally have been loyal and often enthusiastic advocates of the multilateral approach and strong supporters of the UN, will be struck by the contrast between the former Israeli Foreign Minister's negative view of the world organization, and the more positive picture painted by Lord Caradon of his experience as United Kingdom Ambassador. His account of the events surrounding the adoption by the Security Council of Resolution 242 on November 22, 1967, provides some ground for optimism that this resolution will continue to survive as one of the main principles on which an enduring peace in the Middle East can be built.

In the section on regional negotiations, the chapter on the Arab League illustrates well the limitations of a regional organization in the settlement of disputes when an important state in the region (Israel) is excluded. Unfortunately, the chapter on the Organization of American States sheds little light on how that organization really works. Instead, it reviews in cumbersome language relevant treaties and the terms of reference of the various committees. It is asking a great deal of even the most conscientious student to plow through two pages verbatim of lengthy Ministerial resolutions concerning disputes between Nicaragua and Costa Rica in 1979, and Peru and Ecuador in 1981, neither of which are explained to the reader.

The two chapters on disarmament negotiations are well done. Drawing on his considerable experience as a principal negotiator during the administrations of President Kennedy and President Carter, Adrian Fisher describes key elements involved in negotiations between the superpowers, consultation with allies and the relationship between the delegation and the various agencies responsible for formulating instructions. Inga Thorsson, who has presented the Swedish government's view on disarmament for many years, is very critical in her assessment of the accomplishments of multilateral disarmament negotiations in the last two decades. Proponents of the multilateral approach will not derive much comfort from her assessment, which tends to minimize the significance of the restraints imposed on the major powers by such agreements as the Partial Test Ban Treaty of 1963 and the Seabed Treaty of 1972.

Arnold Smith's contribution on the Commonwealth is rich in colorful detail based on his long experience as Secretary General. His article is particularly valuable for those whose knowledge relates to other organizations whose membership may be either universal, such as the United Nations, or regional, such as the European Economic Community. One is struck by the informality and innovative nature of many of the procedures instituted by the author whose scope for individual initiative appears to have been remarkably wide.

The two chapters on North-South negotiations are concerned with current efforts to negotiate an equitable sharing of the world's resources. With well over 100 developing countries banding together as the "Group of 77," new negotiating techniques employing representative informal "contact groups" are being devised to enhance the prospect of agreement. In addition, given the diversity of membership, the role of the Secretariat in devising and

promoting constructive compromises can often be crucial. A good deal of attention is devoted in the second chapter to negotiating procedures and techniques. Because its membership is so large and the interests of its members so disparate, the "Group of 77" has learned by experience that guidelines are essential to maintain the unity required to achieve success in negotiations.

The distinguished international jurist, Professor Manfred Lachs, describes succinctly in the final chapter the intimate relationship between negotiations and international law. What he has to say makes eminent good sense to the layman. For example: "Relying on law, negotiations are intended to maintain the rule of law and possibly create new rules of law." What would have been even more interesting would have been the Professor's opinion on the role of the International Court of Justice, particularly with regard to specific cases such as the United States' refusal to accept the Court's jurisdiction with respect to the charge by Nicaragua that the United States had mined one of its main harbors. One can only assume that as a member of the Court, Professor Lachs felt he was precluded from discussing it.

The majority of these articles are well written although often lacking in specific examples which would have conveyed a greater sense of actuality. Fortunately, the overall value of the collection has been considerably enhanced by the editor's enlightening summary of each group of articles.

Robert P. Cameron is a former Canadian diplomat living in Ottawa.

Notes from the Golden Age

by John Munro

The Memoirs of George Ignatieff: The Making of a Peacemaker, prepared in association with Sonja Sinclair. Toronto: University of Toronto Press, 1985, 265 pages, \$19.95.

George Ignatieff might well consider himself fortunate no longer to be associated with the Department of External Affairs. If he could not contend with the relative isolationism of Trudeau and Sharp, what indeed would he have made of Mulroney and Clark?

Ignatieff bears sometimes eloquent witness to the fact that the glory days in Canadian foreign policy are gone forever. Today, of course, when trade and defence constitute our only major international concerns, it might be argued that Canada barely has a foreign policy at all, at least in any traditional sense. Ignatieff remembers that

Book Reviews

when Louis St. Laurent set out the principles of Canadian foreign policy in the Grey Lecture at the University of Toronto in 1948, the only domestic consideration related thereto was that it not be divisive. This meant that, within the limitations of ability and opportunity, Canada could and did assume its responsibilities in and to the world. Ignatieff was there and bears witness.

The son of a Russian count, George Ignatieff was a child at the time of the Bolshevik revolution. His family escaped to Britain and subsequently immigrated to Canada, where George completed his secondary and university education, graduating from the University of Toronto. A Rhodes Scholar, he attended Oxford, joining External Affairs through Canada House in London at the outbreak of World War Two.

As a young diplomat, he was tutored by the masters of his craft: Mike Pearson, Hume Wrong and Norman Robertson. He served variously in London, Ottawa, New York and Washington before his first posting as ambassador. When Pearson and St. Laurent sent him to Belgrade in early 1957, Ignatieff was a committed instrument of an interventionist foreign policy. Unfortunately, within months nothing would ever be the same again. In June 1957 Louis St. Laurent was defeated and John Diefenbaker

became Prime Minister. Confusion, contradiction and, ultimately, chaos replaced the high professionalism of the St. Laurent/Pearson years. Ignatieff is too kind in his assessment of those years and not a little disingenuous in dealing with their significance. Why was it that after their return to power in 1963, Pearson and Martin could not recover Canada's reputation and stature internationally? How was it that when Pearson attempted the traditional "helpful fixer" approach to the US involvement in Vietnam in a speech at Temple University, Lyndon Johnson felt free to treat the Canadian Prime Minister with contempt?

Curiously, the advent of Pierre Trudeau and Mitchell Sharp made Ignatieff almost nostalgic for Howard Green's quest for disarmament. Green's was a *foreign* policy. Sharp was the beginning of the end for External Affairs. Would one like to list the contributions to international peace and stability of Sharp and his successors as SSEA? Ignatieff is of course right and his memoirs are worth reading.

John Munro is a historian of contemporary Canada living in Ottawa.

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International Canada

Centre supplement reference material on Canada's foreign relations presented by the Department of External Affairs.

International Perspectives

International Perspectives is published in Canada six times a year by International Perspectives, (95312 Canada Inc.), 302-150 Wellington St., Ottawa, Ontario, K1P 5A4. Telephone: (613) 238-2628

Second Class Mail
Registration Number 4929

Publisher:
Alex Inglis

Editor:
Gordon Cullingham

Editorial Associate:
David MacNeill

Design and Production:
Anita Bergmann

Subscription rates:

In Canada:

- Single issue — \$3.75
- One year (six issues) — \$21
- Two years (12 issues) — \$39
- Three years (18 issues) — \$57

Other countries:

- Single issue — \$4.25
- One year (six issues) — \$24
- Two years (12 issues) — \$45
- Three years (18 issues) — \$69

Subscription address:

P.O. Box 949,
Station B,
Ottawa, Canada
K1P 5P9

International Perspectives is a journal of opinion on world affairs. It takes no editorial position. The opinions expressed are those of the authors. *International Perspectives* is indexed in the *Canadian Periodical Index*, *Current Content* and *PAIS Bulletin*.

ISSN 0381-4874

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Editor's Note:

October 24 is United Nations Day. That was the day in 1945 on which all five Permanent Members of the Security Council and a majority of the other signatories filed their instruments of ratification. And the UN was born. It is forty now, and still around. Probably not prematurely senile, as some disaffected Westerners would charge, but needing all the help it can get. Canadians were enthusiastic participants in the birth of the UN, supporters of declining fidelity over those years (until very recently), but still now with as much reason as any to feel the pangs of pride and joy over four decades of survival — after all, the League of Nations did not make twenty.

This issue of *International Perspectives* notes that anniversary by offering several articles on the United Nations: how it happened, by Charles Ritchie, who was there; Ambassador Stephen Lewis's stout and affectionate defence of the institution after one year in attendance; some collected views on the UN and Canada's performance thereat by Peyton Lyon. Then we have two articles about Canada and human rights; one of them — by Philippe Le Blanc — comments on our performance at the latest session of the UN Commission on Human Rights (not great), and the other — by Irving Brecher — argues that Canadian aid to developing countries should be offered in the service of human rights.

Two other articles touch on our relations with the United States. David Leyton-Brown of York University assesses Mr. Mulroney's foreign policy as one of a close and uncritical embrace with the US — a policy with great benefits and great risks. K.J. Merklinger of the Department of External Affairs reviews President Reagan's nuclear arms control policy, including some comments on Star Wars.

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The defensible United Nations

by Stephen Lewis

I like the United Nations. I have only been around this lovely and byzantine organization for about seven months but I quite like it. I am a shameless apologist. I think it is a first-rate international institution and I do not much care for the gratuitous detractors. There are problems, there are imperfections, there are deficiencies in the United Nations system. But I have often asked myself, as I view it in a novice's way, could it be otherwise after forty years?

We are often worried by the capacity of the superpowers — indeed, all of the Permanent Members of the Security Council — to thumb their noses with impunity at decisions which are taken at the United Nations. That happens from time to time in a way which is disconcerting, unnerving, occasionally frustrating. We know of the proliferation of nation-states, and the way this has engendered within the arena of the General Assembly an excess of rhetorical spleen, some aggressive posturing and occasional extremist attacks. It bothers some more than others. (I quite enjoy it: but then, I have been given to hyperbolic frenzies all my adult life so for me it is merely finding a milieu which is palatable.)

Not there yet

All of us are bothered by the truth that some problems seem endlessly intractable. We have not got peace and disarmament; we have not solved the problems of the Middle East; we cannot seem to handle Namibia and South Africa. That is the crisis of credibility which some so often relate. And on top of all of that, there is the sense of incremental change. The detractors would describe it as a kind of immobility that leads to inertia, compounded by mismanagement.

When you set out that litany it is, I admit, a little unnerving. I am inclined to say "so what?" Sure it is frustrating, sure it is difficult, all of us have to cope with these truths, all of us have to understand their nature. But it does not for a moment — this is what is so important, and it is inconceivable to me that people do not understand it — it does not for a moment invalidate the tremendous contribution which the United Nations makes; it does not for a moment render us impotent; it does not for a moment diminish the value of working to reinforce the strengths of the United Nations.

Now, in a way which bespeaks a certain innocence, I sometimes wonder about the perceptions and motives of various of the detractors.

For some time, it seems to me, the expectations have been extravagant: the achievement of peace and the rule of law is not ushered in over forty years. Forty years is a whisper in the passage of time. We have not had an atomic conflict in forty years and part of that is attributable to the United Nations. Is that not an object worthy of celebration?

For others who are critics of the United Nations, the principle of sovereignty is not understood. Sovereignty is rooted in the Charter of the United Nations. It is not possible for the United Nations to impose its will on sovereign states. You cannot just say to Ethiopia — as much as some would wish it — that the government has to have a ceasefire; has to recognize the rebels; has to open supply lines to Eritrea and Tigre. You cannot just say to Iran and Iraq: "We determine that you end your berserk war; we insist that you bring yourselves to heel before this organization."

UN is its members

It is not the institution of the United Nations, the body corporate, which is the problem. It is the behavior of individual nation-states which is the problem. And it is a profound misunderstanding of the United Nations and the way it operates not to recognize that simple truth. There is no capacity under the Charter to interfere in the internal affairs of member countries. Those are difficult and aggravating complexities. They are also complexities which allow the place to work.

And then there are other critics who are quite simply malevolent and they do great damage. They pretend to be dispassionate, analytic, concerned. Poppycock. They are, by and large, neo-isolationists in their views of the world, and they are made up of the Heritage Foundation and others of their ilk. The Heritage Foundation and its

Stephen Lewis is Permanent Representative of Canada to the United Nations. This article is based on an address he gave to the United Nations Association of the United States in New York earlier this year.

Answering the detractors

supporters specialize not in insightful analysis, but in inspired sophistry. They are fundamentally anti-internationalist. They do not believe that the national interests of the United States should ever be subsumed in the interests of the greater international community. That makes me impatient. Groups of people who do not understand the moral and human imperatives of the international community in 1985 demonstrate a philistinism for which none of us should have any time.

Yet it does great damage; I have to admit that. And although it saddens me to say so, people of such views within the United States and other countries — in particular, the Heritage Foundation — engage in easy slanders of the Secretariat to which the Secretary-General is hard-pressed to respond. They put Third World countries on the defensive. They provoke many Americans into needless opposition. So they need to be dealt with, not as an obsession, not as an *idée fixe*, not as a preoccupation, but as a group which wields influence and therefore has to be responded to. I am engaged in the self-immolating chore of reading tract after tract, monograph after monograph, article after article disgorged by the Heritage Foundation. Before long, I hope it will be possible thoughtfully to document the flaws, the weakness, the generalizations, the partial truths, the factual errors in what will amount to a dossier of indictment. In other words, in a rational persuasive and thoughtful way, to fight back in the defence of the United Nations. Indeed, I hope that we can mount a coterie of Ambassadors at the United Nations, champions of the United Nations, and gradually, over time, take our message right across the United States of America. We must say strongly and fervently and unapologetically that this is an institutional forum which deserves the celebration of humankind, not witless and gratuitous criticism.

The UN's strengths

Let us consider the strengths. But in summing the arguments in defence of the United Nations, let us not retreat into the old dialectic. Think of the specialized agencies. UNICEF almost single-handedly legitimizes the nature and character of the United Nations. Four hundred thousand youngsters under the age of five saved every year by UNICEF. Saved from death every year by UNICEF. When I stood in a refugee camp earlier this year in The Sudan, right on the border with Ethiopia, to which 80,000 Tigreans had made a migration desperately seeking survival; when I stood in that camp and chatted with the doctors from Médecins sans Frontières, and asked them how it was possible to keep children alive in circumstances of such eviscerating desolation, they said to me that "part of the reason is that we have these little packets of oral rehydration therapy to distribute — 15,000 of them a day and in that way, Mr. Lewis, we keep hundreds of children alive." Now it is important for the world to be reminded over and over again, with unselfconscious vigor, that you would never have that outcome without the United Nations. That is the kind of thing which the world body achieves.

More still, you have the United Nations Development Program which spends 675 to 700 million dollars US each year, turning such amounts into further billions of dollars of projects which speak to the economic long-term viability of

the countries whose present economies verge on catastrophe because of the African famine. Beyond that, you have the UNHCR (the United Nations High Commission for Refugees), which day in and day out saves tens of thousands of people, and provides shelter and vaguely civilized environments, whether in Pakistan or in the Middle East or in The Sudan. One could set out specialized agency after specialized agency doing ennobling work. Indeed — dare I say it — including UNESCO. Therefore it is important when summoning the arguments in defence of the United Nations not to forget the specialized agencies.

The place to do it

Nor — number two — is it possible to forget the kind of very special political environment which is created within the United Nations despite all of its difficulties. In the fall of 1984 the world had not been at the negotiating table in Geneva for more than a year; everybody felt we were perched on the precipice looking into some cataclysm of human destruction; and the superpowers were not talking. Lo and behold Andrei Gromyko comes to the General Assembly and makes a speech within which there is a hint that perhaps the bargaining process can be reinstated, and Ronald Reagan comes to the General Assembly — third year in a row, unprecedented in the history of presidential contributions since 1945 — and makes a speech within which there is a kernel of hope about reinstating the negotiations. A few months later those negotiations are consummated again in Geneva. I think it is palpably true that that could not have happened without the existence of an international agency through which ideological opposites can speak to each other, however obliquely. That is one of the great values of the United Nations.

And so to point number three: the question of some of the intransigent issues which seem to be so frustrating when we deal with them. Let me look at the most difficult of all, arms control and disarmament. Let me remind you of the First Committee in the United Nations. Time and again, year after year, in what some would call a suffocating process — I would call it a liberating intelligence — we deal with resolutions on a comprehensive test ban, on the prohibition of the use of chemical weapons, on the non-proliferation treaty, on the nuclear freeze, on nuclear winter, on a ban on fissionable materials, on the reduction of conventional arms; all of these resolutions, one after the other, addressed with vigor and passion and fervor by the countries involved. Yet, say the critics: "You never achieve anything. Resolution after resolution is passed and then not embraced by the superpowers." But the fact of the matter is that such a view of the process is both trivial and distorted, because whether it is in the First Committee in the fall, or whether it is in the Conference on Disarmament in Geneva, or whether it is in the United Nations Disarmament Commission in May here in New York, we keep the pressure on the superpowers. They have to vote, they have to take a stand, they have to meet and speak to every single one of those resolutions. It is absolutely inescapable, and in a very important, if unacknowledged, way helps to maintain a glimmer of sanity in an otherwise lunatic environment. One should therefore applaud and recognize the value of those arms forums even though we recognize as well that the ultimate decision will be made in Geneva.

Increasing clout of Secretary-General

Point number four: the emerging role of the Secretary-General. This is a new kind of Secretary-General, a man who is redefining the office in the contemporary world. We have not seen his like since Dag Hammarskjöld. And that is terribly important to understand.

I had the pleasure of accompanying Pérez de Cuéllar on a three-day state visit to Canada in early March. He is an immensely impressive and formidable advocate one-on-one and in small groups. I observed him talking with my Prime Minister, with my Minister of External Affairs, with a number of senior public servants, and every time he met them in argument he did not retreat. He engages in an advocacy which is quite unrelenting and effective.

What it has done for Pérez de Cuéllar and the United Nations, I think, is to have created a sense of interventionist diplomacy on the one hand, and preventive diplomacy on the other, both of which are giving a new raison d'être to the United Nations system. It does not always work, but what in this world does? But when Pérez de Cuéllar wanders off to Southeast Asia to try to deal with Kampuchea; when he deals with the Soviet Union and Pakistan over Afghanistan; when he makes visits to Iran and Iraq; when he deals with the parties in Cyprus; when he moves heaven and earth to sustain the Contadora process in Central America, what Pérez de Cuéllaris doing is bring-

ing the force of his office under Section 99 of the Charter to bear in a way which is ultimately helpful and civilizing. Pérez de Cuéllar's endless wanderings around the planet are of immense value. Occasionally, they result in a cessation of bombing civilian populations in a war such as Iran/Iraq; sometimes even, reconciliation in a place like Cyprus — perhaps in the next year or two. That would be an enormous achievement for the United Nations. Sometimes his efforts bring parties back to a discussion together which they would not otherwise contemplate. Always those efforts prevent, to some extent, a mere fire from becoming a conflagration.

In the context of the United Nations, of the international community, all of that is terribly important: just keeping nations talking. Winning trust, as Pérez de Cuéllar does, is of immense significance. Pérez de Cuéllar is trusted by everyone. Ambassador Jeane Kirkpatrick trusted Pérez de Cuéllar; Mr. Troyanovsky, the Soviet Ambassador, trusts Pérez de Cuéllar; Botha of South Africa trusts Pérez de Cuéllar. Pérez de Cuéllar is a man who is giving a new definition to the role of the Secretary-General. That role is not to be lightly impugned or disparaged.

Steady achievement

Finally, point five: the continuing process, year after year in the General Assembly and in the committees associated with it, where we achieve concrete things. That, too,

UN PHOTO 164 756/YUTAKA NAGATA



Ambassador Stephen Lewis presenting his credentials to UN Secretary-General Perez de Cuellar last year

Answering the detractors

is a matter to be celebrated. At the last session of the United Nations — my first session — there was an important resolution on international drug trafficking, which resolution is now on its way to becoming an international Convention. There was, after seven years of painful drafting in Geneva, a Convention on Torture, a convention which permits us, after twenty countries have signed and ratified it, to identify publicly those who continue to engage in the obscenity of torture. And then there was, of course, the extraordinary response to the African famine.

Historians may look back twenty or thirty years hence and say that the response of the United Nations to the tragedy of Africa was perhaps its finest hour. Not only has the United Nations managed to galvanize tangible international support in a way that has never been experienced before; but in an equally exemplary fashion, it has put in place, on the ground in the twenty countries involved, the kind of coordinating and distributing leadership which is literally saving thousands of lives. I was proud when I was in The Sudan to watch the work of the United Nations personnel in UNICEF and UNDP and UNHCR. It was something to behold — not only the extent of their commitment, but the way in which the United Nations was delivering food directly into the mouths of those who were starving, and doing it with a level of mastery and resolve which speaks to an extraordinary international body. These matters are matters which should convey pride and consequence by all of us who speak fervently for the international body. The Fortieth Anniversary is a good time to reassert the focus and to deal with the distortions.

The United Nations is simply not as bad as some would have it. Certainly it is polarized in the General Assembly, but not terminally. The General Assembly remains a forum to which the leaders come. Everyone believes now that Gorbachev will come at the end of September 1985. This is not some kind of incidental inconsequence. It is important that Gorbachev be there, and it is fascinating that he regards the United Nations as an institution sufficiently worthy to address on the Fortieth Anniversary of its life.

Certainly there is extremism. But there is tangible in the United Nations a new spirit of moderation, particularly from some of the developing countries. All you have to do is look at the document "The Declaration on the African

Economic Crisis" to see the extent to which the African countries accommodated the interests of the developed world; the extent to which the sought rapprochement.

Defence without defensiveness

I think that the supporters of the United Nations are excessively defensive. It is not necessary to be so defensive. It is not necessary to be dragooned into the arguments of the detractors. The arguments are not terrifically persuasive and they are riddled with self-serving sophistry. It is necessary simply to accumulate the defence and to set it out chapter and verse. Do not be intimidated by those who are critics. Do not succumb to the blandishments of vilifiers. The United Nations is a first rate organization with the simple deficiencies of time and age and circumstance. So what do you do in a situation like that? You analyze it, you speak to its strengths, and then you go out and advocate its work.

Perhaps all of this is, in a sense, self-centeredly Canadian. I hope not. It is a little easier for Canada — a middle power, quite unthreatening, utterly non-nuclear, and with a particular advantage in being bilingual so that we have special access to the francophone world. We have, above all, a lasting and visceral commitment to multilateralism which is ingrained, and endemic to the Canadian character. We share this continent with the United States; we are good friends, and we hope that we can in the future share as well Canada's more positive view of the United Nations. I have learned as I travelled over the last number of months that it is not hard to convey a more positive view of the United Nations. There is a yearning everywhere amongst people to affirm the validity of the international community and of an international organization.

The Charter may, here and there, be under siege; but it is still an incomparable blueprint for a more just, civilized, humane and tolerant international community. One day we shall achieve it — infidels of all varieties notwithstanding. And so to the dreamers, the idealists, the pragmatists, the artisans in the vineyards of human betterment, the indefatigable apostles in the cause of peace, to all who are tenacious, and unrelenting, I wish you well and ask you never to be cowed. □

At the San Francisco Conference 1945

by Charles Ritchie

*The United Nations was founded at San Francisco in 1945. Canada was represented by a strong delegation, one member of which was Charles Ritchie, who later became Canada's ambassador to the United Nations. He is now retired, lives mostly in Ottawa, and along the way published bits from the diary he kept. What follows are some of his entries made at San Francisco, as found in *The Siren Years*, the winner of the Governor General's Award for 1974. It was published by Mac-Millan of Canada, whom *International Perspectives* thanks for permission to reprint this excerpt.*

21 April 1945.

On the train *en route* to San Francisco. (We were on our way to the San Francisco Conference, which was to open in the Opera House there on 25 April and set up the machinery of the United Nations. I was an adviser to the Canadian delegation.) Luncheon with Mackenzie King and was charmed by the fat little conjurer with his flickering, shifty eyes and appliqué smile. He has eyes that can look like grey stones or can shine with amusement or film with sentiment. He chats away incessantly — he seems very pleased with himself, delightfully so, pleased with his own cleverness and with his own survival. He talked of the "fun" of parliamentary tactics which cannot, he added regretfully, be so freely indulged in time of war. He talked of the conscription crisis and said that when it was viewed from the historical point of view its most significant feature would seem to be that the French-Canadian Ministers remained in the Government. That is what saved Canada's unity. I irritated him by remarking that our troops must be thoroughly tired by now. He replied, "They have had two months' rest," (*when?* I should like to know) and said, "I knew during the recruitment crisis that they were due for that rest but this I could not reveal."

He described Roosevelt's funeral at Hyde Park naturally and effectively, the silence in the garden and the rightness of the ceremony. He spoke affectionately but not over-sentimentally of Roosevelt himself, adding, "When I last saw him I felt the end might come at any moment. When any subject came up about which he had a complex of worry he collapsed completely. When they called me from the White House to tell me of his death I did not even

go to the telephone. I knew what had happened without being told."

Talking of Mussolini he said, "A remarkably finely-shaped head — the head of a Caesar — deep-set eyes full of intelligence. He did a lot of good — cleaned up a lot of corruption, but he had too much power for too long. They worship false gods in Europe — that is the trouble — Europe is too full of pictures of Napoleon and statues of the Caesars."

26 April 1945. *San Francisco.*

The San Francisco Conference. San Francisco is as lively as a circus — the setting and the audience are much more amusing than the Conference performance. No one can resist the attraction of the town and the cheerfulness of the its inhabitants. Nowhere could have been found in the world which is more of a contrast to the battered cities and tired people of Europe. The shock which I felt on arriving in the normality of Ottawa after England is nothing compared with what one would have felt coming from blacked-out London, Paris or Moscow to this holiday city. The Bay is a beautiful background, the sun shines perpetually, the streets are thronged, there are American sailors everywhere with their girls and this somehow adds to the musical comedy atmosphere. You expect them at any moment to break into song and dance, and the illusion is heightened because every shop and café wafts light music from thousands of radios. Colours too are of circus brightness, the flamboyant advertisements, the flags of all the Conference nations, the brilliant yellow taxis. This seems a technicolor world glossy with cheerful self-assurance. The people are full of curiosity about the Conference delegates. They crowd around them like the friendly, innocent Indians who crowded around the Spanish adventurers when they came to America and gaped at their armour and took their strings of coloured beads for real. The delegates are less picturesque than they should be to justify so much curiosity. There are the inevitable Arabs and some Indians in turbans who are worth the price of admission, and the Saudi Arabian prince who gleams like Valentino, but in general the delegates are just so many men in business suits with circular Conference pins in their buttonholes making them look as if they were here for the Elks' Convention. The exceptions are the Russians — they have stolen the show. People are impressed, excited, mystified and nervous about the Russians. Groups of wooden-looking peasant

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Soviet officers sit isolated (by their own choice) at restaurant tables and are stared at as if they were wild animals. They are painfully self-conscious, quiet, dignified — determined not to take a step which might make people laugh at the beautiful Soviet Union. The crowds throng outside the hotel to see Molotov, that square-head is much more of a sight than Eden. He is power. When he came into the initial plenary session he was followed by half-a-dozen husky gorillas from N.K.V.D. The town is full of stories about the Russians — that they have a warship laden with caviare in the harbour, etc., etc.

Meanwhile the local Hearst press conducts an unceasing campaign of anti-Russian mischief-making — doing their damndest to start a new world war before this one is finished.

The Conference arrangements have so far been conducted with characteristic American efficiency. The Opera House in the Veterans' Memorial Building where the sessions are to be held is like something out of a Marx Brothers' film. A mob of delegates, advisers and secretaries mill about in the halls asking questions and getting no answers. Where are they to register their credentials? Why have no offices been allotted to them? Where are the typewriters they were promised? To answer them are half-a-dozen State Department officials white with strain and exhaustion who have themselves not yet got office space, typewriters or the remotest idea of how the organisation is to work. Meanwhile, American sailors are shifting office desks through too-narrow doors. The San Francisco Boy Scouts are shouldering and ferreting their way among the crowd (what they are doing no one knows). Junior League young socialite matrons of San Francisco dressed up in various fancy uniforms lean beguilingly from innumerable booths marked "Information," but as they charmingly confess they are just "rehearsing" at present and can no more be expected to answer your questions than figures in a shop-window. All the babble of questions goes on to the accompaniment of hammering conducted in all keys by an army of workmen who are putting up partitions, painting walls, eating out of dinner-pails, whistling, sitting smoking with the legs outstretched in the over-crowded corridors. The only thing that is missing in this scene of pandemonium is Harpo Marx tearing through the mob in pursuit of a pair of disappearing female legs.

28 April 1945.

Second meeting of the plenary session again in the Opera House with powerful klieg lights shining down from the balcony into the eyes of the delegates, dazzling and irritating them. The session is declared open by Stettinius, American Secretary of State, who comes on to the dais chewing (whether gum or the remains of his lunch is a subject of speculation). His manner is one of misplaced assurance — unintentionally offensive. (Although the newspapers have described him as handsome, he looks like something out of the bird house at the zoo - I do not know just what — some bird that is trying to look like an eagle.) He makes the worst impression on the delegates. He reads his speech in lay-preacher's voice husky with corny emotion. The Chilean Foreign Minister reads a tribute to Roosevelt which being translated consists of an elaborate metaphor (which gets completely out of control as he goes

along) comparing Roosevelt to a tree whose foliage spreads over the world which is struck by what appears to be the lightning of death but is actually the lightning stroke of victory so that its blossoms, while they may seem to wither, are brighter than ever.

Then comes along Wellington Koo of China, a natty, cool, little man in a "faultless" business suit who reads a short speech about China's sufferings, written in careful English. After him Molotov mounts the tribune in an atmosphere of intense curiosity and some nervousness. He looks like an employee in any *hôtel de ville* — one of those individuals who sit behind a wire grille entering figures in a ledger, and when you ask them anything always say "no." You forgive their rudeness because you know they are underpaid and that someone bullies them, and they must, in accordance with Nature's unsavoury laws, "take it out on" someone else. He makes a very long speech in Russian which is translated first into English, then into French, and turns out to be a pretty routine affair. The delegates are by now bored and dispirited. Then Eden gets up and at once the atmosphere changes — you can feel the ripple of life run through the audience as he speaks. It is not that he says anything really very remarkable, but he sounds as if he meant it — as if he believed in the importance of the Conference and the urgency of the work to be done. He is quite beyond his usual form, moved outside himself, perhaps, by exasperation at the flatness and unreality of the proceedings.

I have developed a sort of rash on my chest and rather all over. I am not disturbed by this, as I have always been a great itcher, but the dolt of a hotel doctor has diagnosed it as measles, which must be a medical impossibility as I have had ordinary measles once and German measles twice. However, the doctor is insistent that it is measles. He said he hoped I knew that it was contagious and might spread rapidly in the delegation. I propose to disregard this.

30 April 1945.

Miss Smithson, my secretary, say that agencies — the hotel authorities? or F.B.I.? — have put up a small photograph of me in the women's washroom with printed underneath, "Avoid contact with the above person who is suffering from a contagious disease." This will cramp my style in personal and diplomatic contacts.

22 May 1945.

The back-drop of San Francisco is gloriously irrelevant to the work of the Conference. The people of the town regard the whole proceedings with mixed benevolence and suspicion. Here is an opportunity to make the rest of the world as free, rich and righteous as the United States but it is hindered by the machinations of evil men. Of the uncertainties, worries and fears of the delegates they have no idea. They can swallow any amount of this sort of thing — "The Conference is the greatest human gathering since the Last Supper." In the end their appetite for ballyhoo is rather frightening.

But no one could resist the town itself or the luxuriantly beautiful countryside around it, or the spontaneity and chattiness of the inhabitants, or the beauty of the girls — who seem to unaccustomed eyes a race of Goddesses. The town is indeed remarkable for this tall radiant race of

amazons; for thousands of sailors who all seem to be on leave with their pockets full and a roving eye for the girls — and for oceans of alcohol in which the happy population float. I suppose there are poor, sick and worried people here as everywhere else, but the impression is of people without a trouble in the world.

In the hotel dining-room a crooner with a voice like cream sings by request a number dedicated to Mr. and Mrs. Frank Lord because they are just married and on their honeymoon — cameras click — the happy couple bask — no self-consciousness — no sneers — it's "a very lovely thought." At the end of a drunken evening at the Bohemian Club's annual frolic the compère suggests that we should stand and sing two verses of Onward Christian Soldiers "honouring our boys in the Pacific" — the audience responds without a blush.

The day is spent in a series of committee meetings which are teaching me several things — the necessity for patience. It is wonderful to see quick-minded men sitting quite still hour after hour listening to people saying at almost infinite length things which could be said in a sentence or two. One becomes, I suppose, inured to boredom. And in combination with this patience the old hands have great quickness. They have been playing this game so long that they know instinctively by now when and where and how to play the rules of committee procedure or to catch the point of some quite discreet amendment to a motion. They are always on the alert for such things even when they seem to be half-asleep. All this is rather fascinating to a tyro. These are the tricks of the trade. Most men of my age and length of service know them well already.

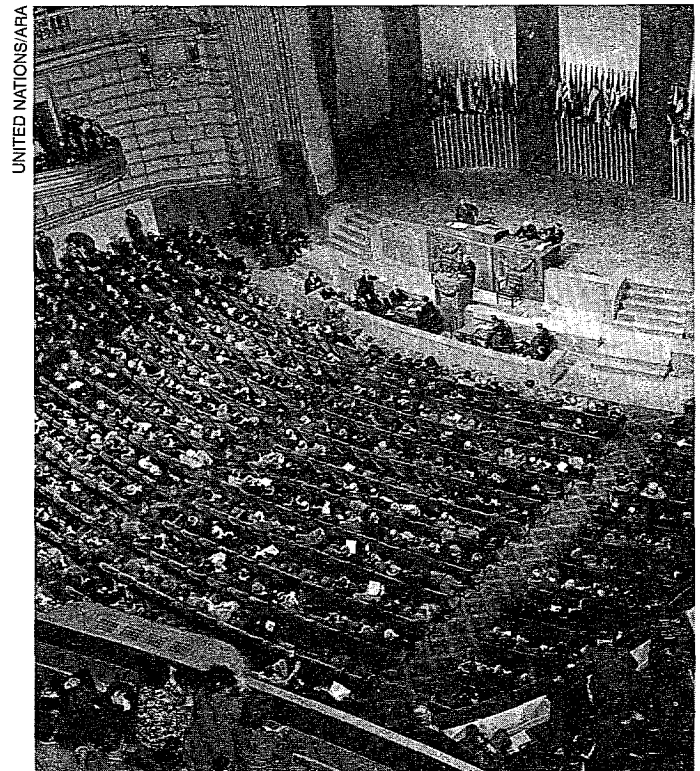
I mentioned my alleged measles (now vanished) to a newspaperman as a joke. Tonight there is a headline in one of the evening papers, "Measles at Conference Hotel. Will it spread to the Russian Delegation?" It is true that the Russians are installed on the floor above us in this hotel, but I have no contact with them of any kind.

23 May 1945.

The Conference atmosphere is thick with alarm and despondency about Russia. Wherever two or three are gathered together in the hotel bedrooms and sitting-rooms, where more unbuttoned conversation is permissible there you can bet that the subject is the U.S.S.R. — speculation about their intention, argument as to the best way of dealing with them — whether to be tough and, if so, when — gloomy realisation that by unscrupulous conference tactics they may be courting and perhaps winning the favour of the "working masses." This fear of Russia casts its long shadow over the Conference. Meanwhile some of the Latin American and Middle Eastern States, by their verbose silliness and irresponsible sniping, almost induce one to believe that there is a good deal to be said for a Great Power dictatorship. But the Great Power representatives have no eloquent, authoritative or persuasive spokesman in the more important committees. They repeat, parrot fashion, "Trust the Security Council. Do nothing to injure unanimity." There are no outstanding speakers — Evatt of Australia has ability — Berendson of New Zealand has eloquence of a homespun sort — Rollin, the Belgian, has a clever, satirical mind (I take names at random) — but there is no one of

whom you say — a great man — and few indeed of whom you say — a fine speaker.

The British Delegation seems pretty thin and undistinguished now that Eden and the other senior Cabinet ministers have gone. Cranborne is skilful and authoritative in committee — Halifax does not attend — Cadogan seems a tired, mediocre *fonctionnaire*. Webster is always at his elbow with an impressive memory (he can quote the documents of the Congress of Vienna, of the Paris Conference, of the Dumbarton Oaks meeting). His heroes are Castlereagh and Wellington. He takes a donnish pleasure in argumentation and in snubbing people. An excellent adviser — but he should not be allowed his head in policy



Canadian Prime Minister Mackenzie King addressing the San Francisco Conference in 1945

matters — I do not know if he is — one sometimes sees his hand. The delegation is weak on the economic and social side. There is a grave lack of authority — of men of solid experience, wisdom and moderation, who inform a committee — not so much by what they say as by what they are. Then there is the lack of any representation of the English internationalists or those who have devoted themselves to oppressed peoples and to social causes — that whole humanitarian and social side of English activity goes unrepresented. There were representatives of it, but they have gone home — the brunt of the British representation is borne by a little group thinking in terms of political and military power and with not much feeling for public opinion. As they get more tired they may pull a serious gaffe. They produce no ideas which can attract other nations and are not much fitted to deal with Commonwealth countries.

American policy, or perhaps I should say more narrowly, American tactics in this Conference are similar to

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British — like the British they hew closely to the party line of support for the Great Power veto while allowing the impression to be disseminated among the smaller countries that they do so reluctantly, that their hearts are in the right place but that they dare not say so for fear of the Russians bolting the organisation. One incidental result of this line which the British and Americans may not contemplate is to increase the prestige of Russia. The United States delegation as a whole is no more impressive than the British. There does not seem to be much attempt to understand the viewpoint of the smaller nations or to produce reasoned arguments to meet their objections. On the other hand, the Americans are extremely susceptible to pressure from the Latin Americans who are not doing at all badly out of this Conference. The only American advisers I know are the State Department Team — shifty-eyed little Alger Hiss who has a professionally informal and friendly manner — which fails to conceal a respectful and suspicious nature said to be very anti-British — Ted Achilles, slow, solid, strong physically as an ox, a careful, good-tempered negotiator and a very good fellow — I should not think much influence on policy.

The U.S.S.R. have achieved a most unfavourable reputation in the Committees. This does not result from dislike for the methods or personalities of individual Russians — so far as the Conference is concerned there are no individual Russians — they all say exactly the same thing (and needless to say this goes for the Ukrainian and Bielo-Russkis). All make the same brief colourless statements — every comma approved by Moscow — from which every trace of the personality of the speaker has been rigorously excluded. Their reputation is one of solid stone-walling and refusal to compromise. On the other hand, they are continually blackmailing other governments by posing as the protectors of the masses against reactionary influence. This they have done so effectively that it is quite possible for them to produce a record at the Conference which would show them battling for the oppressed all over the world. The insincerity of these tactics is patent to those who see them at close quarters, but will not be so to the public for whom they are designed. They have great political flair — envisage every question not on its merits but entirely from the political point of view. This causes acute distress to (a) the legalistically-minded Latin Americans, (b) all social crusaders and liberal internationalists who see “power politics” invading every aspect of the new organisation, the social, humanitarian and even purely administrative.

The intellectual defence of the Dumbarton Oaks proposals has been left to Wellington Koo, which is rather hard on him, as he had nothing to do with drafting them. (At the Dumbarton Oaks Conference in August 1944, the four Great Powers — Great Britain, China, the U.S.A. and the U.S.S.R. — agreed on a draft text for the creation of the United Nations.) I sat opposite him and he fascinated me — he looks like a little lizard, darting lizard eyes and nose down close to his papers. When he speaks he displays a remarkable collection of *tics nerveux* — he blinks rapidly and convulsively, sniffs spasmodically, clasps and unclasps his immaculately manicured little hands, pulls at the lapels of his coat and continually removes and then readjusts his two pairs of spectacles. This pantomime does not in the least mean that he is nervous of the work in hand — he is a

very experienced professional diplomat, quick-minded, ingenious and conciliatory. But, of course, he has not — any more than any of the other Great Powers' delegates — the moral authority, eloquence and vigour which would be needed to carry the Conference — it would take a Roosevelt or a Churchill to do that — or perhaps Smuts. The Chinese are an endearing delegation, polite and humorous — but then are they really a Great Power?

The French are among the disappointments of this Conference. The Big Power representatives, however undistinguished individually, *do* represent Power and so carry weight. The French are in the position of having to depend on their tradition, their professionalism and that assurance of tough and violent precision in language which have always been at their command in international gatherings. But it is just this assurance that they lack. The French delegation here reinforce the painful impression that I formed in Paris — they seem to be *détraqués*. You do not feel that they have France, *la grande nation*, behind them. They are full of *petits soins* and handshakes to other delegates. They are full of schemes and combinations and suspicions. But there is no steadiness or clarity in their policy. They have no one who is a connecting link with the past and who still retains faith and vitality. The national continuity has been broken. They seem just a collection of clever, amiable, young Frenchmen — and old Paul Boncour is too old and too tired — so is André Siegfried. In fact, you can see the effects of fatigue in the drained faces of almost all the European delegates. Europe (I do not count Russia) is not making much of a showing at this Conference.

In our own delegation Norman Robertson and Hume Wrong are the two most influential senior officials. There could hardly be a greater contrast than that between them. Hume (under whom I worked when he was Counsellor at our Legation in Washington), pale and fine featured, stroking the back of his head with a rapid gesture which suggests mounting impatience. He inspires alarm on first encounter — an alarm which could be justified as he is totally intolerant of muddle, inanity or sheer brute stupidity. He has style in everything from the way he wears his coat to the prose of his memoranda. He is a realist who understands political forces better, unfortunately, than he does politicians themselves.

Norman understands them very well and has influence with the Prime Minister, but what does not Norman understand? His mind is as capacious as his great sloping frame. He has displacement, as they say of ocean liners, displacement physical and intellectual and he is wonderful company with his ironic asides, his shafts of wisdom and his sighs of resignation.

5 June 1945.

We are still tormented by the feeling in our dealings with the Russians there *may* be an element of genuine misunderstanding on their side and that some of their suspicions of some of our motives may not be so very wide of the mark. They on their side seem untroubled by any such scruples. They keep us permanently on the defensive and we wallow about clumsily like some marine monster being plagued by a faster enemy (a whale with several harpoons already in its side). Yet they do not want or mean war.

The struggle for power plays itself out in the Conference committees. Every question before the committees becomes a test of strength between the Russians and their satellites and the rest of the world. The other Great Powers vote glumly with the Russians and send junior members of the delegations to convey to us their discomfiture and apologies. This situation reproduces itself over matters which in themselves do not seem to have much political content. But to the Russians everything is political whether it is something to do with the secretariat of the new organisation or the changing of a comma in the Declaration of the General Principles.

Committee 1 of the Commission, on which I sit as adviser, deals with the preamble to the Charter of the United Nations (composed of pious aspirations) and the chapters concerned with the Purposes and Principles of the Organisation. It is presided over by a Ukrainian chairman, Manuilsky, said to be the brains of the Communist Party in the Ukraine. My first impression of him was of a humorous and polite old gentleman — an *ancien régime* landowner perhaps. He speaks good French. But I was wrong in everything except the humour — he is quite ruthlessly rude, exceedingly intelligent and moves so fast in committee tactics that he leaves a room full of experienced parliamentarians breathless. It cannot be said that he breaks the rules of procedure — rather he interprets them with great cleverness to suit his ends. And his principal end it to hurry these chapters through the committee without further debate.

6 June 1945.

We had nearly seven hours on end in our Committee on Purposes and Principles. The Chairman, Manuilsky, gave us a touch of the knout when the Latin Americans were just spreading their wings for flights of oratory. He rapped on the table with his chairman's gavel and said, "Gentlemen, we must speed up the work of the Committee. I propose that no one shall leave this hall until the preamble and the first chapter of the Charter are voted." The delegates gazed ruefully at their blotters — this meant cutting all dinner dates. Yet no one dared to falter in the "sacred task." Paul Gore-Booth, the British delegate, sprang to his feet and said in tones of emotion, "Mr. Chairman I cannot promise that I shall be physically able to remain so long in this hall without leaving it." Manuilsky looked at him sternly, "I say to the British representative that there are in this hall men older than you are, and if they can stay here you must also." So we settled down to hour after hour of debate.

We were after all discussing the principles of the New World Order. The room was full of professional orators who were ravening to speak and speak again. Latin American Foreign Ministers hoped to slide in an oblique reference to some of their local vendettas disguised in terms of the Rights of Nations. The Egyptian representative was hoping to see his way clear to take a crack at the Anglo-Egyptian Treaty under some phrase about the necessity for "flexibility in the interpretation of international obligations." The Syrian delegate saw an opportunity to embarrass the French. The representatives of the Colonial Powers were junior delegates (their chiefs were dining) who were frightened that any reference to "justice" or

"human rights" might conceal a veiled attack on the colonial system. All afternoon and all evening until twelve o'clock at night we argued about the principles that must guide the conduct of men and nations. By eleven o'clock there were many haggard faces around the table. The room had got very hot and smelly — dozens of stout politicians sweating profusely in a confined space — outside the street-cars (and San Francisco is a great place for street-cars) rattled noisily and still the speeches went on. The Egyptian delegate was indefatigable in interpolations. He seemed to bounce to his feet on india-rubber buttocks, "A point of order, Mr. Chairman" and he would fix his monocle and survey his helpless victims. The Peruvian was another inexhaustible plague; he was a professional lecturer who kept remarking, "The Peruvian delegation regard this aspect of the question as very grave indeed, in fact fundamental." Then he would remove his reading spectacles, put on his talking spectacles, brush the forelock back from his forehead and get into his stride. But it was the Norwegian who moved me to homicide by making lengthy interventions in an obstinate, bleating voice. However, thanks to the knout, thanks to the ruthless, surgical operations of the Chairman, we finished our task in time. The committee was littered with punctured egos, and snubbed statesmen glowered at each other across the tables. The eminent political figures and distinguished jurists of half the world had been rated by the Chairman like schoolboys; but we had finished on time.

12 June 1945.

Lunch in the country with rich, friendly easy-going Californians — a cool, roomy house — none of the stiff, interior-decorated look of so many expensive houses in the East. Californians do not seem to treat their houses very seriously. They are places to sleep and refuges from the heat of the sun. These people seem to swim through life, carried along effortlessly by their good nature and good health. One can hardly believe that they have ever been scared or snubbed or "put in their place" or that anyone has ever exposed them to irony. There were three children bathing in the pool — perfect little physical specimens with nice, rich, easy-going, good-looking, sensible parents — what a way to grow up!

15 June 1945.

Last week I saw an advertisement in one of the San Francisco newspapers which described the attractions of "a historic old ranch home now transformed into a luxury hotel situated in a beautiful valley in easy reach of San Francisco." What a delightful escape, I thought, from the pressures of the Conference! Why not spend the week-end there? I succeeded in talking my colleagues, Norman and Hume and Jean Désy, the Canadian adviser on Latin American Affairs, into this project, and our party was joined by a friend of Jean Désy, a French Ambassador, a senior and distinguished diplomat attached to the French Delegation. Last Saturday we all set forth by car in a holiday spirit to savour the delights of old-style ranch life in California as advertised to include "gourmet meals, horseback riding and music in an exclusive atmosphere." It seemed an eminently suitable setting for this little group of

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overworked and fastidious *conferenciers*. As we approached in the late afternoon up the long avenue, we saw the ranch house set amidst a bower of trees, but when we debouched at the entrance instead of the subdued welcome of a luxury hotel we were brusquely but cheerily propelled by a stout and thug-like individual towards a swaying toll-gate which opened to admit us one by one on payment in advance for the period of our stay. Once in the entrance hall we found ourselves in the midst of an animated crowd, but what was unexpected was that all the men were sailors and young sailors at that, while the women were equally young and some strikingly luscious. This throng, exchanging jokes, playful slaps on bottoms and swigs out of beer cans, filtered off from time to time in pairs to mount the noble staircase leading to the rooms above. Our diplomatic quintet stood together waiting for guidance among the jostling throng and were soon the objects of remarks. "Who the hell are those old guys?" Finally, seeing that no one was coming to our rescue we set off up the stairs, luggage in hand to inspect our rooms. Mounting floor by floor we found all the bedrooms in a state of active and noisy occupation, until we reached the top floor where we encountered a large female of the squaw variety. As she appeared to be in charge of operations we enquired for our rooms to find that only three rooms were available for the five of us.

It was decided among us that the French Ambassador should have a room to himself, while Jean Désy and Hume shared one and Norman and I the other. In our room we found an exhausted maid slapping at some dirty-looking pillows as she replaced them in position. This is the fifth time I have made up this bed today," she observed. "Are you two *men* sharing this room?" With a look beyond surprise she withdrew. Norman seemingly not in the least disconcerted sank with a sigh into the only available chair and addressed himself to the evening paper. The other members of our party were less philosophical. Hume and Jean appearing in the doorway rounded sharply on me. "Why had I lured them into this brothel? Was this my idea of a joke?" I suggested that we should all be better for food and drink and we descended into the dining-room, a vast, panelled interior already packed with couples dancing to a blaring radio. After a lengthy wait we were squeezed into a corner table where we were attended by a motherly-looking waitress. "Who are all these girls?" I asked her. "And why all these sailors?" "Well, I guess you might call it a kind of meeting place for the boys off the ships and the girls who work near here in an aircraft factory." Meanwhile the French Ambassador was beginning to show signs of controlled irritation as he studied the menu that had been handed to him. Adjusting his spectacles he read out, "Tomato soup, hamburger delights, cheeseburgers, Hawaiian-style ham with pineapple." "For me," he announced, "I shall have a plain omelette." At this Jean Désy, in an attempt to lighten the gloom which was settling over our little party, clapped his hands together and in an almost boisterous tone called out to the waitress, "The wine list at once — we shall have champagne." "Wine list," she said, "I do not know anything about any list but we have some lovely pink wine — it is sparkling, too." "Bring it," said Jean, "and lots of it." It was not bad — both sweet and tinnily but it helped. For a few moments our spirits improved

and we began to laugh at our predicament. Then came the omelette. The Ambassador just touched it with the prong of his fork and leaned back in his chair with an air of incredulity. "This is an omelette!" He raised his shoulders with a shrug to end all shrugs.

At this Jean Désy, perhaps stimulated by the wine or pricked by embarrassment at having exposed his French colleague to such an experience, seized the plate with the omelette upon it and said, "I shall complain to the chef myself about this outrage." With this he hurled himself into the mob of dancers and made for a swinging door leading to the kitchen. Some uneasy moments passed at our table, then the swinging door swung open. Jean still holding the plate with the omelette upon it was backing away before an enormous Negro who was bellowing above the music, "Get out of my kitchen. Who the hell do you think you are? Bugger off! Bugger off! Bugger off!" Jean returned to our table. "I shall report him," he said — but it was difficult to know to whom. Soon afterwards we repaired to our rooms. As I left the dining-room I heard a girl say to her sailor companion, "Those are a bunch of old fairies sleeping together — the maid told me." The sailor spat, not actually at us, but on the floor quite audibly.

The night was an uneasy one for me. I was kept restlessly awake by the beery hoots of laughter and the moans and murmurs of passion from the next room. Norman settled into his bed and slept peaceably with his deaf ear uppermost.

When I looked out of the window in the early morning the sun was shining, and a troop of sailors and their girls mounted on miscellaneous horses were riding by towards the adjoining fields, thus proving that horseback riding was as advertised one of the facilities of the ranch. Two small figures, Jean Désy and the French Ambassador, the latter sealed into a tight-looking overcoat, were proceeding side by side down the avenue. I later learned that they were on their way to Mass at a neighbouring church.

By mutual agreement for which no words were needed our party left the ranch before luncheon and returned to San Francisco.

On the way back in the car the French Ambassador raised the possibility that one of the assiduous gossip writers of the San Francisco press might learn where we had spent the week-end and he asked what effect this would be likely to have on the prestige of our respective delegations and indeed on our own reputations. My own colleagues reassured him by saying that in the event of publicity the episode could be attributed to my misleading them owing to my innate folly and vicious proclivities. This seemed to satisfy him.

18 June 1945.

The Conference is on its last lap. The delegates — many of them — are quite punch-drunk with fatigue. Meetings start every day at 9 a.m. and go on until midnight. In addition, we are having a heat wave. The committee rooms are uncomfortably hot and the commission meetings in the Opera House are an inferno. The heat generated by the enormous klieg lights adds to this and the glare drives your eyes back into your head.

We are in a feverish scramble to get through the work — an unhealthy atmosphere in which we are liable to push things through for the sake of getting them finished. The Russians are taking advantage of this state of affairs to reopen all sorts of questions in the hope that out of mere weakness we shall give in to them. Their tone and manner seem daily to become more openly truculent and antagonistic.

Once the labours of the committees are finished, the Articles they have drafted and the reports they have approved are put before the Co-ordinating Committee who plunge into an orgy of revision. There is no pleasanter sport for a group of highly intelligent and critical men than to have delivered into their hands a collection of botched-up, badly-drafted documents and be asked to pull them to pieces and to point out the faults of substance and form. This could go on forever.

However hot, tired and bad-tempered the other delegates may become, Halifax remains cool and Olympian and makes benevolent, cloudy speeches which soothe but do not satisfy. Senator Connally of the U.S. delegation roars at his opponent waving his arms and sweating. It is somehow reassuring to come out from the committee meetings into the streets and see the people in whose name we are arguing so fiercely and who do not give a damn how the Charter reads. Sailors hand in hand with their girls — (this is a great town for walking hand in hand) on their way to a movie or a dance hall.

If the people were let into the committee meetings they would have broken up this Conference long ago.

Alice was sitting across the table from me today at the committee meeting, in glowing looks from her week-end in the country and wearing an exceptionally low-cut flowered dress. I was not the only one to be distracted from the dissertation of our pedantic El Salvadorean rapporteur.

Every day going to and from the Conference we pass a Picasso picture in an art shop window — two elongated and distorted forms are in silent communion. They gaze at each other in trance-like stillness. I find that by looking for a few minutes at this picture I can get into a sort of dope dream.

19 June 1945.

The Soviet delegates have got very little good-will out of this Conference. They use aggressive tactics about every question large or small. They remind people of Nazi diplomatic methods and create, sometimes needlessly, suspicions and resentment. They enjoy equally making fools of their opponents and their supporters. Slyness, bullying and bad manners are the other features of their Conference behaviour.

Their system has some unfortunate results from their point of view. They have no elbow-room in committee tactics — they cannot vary their method to allow for a change in mood and tempo of the Conference. They are paralysed by the unexpected. They always have to stall and cable home for instructions. It is unfortunate from our point of view as well as theirs that they should have made such a bad showing, for I think they are proposing to make a serious effort to use the organisation and are not out to wreck it.

28 June 1945.

Back in Ottawa the Conference is over. It is going to be a little disconcerting at first living alone again after our group existence in San Francisco. The hotel sitting-room which Norman Robertson and Hume Wrong shared was a meeting place for members of our delegation and there was a perpetual flow of drinks on tap. There we foregathered to talk Conference gossip. The pace of the Conference got more and more hectic towards the end. Meetings would end at four or five a.m., when we would fall into bed and drag ourselves up three or four hours later. It also became increasingly difficult to relate the Conference to other events going on in the world and form an estimate of the real importance in the scheme of things of what we were doing in San Francisco. While we were there the war against Germany was won, the occupation of Germany took place, the Russians installed themselves in Prague and Vienna and made their first bid for a port on the Adriatic and bases in the Straits. We were preoccupied with the Battle of the Veto and with the tussles over the powers of the General Assembly and the provisions for amending the Charter. How much were these mere paper battles? How much was the San Francisco Conference a smokescreen behind which the Great Powers took up their positions? These doubts were floating about in the backs of our minds but we had not much time for doubts — the daily time-table was too gruelling.

At any rate, if the Conference was a gigantic bluff, it bluffed the participants — at least some of them.

The final public sessions were decidedly too good to be true. The Opera House was packed with pleased, excited, well-fed people. There was a felling of a gala performance. On the floodlit stage ranged in front of the flags of the United Nations were standing hand-picked specimens of each branch of the United States Armed Forces — very pretty girls from the Women's Forces made up for the floodlighting and wore very becoming uniforms — soldiers and sailors preserving even on this occasion an air of loose-limbed sloppiness.

One after another the speakers mounted the rostrum and addressed us — most of them in their native languages. The text of the speeches in English had been circulated to the audience, but this was hardly necessary as we knew what they would say, and they all said it — in Chinese, Arabic, French and Russian we were told that mankind was embarking on another effort to organise the world so that peace should reign. We were told that the success of the Conference showed that this ideal could be attained if unity was preserved — that we owed it to the living and to the dead to devote all our efforts to this end. Almost all the speeches worked in a reference to the inspiring example of Franklin D. Roosevelt and a flowery tribute to Stettinius (rather wasted as he resigned next day).

It all went off very well — there was really nothing to complain of — no outrageous bit of vulgarity or juke-box sentimentality. Even that great ape, Stettinius, was rather subdued and contented himself with grinning and signaling to his acquaintances in the audience during the playing of the United States National Anthem. The speakers were dignified and sincere — Halifax, Wellington Koo, Smuts,

Founding the United Nations

Paul-Boncour — all spoke out of long experience and were impressive. True, they said nothing, but this seemed an occasion when nothing was better than too much. President Truman made a sensible, undistinguished speech — just too long. (He looks like a sparrow, little, old, small-town, American housewife who could shut the door very firmly in the face of travelling salesmen and tramps.) He got the biggest hand from the audience and after him Halifax. They fell completely for Halifax's gilt-edged "niceness." What with tributes to the Great Deceased and bouquets to each other and commendatory remarks on the good work accomplished, the whole thing reminded one of speech day at school. In front of me the Argentine Ambassador and his pretty daughter applauded with polite enthusiasm. There were only two cracks in the surface — one was when Masaryk, the Czech Foreign Minister, said at the close of his speech, "Let us for God's sake hear less talk of the next world war." And the other (for me at least) was when Stettinius asked us to stand "in silent memory of the dead in this war whose sacrifice had made this Conference possible." I suppose it had to be said — it sounded as if we were thanking Lady Bountiful for lending her garden "without which this bazaar would not have been possible." As a matter of fact I did think of some of the dead — of Victor

Gordon-Ives, who wanted to go on living and to enjoy country-house culture, collect beautiful things and make jokes with his friends — of John Rowley and Gavin Rainnie and the other Canadians whose prompt reaction would have been "Balls to you, brother!" Still, I suppose it had to be said, but not by Stettinius in the San Francisco Opera House on a gala evening to the polite applause of the Argentine Ambassador.

5 July 1945. Halifax, Nova Scotia.

Back in my own country among my own people — how different from the easy-going superficial Californians. The surface layer here as everywhere is Americanisation — the climate that extends over the whole of this continent — the whole Anglo-Saxon world — babbity — but here it is a peculiar brand of babbity without optimism, and it is not deep. Underneath is a queer compound of philosophical pessimism, of rooted old prejudice, of practical kindness to the neighbour and the unfortunate, of unkindness towards the prosperous, something which has been ironed out in the prosperous fat lands of Upper Canada but which still grows on this rocky soil. □

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Canada at the United Nations

by Peyton V. Lyon

How is Canada regarded as a participant in the United Nations? The following answer is based on nearly 200 interviews conducted within the UN's central organs located in New York in 1983. These bodies do not, of course, necessarily mirror the structure of power in the international system. They also lack, alas, the impact on global security envisaged for them in the UN Charter. The UN, however, is by far the world's most representative organization, and most of its 159 members maintain strong missions to the UN in both New York and Geneva. In this and other ways, they act as though the UN political process does matter. The organization is thus a useful vantage point for the study of international influence patterns.

This is especially true for Canada, a country that gave strong leadership in the creation of the UN, and continues to be active in it. Public enthusiasm may have waned, and also pride in the Canadian role. The huge influx of Third World members has rendered the UN less congenial to all its rich members, and the Trudeau Doctrine of 1970 projected a more self-centered approach. Despite this, Canada remains among the most reliable supporters, in word and deed, and displays more enthusiasm than do most of its allies, most notably the United States.

The interviews

This article is not about the *facts* of the Canadian performance or attitude. Rather it is about appearances, about how other UN participants see Canada. Ninety-seven ambassadors and other members of eighty missions to the UN, representing a reasonable cross section of the regions, blocs, groups and issue areas, were interviewed in 1983. We also conducted less structured interviews with a comparable number of Secretariat officials, scholars, journalists and other UN observers. Most of the respondents, including diplomats from each of the major blocs, treated us with patience and apparent candor. We also encountered, however, a considerable amount of impatience, suspicion and evasiveness from some of the nonaligned and Warsaw Pact diplomats. Many of the responses were too diffuse to be coded and reported in meaningful statistics. On a number of interesting points, however, trends or rankings emerged that we present with considerable confidence.

It was feared that the knowledge we were Canadian would bias the response to the questions dealing with Canada. So the Canadian origin and purpose of the study

were camouflaged; three of the five interviewers were impeccably non-Canadian; and the first twenty of our twenty-eight structured questions ignored Canada. Rather they dealt with influence patterns in the UN in general. We shall discuss the response to several of these questions before focusing on Canada's UN image.

Defining influence

One question requested an estimate, on a scale of one to seven, of twelve factors explaining influence in the UN political process. The results ranked as follows:

1. Knowledge and skill of the mission (5.6)
2. Influence (of the mission) within a group or groups (5.6)
3. Personality of the permanent representative (5.4)
4. Energetic participation (5.4)
5. Military strength (5.0)
6. Reputation for commitment to the UN (4.6)
7. Willingness to compromise (4.5)
8. Reputation for independence (4.5)
9. Assessed contribution to the UN budget (4.2)
10. Size of the (nation's) UN mission (3.9)
11. Militancy in stating position (3.6)
12. Population (3.3)

Respondents were asked whether we had overlooked any factors. Most expressed contentment, but four of the East Europeans insisted that the main explanation of influence was "having the correct position." Three other respondents stressed a more obvious oversight — membership, especially permanent, on the Security Council.

A related question elicited an evaluation of different forms of UN activity:

1. Informal lobbying (5.6)
2. Voting (5.5)
3. Discussion within groups (5.3)
4. Sponsoring resolutions (4.0) and participation in debates (4.0)

Peyton Lyon is Professor of Political Science at Carleton University in Ottawa. This article reports his findings from a survey he conducted at the UN in 1983.

A sample of expert opinion

How the ratings worked

The low rating of population as a factor of influence was often explained by a reference to China, whose performance was disappointing, or to a mini-power such as Singapore whose representative, Tommy Koh, was extolled from all directions; he was described as "the single most effective person in the system," and, by a long-time observer, "the Lester Pearson of the 1980s." Almost as much admired was the youthful Ambassador of Uganda, Olara Otunnu, who had shone as President of the Security Council. The philosophic Ambassador of the Bahamas, Davidson Hepburn, was also cited as proof of the high importance of personality, in contrast to population, in explaining UN influence.

The high ranking of "influence within a group," and the much lower ranking of "reputation for independence," were linked. Many interviewees enthused about the quality and significance of the discussion within groups such as the European Community, the Nordic Union or ASEAN. There was no enthusiasm for the quality of the deliberations within the Group of 77, and several stressed the diverse nature of its membership, but no one could overlook its significance in the contemporary UN, or that of the nonaligned movement, its political counterpart. Several respondents made the point that Albania was the most independent member of the UN and, largely for that very reason, among the least influential. Cuba ranked high in influence despite its close bonds to the Communist bloc.

The relatively low ranking of "assessed contribution to the UN budget" was surprising, and was also contradicted by several subsequent responses. The respondents appeared reluctant to concede that it mattered who paid the piper, especially when the principal players, the US and USSR, were being so unpleasant about paying.

Also surprising was the middle ranking of "military power." Certainly in the issue areas where the UN was now making its most solid contribution, such as development, military muscle may well be irrelevant. However, to the extent that members recognized the inescapable primacy of peace as a UN objective, they must accept the central responsibility, and influence, of the superpowers. (In subsequent responses, the interviewees appeared to do so.) The lesson Canadians might well draw from this question is that a country of modest economic and military means, and membership in a bloc, can nevertheless exert significant influence in UN affairs.

Superpower ratings

Criticizing the United States was a principal pastime of most of our respondents. The criticism had less to do with the substance of US policies, provocative as these often were, than with the arrogance, abrasiveness, absenteeism and incompetence of the US mission. The senior US Ambassador at the time, Mrs. Jeane Kirkpatrick, herself criticized the "amateurishness" of the US performance, especially compared to the British. One of her American associates agreed, and added that the US could be "four times" as effective in the UN if it took the organization seriously. Indeed, if one measures the US performance against the ranking of twelve factors of UN influence, one would conclude that the US must be ranked as close to the

bottom of the influence heap; it was strong by the *lowest* five criteria, but weak by five on the first seven.

The Soviet Union, by contrast, was represented by a thoroughly experienced mission, headed by a long time ambassador of notable talent and affability. A senior American working for the Secretariat commented that the Soviet mission contained the best expert on almost every item on the UN agenda. The Soviet diplomats were not only active and knowledgeable but tactful enough to limit the length of their speeches. Measured against our respondents' ranking of factors of influence, the Soviet Union would be expected to come out number one. In fact the USSR was far more likely than the US to be on the winning side of contested votes. The United States was increasingly in a minority of one, or isolated with Israel in a lonely twosome.

Nevertheless, when we asked our respondents directly to name the most influential members, the response favored the United States by a wide margin. Of the large majority that named the two superpowers, three-quarters estimated that the United States was out in front. Frequently, it was noted, the Americans seemed indifferent to the outcome of votes, or even to the way their allies were leaning. A number observed that the US seemed to enjoy its "Lone Ranger" role.

On issues the US judged to be of paramount importance, however, such as Arab moves to expel Israel, or Cuba's attempt to inscribe Puerto Rico on the UN agenda, the United States exerted its full influence, and the result could not be in doubt. The Soviet Union followed the Third World majority, it was contended, rather than giving it leadership. Its invasion of Afghanistan had probably cost it more respect than the US had lost through its bully tactics in Central America and elsewhere.

More certain is the influence gained by the United States as the principal source of the UN's financial support. Although decidedly less generous in per capita terms than the Scandinavians or Canada, US contributions, assessed and voluntary, remain by far the most substantial. An American threat to cutback, or withdraw, is difficult to ignore, and US wishes are quietly taken into account in the drafting of most resolutions. Soviet contributions are much smaller, and yet almost as grudging; indeed the two superpowers now collaborate in efforts to hold down the UN's relatively modest budget. It is hardly surprising that Soviet influence is notably weaker than that of the US in dealing with issues, such as international development, that are costly.

Third World leaders

When we asked our interviewees to name the most influential member of the Third World majority, India emerged far in front, with almost twice the mentions given the second place runner, Yugoslavia. India was also rated as second only to the two superpowers in overall UN influence. Comments suggested that this was a tribute as much to the quality of India's officials as it was to its size and relative maturity.

Ranked fourth and fifth in overall UN influence were France and Britain. Notably *not* mentioned were two weightier members of the western community, Japan and West Germany. This suggests that influence is perceived to

accompany permanent membership on the Security Council. France and Britain enjoy the further advantage of having former colonies in the organization. Britain is generally considered to have fielded better representatives at the UN. France's slightly higher rating in perceived influence may therefore be related to its reputation for independence. When we asked "which members of the UN are most closely associated with the United States?" three-fourths of the respondents said "Britain"; well down the list came West Germany and Israel, with several mentions of Canada. No one suggested France! Under Mitterrand, moreover, France has appeared more sympathetic to the United Nations and the Third World.

In the ranking of perceived influence, the first five were followed by Yugoslavia, Algeria, Cuba, China, Mexico, Nigeria, Brazil and Pakistan. Algerian diplomats, tough in championing Third World interests, were widely respected. Cuba had gained influence through its presidency of the nonaligned movement. China? The world's most populous nation is difficult to ignore, especially when it has inherited an ancient civilization. Nevertheless, most of the comment about China's UN performance was patronizing. After a decade, it was suggested, China was beginning to learn the rules of the UN game.

Some respondents mentioned more countries than did others. If *all* mentions are counted, Sweden and Canada tied for fourteenth place. (If one combines the influence ranking for the different issue areas, Canada emerged in seventh place, behind only the superpowers, India, Yugoslavia, Algeria, Nigeria and Brazil. As our selection of issues was necessarily limited, however, little weight can be attached to this ranking.)

Are issues interconnected?

We asked whether the stand taken by a country in one issue area, such as the Middle East, was likely to affect its influence in another, say arms control. Most of the respondents, even including half the Arabs, indicated that it would not. We also asked about the issue areas in which Canada was seen to be particularly strong. A substantial majority indicated that our greatest influence lay in economic development, itself the most substantial of current UN activities. Several mentioned Trudeau's role in the North-South dialogue, notably at the Cancun conference. Only a fifth as many respondents cited Canada's role in arms control, an issue taken very seriously by the Canadian mission. Its influence in the human rights field was cited by about the same modest portion. However, the few respondents familiar with this field tended to be high in praise; Canada, Yugoslavia and the Netherlands were considered to be the strongest contributors. A similar minority cited the UN Conference on the Law of the Sea as the setting of Canada's greatest input. An even smaller number, about 10 percent, cited Canada's influence in UN peacekeeping, and about 5 percent international law. Issue areas given single mentions included Namibia, refugees, chemical weapons, food, environment, outer space and the budget.

Is there a "Canadian role?"

A related question asked for Canada's "role" in the UN. A disappointing third declined to give any answer. A tenth of those answering said "peacekeeper." Another

tenth suggested "consensus-builder," "conciliator," "honest-broker" or "conduit." Almost as many said "UN supporter." Another significant minority saw Canada principally in its relations with the United States, and suggested as its role "US moderator," "Western moderate" or "enlightened independent." Others cited its leadership in the economic field and the North-South dialogue. Scattered references were made to Canada as a promoter of arms control, women's rights, all human rights, UNICEF, science and technology, and sovereignty over natural resources. One East European called Canada "the UN's lawyer." Canada's role was given as "supporter of the West," but also "to be seen as non-American." Other single descriptions were "promoter of realism," and "like any other, to push national aims." The last word: "Canada has a role but doesn't play it."

Invited to name the UN member that behaves most like Canada, by far the largest number, over a third, suggested Australia. It seemed quite possible that the respondents had area, history and culture in mind rather than UN behavior. However, some did stress similarity in voting and in attitudes towards the Third World and the Middle East. Both countries were described as "rational" and as "enlightened allies of the United States with some autonomy." One interviewee praised their commitment to the UN, but added that they were "equally insignificant in the real struggle." A further tenth likened Canada's behavior to that of other members of the old Commonwealth — to New Zealand because both were "trustworthy," "realist," and "independent of the US"; or to the United Kingdom, another "moderator."

A fifth of the responses compared Canada in the UN to Sweden, the "Nordics" or the Netherlands, all among the most admired members of the club. Not surprisingly, the explanations for these choices were flattering — "idealism," "internationally-minded," "consensus builders," "pro-United Nations," "independent judgment," "peacekeepers" and "similar support for rights and development." About half as many suggested the West Europeans as the most similar to Canada in UN behavior. The comparable number that cited the United States as Canada's UN analogue stressed the similarity in the stands and votes of the two.

France was mentioned five times. Like Canada, it is "friendly to everyone," "concerned about consensus," and "supportive of self-determination." The minority that cited Ireland or Austria said it was because their ideas were similar to Canada's; devotion to the UN; and "relative independence within the West." Poland received a single mention ("It too has a sovereignty problem"), as did West Germany, Japan, Italy, Norway and Mexico.

Who supports the UN?

We asked which country had been from the outset the most consistent supporter of the United Nations. A quarter answered the "Nordics," and Sweden received several additional mentions. The country mentioned most often was Canada — by one sixth of the respondents. Well behind were the United States, India, the USSR, the Netherlands, Britain, Austria, Yugoslavia, Ireland, Australia, New Zealand and Saudi Arabia. Japan did well to receive

A sample of expert opinion

four mentions; it had not become a member until the UN had celebrated its tenth anniversary.

Diplomats from no fewer than nine different countries, including members of NATO, the Warsaw Pact and the nonaligned movement, all identified their own countries as the ones behaving in the UN most like Canada. What does that say about Canadian diplomacy?

We requested the respondents to score, on a scale of one to seven, Australia, Canada, Netherlands, Norway and Sweden in terms of their commitment to the UN, independence in the UN, leadership in the UN, role as consensus builder, and support for self-determination, peacekeeping and international development. Sweden emerged as the front runner by all criteria. Averaging the seven ratings, Canada (5.2), came out decidedly below Sweden (5.9), but barely ahead of Norway (5.2) and substantially ahead of the Netherlands (5.0) and Australia (4.6). It led the Netherlands and Australia on each of the seven items. Canada was considered much stronger than Norway in "leadership," but trailed in "support of self-determination"; it was slightly ahead of Norway in support of international development, even though Norway's contribution, in terms of per capita GNP, was considerably greater. Canada's score was highest for "peacekeeping" (6.0), "commitment to the UN" (5.8), and "support for development" (5.7); it was lowest on "leadership" (4.5), "independence" (4.8), "consensus promotion" (4.8) and "support for self-determination" (5.0).

Had this been an *all-inclusive* popularity contest, Sweden might still have emerged at or near the top. Considerably smaller than Canada, it is also more single minded in soliciting Third World support. One Swede told us, with at least a trace of embarrassment, that his government decided that, since the UN was the Third World's club, Sweden would play by the Third World's rules. Its nonaligned foreign policy obviously made this easier. Several Third World countries, such as India and Yugoslavia, would almost certainly out-rank Canada and Norway in popularity. Canada's ranking in the "good company" of the Scandinavians, the Netherlands and Australia was nevertheless impressive.

Canada's best and worst features

We proceeded to ask the respondents to specify the *best* and the *weakest* characteristics of Canada's UN diplomacy. For the "best," a quarter cited our familiar roles as mediator, moderator or consensus-builder. Almost as many relied on flattering adjectives such as straightforward, consistent, fair, reliable, honest, frank, principled, sensible, pragmatic, pacific, friendly, likeable and able. Our diplomats were always well briefed, it was stressed, and up on the fine print. A smaller portion cited Canada's function as "friendly critic" of the United States, and praised its willingness to take "tough," "independent" stands. One respondent noted that Canada's main strength was that it was seldom a "demandeur." It was refreshing, after all this, to be asked by one interviewee: "But *does* Canada have a UN diplomacy?"

Far less consensus emerged when we turned to the perceived weaknesses. With a membership approaching 160, it should hardly be surprising that many of our respondents had had little opportunity to focus on Canada.

Some of our respondents could think of *no* defects in Canada's UN performance. Some suggested the same characteristic, such as "honesty" or "modesty," that they had cited as its strength — and could usually explain why. Almost a third raised Canada's close association with the United States; a smaller group claimed that our greatest weakness was our effort to appear different from our major ally — "a bad case of Scandinavianitis," one complained.

Canada's Ambassadors

The second largest group was critical of Canada's "low profile." It was too quiet, they frequently said, too withdrawn, too unassertive, too inactive or too indefinite. (These responses, it should be noted, were given before Stephen Lewis became Canada's UN Ambassador.) One interviewee said Canada suffered in the UN by not being one of the LDCs (Less Developed Countries); a couple of other complained that our weakness lay in being intimidated by the LDCs. Several said our greatest weakness was strong partiality for Israel. Others said we were excessively anti-Soviet. Several held that we were too spread out over a large number of issues. One said the greatest weakness was "proximity" to Ottawa, and the consequent necessity to deal with a flood of visitors expecting attention. (As the recipient of many mission favors, this author understood, and blushed.)

We asked respondents to distinguish, if they could, Canadian and US diplomacy in the UN. Only a handful said they could see no difference, but a sixth considered it to be trivial. The largest portion, a third, noted Canada's greater understanding of the LDCs and generosity towards them. A half that portion had observed Canada's greater support of arms control. Other small minorities noted Canada's more positive stand on the Law of the Sea, greater "balance" in dealing with the Middle East, and stronger support for human rights and other humanitarian measures. A dozen respondents stressed that Canada's UN diplomacy was less rigid or ideological; it was also seen as friendlier and more concerned to build bridges. Unlike the United States, we were told, "Canada really believes in the UN, supports it, and uses it."

One diplomat could detect *no* similarity between the Canadians and Americans except that "they speak the same language." A considerable majority clearly could distinguish between the two diplomacies, in both style and content. Almost all of the stated differences were in Canada's favor, and many went out of their way to stress that they saw Canada as independent. Difficult to ignore, however, was the observation of a much respected Western ambassador that "Canada, like fifty-six others, hides behind the US veto." It is easier to be a nice guy if you are confident that someone else will block unpleasant measures.

Is the US a stigma?

"Influence in a group or groups," it will be recalled, was ranked second among the factors of overall influence in the UN, and Canada's primary association is almost inescapably with the US and NATO. When we asked: "Would Canada's diplomacy in the UN be more effective, or less

effective, if it ceased to be an ally of the United States?" several nonaligned representatives could not conceive of Canada's doing anything so rash. Almost half thought that Canada would gain in influence, at least within the UN. The majority was evenly split between those who speculated that ceasing to be a US ally would cost Canada in influence, and those who considered that it would make no difference.

A majority recommended, in effect, that Canada adopt their countries' posture, but there were interesting exceptions. A nonaligned African ambassador, for example, said: "To be selfish, I hope Canada stays close to the US. It can do more to help us there." Several Soviet bloc respondents were also convinced that Canada served the common cause, as well as its own, by staying in NATO.

Except for membership in NATO, Swedish and Norwegian policies are very close, and both countries are often considered similar to Canada. Resentment of military blocs would seem to be the principal reason why Sweden was regarded more warmly than Canada and Norway by the nonaligned majority in the UN. Other responses, however, demonstrated that popularity and influence were not the same thing, and Canada was judged to be at least as influential as Sweden. Many would applaud if Canada severed its alliance ties, but it might well become less effective, even in the strictly UN context.

Is influence changing?

What in fact is happening to Canada's UN influence? Almost four-fifths responded that it was remaining "about the same"; one sixth indicated an increase, half as many a decline.

Comments from long-time members of the Secretariat and other UN observers were often more critical. Almost

all concurred that Canada was less influential now than in the early years. Considering the dramatic change in UN membership, a drop in Canadian influence was cause for neither surprise nor dismay. More serious was the complaint from about half this group, that Canada had become less committed, and was trying less. Others contested the point vigorously. Canada's support does appear to have declined in some issue areas, such as peacekeeping. It has increased in others, however, most notably in international development and human rights. And support remains very serious in disarmament.

Canada continues to field a strong and active mission to the UN, led as a rule by an outstanding Ambassador. We heard almost as many tributes to William Barton, Canada's representative in the mid-seventies, as to Lester Pearson. Many in the UN thought that quietness was carried to the time of our interviews; we also heard praise of his commitment and skill, however, and it should be recalled that our respondents attached little value to speechmaking as a factor of influence in the UN.

The speeches of Pelletier's successor, Stephen Lewis, may prove to be the exception. His extraordinary eloquence, and his willingness to defend the UN, will certainly win admiration, and may compensate for the time spent away from the UN corridors where Pearson and Barton made their great impact.

Secretary of State for External Affairs Joe Clark has warmly reaffirmed Canada's traditional support for the UN. Prime Minister Mulroney, however, has emphasized that the first plank in Canada's foreign policy is now friendship with the United States, and this at a time when Washington has never been more hostile to the UN. The two objectives are not totally irreconcilable, but Canada's UN diplomacy appears to be in for a testing period. □

Canada at the UN Human Rights Commission

by Philippe LeBlanc

Canada's performance at the 41st Session of the UN Human Rights Commission, held in Geneva from February 4 to March 15, 1985, was characterized by hypocrisy and diplomatic maneuvering. The delegation was silent or kept a low profile on major human rights issues and its statements were low-key and non-committal, reflecting diplomatic niceties rather than a strong commitment to human rights.

It was in contrast to Canada's past performances at the Commission, especially between 1976 and 1984 when Canada was there as an elected member. During that period, Canada was viewed by many as one of the leading and most active of the delegations. Canada attended the 41st Session as an Observer. However, even as an Observer, a country can play an important role at the Commission, since it may intervene on any item, co-sponsor resolutions and be active on a number of fronts.

This approach would have been more consistent with the assurance given by the Minister of External Relations at a meeting attended by a number of voluntary groups, one week before the opening of the 1985 Session. The Minister, Ms Vézina, had stated then that "even though Canada is not a member of the Commission this year, our delegation will continue to play an active role as an Observer and will contribute to the debates and will speak on resolutions." Canada's subsequent performance at the Commission was difficult to understand both in terms of Canada's reputation internationally and in view of the gravity of human rights violations in the world.

Human Rights Commission

The UN Human Rights Commission was created by the General Assembly in 1945. Its role was to carry the UN's human rights responsibilities. At its first full Session, held at Lake Success, N.Y., in January 1947, the Commission brought together thirteen member countries with two non-governmental organizations and two specialized agencies present as Observers.

This year's Session consisted of forty-three elected member countries and sixty-nine Observer countries; approximately eighty-six Non-Governmental Organizations (NGO) and national liberation movements, all present as

Observers. The attendance of so many countries and NGOs and other groups truly makes the Commission the most important human rights body at the international level. It is also the only organ with the responsibility for the *universal* protection and promotion of human rights in the world.

Many of the major human rights issues in the world were included on the agenda of the 41st Session of the Commission. The topics covered the violation of human rights in occupied Arab territories (including Palestine); human rights violations in South Africa, Chile, Afghanistan, Guatemala, Uruguay, El Salvador, Iran, Cyprus and other countries; the right to development; the right of peoples to self-determination; torture and other cruel, inhuman or degrading treatment or punishment; situations which indicate a consistent pattern of gross violations of human rights; and apartheid.

South Africa

Canada's first intervention at this year's Session was on the topic of apartheid and human rights violations in South Africa.

The issue of South Africa was first addressed in a significant way by the Commission at its 1967 Session. Apartheid and the situation in South Africa remain among the most serious human rights problems which the Commission must grapple with each year. At the United Nations countries are unanimous in condemning the policies of apartheid, but differ in their approaches to solving the problem. Countries such as Canada which maintain commercial or other ties with the South African regime must justify their dual policies. For example, at the 41st Session the Head of the Canadian delegation stated, on the one hand, his country's abhorrence of apartheid and, on the other, that his government did "not accept the premise of the Khalifa report that the presence of Canadian companies represented economic support of apartheid." When Canada was a full member of the Commission, it usually voted against or abstained from voting on most resolutions dealing with South Africa. In explanation of its votes, the Canadian delegation would cite the "intemperate" language of the resolutions or the fact that the government of Canada was committed to seeking a peaceful settlement of disputes, in accordance with the Charter of the United Nations, and thus could not support an armed struggle.

A similar problem exists when the Commission deals with the implementation of the International Convention

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The events of June and July 1985

international canada

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"International Canada" is a paid supplement to *International Perspectives* sponsored by External Affairs Canada. Each supplement covers two months and provides a comprehensive summary of Canadian government statements and of political discussion on Canada's position in international affairs. It also records Canadian adherence to international agreements and participation in international programs. The text is prepared by *International Perspectives*.

Bilateral Relations

USA

Arctic Sovereignty

A US decision to have a United States Coast Guard icebreaker, the *Polar Sea*, navigate the Northwest Passage from Greenland to the Pacific raised a storm of controversy in Canada during June and July over a possible infringement of Canadian sovereignty in the Arctic. The proposed trip was regarded by critics as a US move to test the Canadian government's strength and commitment to Canada's oft-repeated claim that the waters of the Arctic archipelago were internal waters and not an international strait. (While the US administration had acknowledged the islands as being under Canadian jurisdiction, it continued to regard the passage itself as international waters.) The legal point of the US refusal to seek Canadian approval or permission for the voyage was raised by the opposition and Canadian nationalist and environmental groups.

In a scrum June 17, External Affairs Minister Joe Clark stated that Canada had "consulted" with the US over the *Polar Sea* transit, and that the issue did not raise the question of sovereignty. He did, however, note the continuing disagreement between the US and Canada over Arctic territorial claims, adding that "some actions" might be taken to forward the Canadian "interpretation" on sovereignty (External Affairs transcript, June 17). Responding in the Commons June 20 to criticism from Liberal external affairs critic Jean Chrétien, Mr. Clark added that while the ship's passage would neither "compromise" Canadian sovereignty nor "affect the quite legitimate differences of views" between the two countries, the *Polar Sea* would "have Canadians on board to guide [it] through waters which we consider to be ours." The US and Canada, noted Mr. Clark, had "agreed to disagree."

Calls for a strong government protest, rather than an acceptance of the trip as a foregone conclusion, continued through July. A statement released by Inuit Tapirisat of Canada stressed the possibility of future environmental damage in the north, should the route become a feasible international shipping strait. The statement noted that should Canada "fail to defend its sovereignty" in Arctic waters, the issue of protecting the environment would have to be "resolved outside of Canada at the international level" (*Globe and Mail*, July 10). Failure to meet the US challenge

would be an "abdication of responsibility and betrayal" (*The Citizen*, July 25). A spokesman for the Canadian Arctic Resources Committee stated that Canada was "jeopardizing its position by not acting firmly and doing everything it [could] to secure its case" (*The Citizen*, July 26).

Two Canadian Coast Guard captains were dispatched as "invited observers" to accompany the *Polar Sea*. However, the US had stated clearly that the two were accepted as a "friendly gesture" to Canada, but would not have any authority to offer instructions or guidance (Government of Canada news release, July 31, *Globe and Mail*, August 1). Canada expressed its "deep regret" over the longstanding US unwillingness to accept the waters as falling under Canadian jurisdiction in a statement issued by the departments of External Affairs, Transport and Northern Affairs. While "authorizing" the ship's passage, the statement noted that assurances of suitable precautions had been received from the US to ensure the protection of the ecologically fragile Arctic environment. Reiterating Canadian sovereignty claims, it also stressed that the voyage was "purely operational" and intended to reduce sailing time. It was noted that the *Polar Sea* would be accompanied and monitored by Canadian Armed Forces Aurora aircraft, the entire voyage proceeding with Canadian "support and participation."

Criticism was also expressed that Canadian acceptance of the *Polar Sea* transit could set a precedent which would be interpreted by the International Court at the Hague (should the Northwest Passage issue reach that juridical body) as indicating Canadian acquiescence to an infringement (*Globe and Mail*, August 2). The absence of strong diplomatic protests on Canada's part could operate to the detriment and prejudice of the Canadian case. (The US State Department had emphasized that the voyage would proceed "without prejudice to either country's position with regard to the status of the Arctic waters.")

Strategic Defence Initiative

Prior to an official decision on Canadian participation in the US Strategic Defence Initiative (SDI or Star Wars), the government announced that the private and academic

sectors would not be prevented from accepting US military research contracts arising from the project. Such a restriction, said Defence Minister Erik Nielsen, would be "a terrible impediment" to Canadian free enterprise (*The Citizen*, June 1). Opposition critics were quick to criticize such blanket permission without benefit of either a direct policy decision by the government or a Parliamentary examination of the issue. (An all-party committee was conducting cross-Canada hearings into SDI as one aspect of its foreign policy examination [see "International Canada" for April and May 1985].)

One group urging Canadian participation in SDI was the Aerospace Industries Association, whose president Ken Lewis told the committee that Canada should join with all possible speed in order to avoid being left behind in technological developments. While citing the commercial benefits to be accrued through involvement in the research phase of SDI, the association held that only early participation would provide an adequate basis for making a decision on possible Canadian cooperation in a development phase (*Globe and Mail*, *The Citizen*, June 12). Mr. Lewis stated that "as a nation becoming increasingly dependent upon high technology to generate our wealth we cannot afford to pass this opportunity." However, while Mr. Lewis saw the SDI debate as "clouded by a great deal of hysterical and dramatic rhetoric," critics of Canadian participation remained in the majority.

Operation Dismantle, a peace organization previously involved in the fight to avert Cruise missile testing in Canada, vowed to use "every technique within the law to overturn and reverse such a disastrous policy," should the government become involved in SDI (*The Citizen*, June 14). The group expressed concern that even a negative decision might be circumvented through the issuance of government funding to private industry involved in contractual arrangements with the US Defence Department.

Later in the month, it was announced that the report commissioned in mid-April by the government from Arthur Kroeger into the US invitation to participate in SDI would neither be made public nor tabled in the Commons, but rather would be passed to Cabinet. Mr. Kroeger's report was compiled as an examination of the strategic, scientific and economic implications of Canadian involvement, and followed the submission of briefs from interested organizations as well as meetings with US defence specialists (*Globe and Mail*, June 25).

Strong criticism of participation in SDI — in fact, nearly all military expenditure — as a "technological and economic dead end" came from the Ottawa-based North-South Institute in a report released that same month. Entitled *Disarmament and Development*, the report downplayed the oft-claimed developmental benefits. Evidence had indicated that "spending money and research skills on military expenditures [was] an uneconomic means of development" (*Globe and Mail*, June 27). While draining "manpower, finances and natural resources," military research did not provide a "productive return on investment." While advocates of SDI had elaborated on the spin-offs of research, the Institute's report noted that these "paled" in relation to the "magnitude and cost" diverted from "improving productivity and improving the quality of life."

A Liberal task force examining several foreign affairs and defence issues also cast a negative vote, calling for Canadian adherence to its traditional role of international mediator, the "honest broker, negotiator and peacemaker" in an interim report on SDI (*Globe and Mail*, July 13). Canadian participation would "seriously erode" Canada's position as an international voice of moderation, the report added. A rejection would allow Canada to assist the superpowers in coming to terms with world tension on a political rather than on a military footing. In addition to a loss of political independence, involvement in SDI would "destabilize the current strategic balance." SDI also represented a "quantum leap" in the arms race, both in regard to the militarization of space and a diversion of funds from international development to weaponry.

Similar criticisms were levelled by the Canadian Labor Congress which, in testimony, indicated an unwillingness to have its membership involved in jobs resulting from the SDI program (while at the same time expressing doubts as to the likelihood of appreciable job creation). CLC vice-president Richard Martin noted that "military research and development is not a job creator of consequence . . . More jobs in a world made more dangerous is not a goal for the CLC, nor should it be for Canada" (*Globe and Mail*, July 19).

Lumber Exports

The problem of impending US protective measures directed against foreign lumber continued to threaten Canadian exports during this two-month period. In early June, an ongoing International Trade Commission (ITC) investigation into Canadian products was extended, examining claims by the US industry that growing Canadian penetration of the US market was harming the domestic producers. Proposed legislation before the House of Representatives would institute curbs on Canadian lumber, using perceived subsidies as grounds for such measures (see "International Canada" for April and May 1985). One particular bill, sponsored by Sam Gibbons (Democrat, Florida), would redefine subsidies and thus permit retaliatory action against Canadian stumpage fees. However, Canadian lobbyists (as well as the US administration) regard the bill as contrary to "accepted definitions of countervail and subsidy" in view of its interpretation of lower Canadian stumpage fees (*Globe and Mail*, June 6, 7, 13). Government (both federal and provincial) and industry spokesmen presented the Canadian case to Congressional members in mid-June, stressing that no subsidy existed in the Canadian system of stumpage fees. Once again, emphasis was placed rather on the high value of the US dollar as the cause of increased imports.

Following the intensified Canadian lobbying effort, Canadian Forestry Service spokesman Richard Herring stated that Canada would neither compromise nor voluntarily submit to export restraints and would continue to work against any protective bills. While the US administration had not officially requested cutbacks, he said, such had been the underlying goal during consultations (*The Citizen*, June 13).

However, a delegation of Congressional members meeting with senior administration officials in late June

demanded tougher measures against rising Canadian lumber exports. Should the administration fail to negotiate voluntary curbs, Congress would, they said, move on its own to proceed with restrictive legislation (*Globe and Mail*, June 26). Against this background of frustration in the House of Representatives, US Trade Representative Clayton Yeutter, prior to his July meeting with International Trade Minister James Kelleher, stated that lumber was a "short-term issue" that had to be dealt with "in a timely" manner before consultations could proceed on the broader trade relationship. "Pressure" would be maintained on Canada, he added, on this sensitive, individual issue.

While Canada had, in the past, remained adamantly opposed to the entire concept of redefining subsidies as outlined in the Gibbons legislation, by mid-July, Mr. Kelleher stated that Canada would seek an exemption from lumber restrictions. This Canadian lobbying effort would endeavor to secure "whatever is required to retain Canada's access to the American market" (*Globe and Mail*, *The Citizen*, July 11). The International Trade Minister met with both Mr. Yeutter and Congressman Gibbons in order to further advance the Canadian position.

Attending further hearings in Washington in late July, a delegation of Parliamentarians later spoke of a "genuine" legislative threat against Canadian lumber, but remained firm in the contention that Canada would not voluntarily limit exports. They also warned against any protective US measures "which would generate counter actions" (*Globe and Mail*, July 25). It was also acknowledged that a Presidential veto might not prove effective in averting a heavily supported Congressional bill. The MPs agreed that Canada's most effective course would be an attempt to have any legislation amended to "minimize or eliminate" the potential for damage to the Canadian lumber industry specifically.

Hog Exports

Another protective trend in US trade practice was noticeable in a boycott of Canadian pork exports instituted by several mid-western states (South Dakota, Iowa, Nebraska, Wisconsin and later Minnesota) and blamed on the presence of an antibiotic, chloramphenicol, used in Canadian livestock and deemed harmful to humans. This followed a prior tariff imposed on such exports due to charges of unfair competition through income stabilization plans. Manitoba Premier Howard Pawley characterized the boycott as a "smokescreen" for protectionist measures, and stated that a ban would be placed on the objectionable antibiotic (CTV Television [External Affairs transcript], May 31). Without waiting for federal action on the bilateral trade dispute, Premier Pawley instituted the ban, citing a lengthy time delay as grounds for acting unilaterally on what was characterized as an "artificial barrier" (*Winnipeg Free Press*, May 31, June 1). However, the US states involved continued the restrictive measures, stating that traces of the chemical would still be found in Canadian exports in the near future, especially since federal action on the issue had not been taken. On the federal level, the Department of External Affairs advised producers' marketing boards to

institute court proceedings against those US states issuing the ban (*Winnipeg Free Press*, June 11).

On June 11, International Trade Minister James Kelleher issued a statement which expressed "disappointment" in a US Commerce Department determination on Canadian price stabilization programs that could result in the imposition of countervailing duties applicable to hog exports. Mr. Kelleher noted that the program had been intended to introduce "income security" without "distorting" the market (External Affairs communiqué, June 11). The US determination that the stabilization payments constituted a subsidy would be examined, said the Minister, in light of US obligations under GATT. He noted, as well, that the decision would "cause serious disruption and financial hardship" to Canadian producers, since it required the posting of bonds by these producers to cover "provisional duty liability." Like the position taken in the lumber dispute, Canadian lobbyists maintain that the situation arises from the high value of the US dollar rather than governmental assistance. Speaking in the Commons June 11, Agriculture Minister John Wise stated that the decision was not final, but had been forwarded to the International Trade Commission (ITC) for consideration as to material injury or damage to the US domestic hog industry. Representations to the US administration would continue, he added. However, with the announcement of a US increase in duties, Federal Health Minister Jake Epp issued a temporary ban on chloramphenicol, with a decision on a permanent ban to follow (*Globe and Mail*, *Winnipeg Free Press*, June 13). Mr. Wise later stated that the federal ban would send a clear signal to the US that Canada was intent on having the boycott ended.

External Affairs Minister Joe Clark announced in the Commons June 17 that a meeting was to be held between Mr. Kelleher and provincial and trade union representatives to discuss the advisability of a "joint Canadian position" in order to protect Canadian interests. Prior to discussions with US trade officials, the International Trade Minister stated in a scrum June 18 that Canadian countervailing measures had not been considered. Canada would, he said, emphasize its concern that a program of stabilization thought to be "satisfactory" was now seen by the US as countervailable. He also expressed dissatisfaction over the fact that several states had levied a non-tariff barrier "in the guise of a health measure" and stated that he would seek administrative action against those states initiating the restrictive legislation — in his words an "excess of jurisdiction" (External Affairs transcript, June 21).

Despite the Canadian lobbying effort, the ITC determined to allow the imposition of countervailing duties on live swine but not, however, on fresh, chilled or frozen pork. The ITC decision that the live swine constituted or threatened injury to the US pork industry was met with "regret" by the Canadian Ministers for Agriculture and International Trade. While both Ministers expressed their concern over the possible impact on Canadian producers, they also stated that the broader issue of bilateral agricultural trade need be examined. Consultations would be held to establish a "consensus" on those programs considered "trade distorting" (Government of Canada press release, July 25).

Bulgaria

Expulsion of Diplomat

The Department of External Affairs requested in late July that the Bulgarian Embassy make arrangements for the cancellation of the return of Raikov Ivan Delibaltov, on home-leave at the time of the announcement. The Canadian government had determined that Mr. Delibaltov, who had served as the Assistant Trade Commissioner at the Bulgarian Consulate in Toronto, Ontario, had "engaged in activities which were incompatible with his consular status" — in this particular case referring to the collection of information beyond the scope of Mr. Delibaltov's authorization. Declared *persona non grata* because of the alleged espionage activities, he was prohibited from returning to Canada (External Affairs communiqué, July 22, *Globe and Mail*, July 23). A spokesman for the Bulgarian Embassy, while acknowledging that under diplomatic rules no reason need be given for expulsions, stated that his Embassy had "no information about any unlawful activities of any Bulgarian diplomat in Canada" (*Globe and Mail*, July 24).

Chile

Controversial Exports

Speaking in the Commons June 18, Nelson Riis (NDP, Kamloops-Shuswap) questioned External Affairs Minister Joe Clark on the granting of a departmental permit for a Canadian exporter to ship para-military equipment to the Chilean National Police (charged by Amnesty International as guilty of human rights abuses). Mr. Riis criticized the approval as contrary to the stated aims of Mr. Clark's earlier Green Paper on human rights abuses. (The equipment involved pertained to explosives disposal.) In a written rejoinder to Mr. Riis' allegations, Mr. Clark stated that permission had been given after interdepartmental consultations had concluded that there were not "significant national security or foreign policy concerns which would preclude" the permit. While the material was officially classified as "military equipment," it was not viewed as posing a "threat to civilian populations." Mr. Clark reiterated his concern over maintaining export controls "consistent with the basic principles" of Canadian foreign policy (External Affairs communiqué, June 19).

Mr. Riis again raised the issue June 20, mentioning further instances of Canadian sales to Chile which involved material for possible military use, including tank parts and engine overhauls for armed forces aircraft. He concluded with a suggestion that Canada consider banning all sales which would support either the Chilean police or armed forces in view of repeated human rights abuses. Mr. Clark responded that instituting in practice what might be advisable in principle would require the implementation of specific trade guidelines designed to prevent the shipment of such products to those regimes under scrutiny. In a scrum that same day, Mr. Clark added that he had instituted a review of the issue within his department which would attempt to firmly define those categories of exports

deemed of use for oppressive purposes. "Quite precise guidelines" would, he said, be formulated (External Affairs transcript, June 20, *Globe and Mail*, June 21).

China

Presidential Visit

Chinese President Li Xiannian, accompanied by vice-premier Li Peng and a delegation of government officials, arrived in Ottawa July 14 during a cross-Canada tour for meetings with Prime Minister Brian Mulroney and International Trade Minister James Kelleher. Primary focus was on bilateral trade and energy issues and a further strengthening of Canada/China ties (*The Citizen*, July 15, 16). The President stated that the visit could further "mutual understanding" and "promote economic and technological cooperation and trade." An invitation issued by President Li for a visit to China was accepted by both the Prime Minister and Mr. Kelleher following the discussions. The President spoke of the progress achieved in the spirit of cooperation between Canada and China, two countries with different social systems that still "share similar views on major international issues."

As well, two exchanges of notes were announced. One dealt with the renewal of the Canada-China Trade Agreement. The other involved the establishment of a consultative committee on agriculture. In announcing the notes, the International Trade Minister stated that Canada would "actively pursue" those opportunities offered by the current Chinese program of modernization, particularly in the fields of energy, agriculture, mineral resources and telecommunications. Because of rapidly increasing bilateral trade, Mr. Kelleher added that additional Canadian trade representatives would be stationed in China (External Affairs communiqué, July 16). Despite the heavy trade imbalance (operating in Canada's favor), President Li characterized the deficit as a "minor problem" in bilateral relations, while emphasizing the need for Canadian exports to increase their "competitiveness" (*Globe and Mail*, July 17).

Japan

Automotive Imports

With the release of import figures from Japanese auto exporters in early June revealing an 18 percent increase over the previous month, questions were raised in the Commons with regard to the ongoing bilateral negotiations on possible voluntary restraints and Canadian content commitments. Regional Industrial Expansion Minister Sinclair Stevens stated on June 10 that the increase had been noted, and an explanation had been requested of Japanese authorities as to whether the rise was merely a monthly "adjustment" or indicative of an increase in their traditional 18 percent market penetration.

On June 13, Mr. Stevens announced that Canada would permit an increase in the volume of Japanese auto imports provided the increase did not exceed the annual 18 percent share of the Canadian market. He noted that while negotiations continued, last year's percentile figure would remain the guideline, but no ceiling for the total number of units would be imposed. The stronger Canadian market would allow a larger overall number of Japanese imports, the Minister added (*The Citizen*, June 14, 19). Mr. Stevens stated that he found acceptable the Japanese explanation for the noted surge in sales, namely a "rebuilding of depleted stocks." He added that Japanese authorities had requested meetings to discuss Canadian concerns over increased sales, in order to avert any possible retaliatory measures.

Following meetings July 3, Mr. Stevens stated in a press conference that Canada had reiterated its intention to ensure that the domestic auto industry was not brought into "difficulty or disruption" through sharply increased Japanese export levels. Japanese representatives agreed to avoid such disruption while seeking an understanding that their exports would be "allowed to grow in a manner consistent with the total growth of the Canadian market." As well, greater investment opportunities for Japanese producers within Canada would be "actively pursued." While further consultations would be held, both in Canada and Japan, in order to determine a definite agreement, the 18 percent share would remain in effect, he concluded (External Affairs transcript, July 4).

Lebanon

Embassy Closure

A provisional withdrawal of all Canadian staff from the embassy in Beirut was announced June 14 by External Affairs Minister Joe Clark. Mr. Clark stated that the embassy staff had been moved to Amman, Jordan (which would handle Canadian interests on an interim basis), following "careful consideration" of the "serious risks" to which Canadian personnel had been exposed because of ongoing civil strife in the Lebanese capital. Speaking in a scrum, the Minister added that the response had arisen from "an accumulating series of tensions and problems." The withdrawal, however, would not affect Canada's continued "strong support for the sovereignty and territorial integrity" of Lebanon (External Affairs communiqué and transcript, June 14). Despite the measure, Canada would remain involved in both humanitarian relief and international efforts to bring about a resolution to the "recurrent violence." Mr. Clark assured those Canadian citizens (most maintaining dual citizenship) deciding to remain in Beirut that consular services would remain available. This was clarified on June 21, when the External Affairs department announced that an embassy would be established in Damascus, Syria, with simultaneous accreditation to Lebanon, to serve the requirements (consular, visa and immigration services) of those Canadians remaining in Lebanon.

South Africa

Anti-apartheid Measures

On July 6 External Affairs Minister Joe Clark announced a series of new measures to be implemented by Canada in a continuing effort toward "the repudiation of *apartheid* as a concept and a policy" in South Africa. The measures, said Mr. Clark, were designed as an "immediate response" to increasing violence and repression and formed part of a larger review of Canada's relationship with South Africa. Growing "revulsion" in Canada toward institutionalized racism called for strong measures which might effect "fundamental change" (External Affairs statement, July 6). *Apartheid's* basic denial of the principles of equality and justice were criticized along with South Africa's "gross violations of other countries' sovereignty and territorial integrity" in that policy's enforcement.

The measures ranged over a wide variety of trade restrictions, arms embargoes, sporting contact bans and increases in funding for the education of blacks. These included:

- a strengthening of the voluntary code for employment practices of Canadian companies operating in South Africa, to be coupled with a stronger monitoring process;
- a curtailment of both the export and import of arms and "sensitive equipment" used in the enforcement of *apartheid*;
- a termination of trade and investment support measures;
- a reaffirming of the Commonwealth sporting boycott;
- an effort to discourage the sale in Canada of South African gold *Kruggerands*;
- a closer monitoring of the South African labor situation;
- an expanded funding program for black education and training.

Speaking in a scrum July 5, the External Affairs Minister had stated that compliance with Canada's voluntary code of conduct would be sought "more vigorously," with a regular publication of that compliance (External Affairs transcript, July 5). The steps outlined, added Mr. Clark, were designed to indicate to the South African regime the seriousness of Western intentions and to influence "their calculation of the consequences of not changing" the policy of *apartheid*. The government had refrained from instituting direct economic sanctions out of consideration for the possible repercussions upon those people the measures were designed to assist. Instead, Canada would continue to work in concert with the international community in order to effect an impact on South Africa through "both substantial and symbolic" steps that formed part of a "process."

While Canadian opponents of *apartheid* criticized the measures as largely symbolic and inadequate to effect the "fundamental change" mentioned by Mr. Clark, the restrictions were recognized as an important "first step" (*Globe and Mail*, July 8). However, most critics called for direct use of economics and a more stringent disconnection between

the two countries. The possibility of even tougher measures arose in late July with the South African imposition of a state of emergency, which prompted a strongly-worded statement from the Canadian government. In a communiqué issued July 23, Canada "vigorously condemned the use of repressive measures to counter protests against injustice and inequality" (External Affairs communiqué, July 23). While "deploring violence from any quarter," Canada placed responsibility with the South African regime for its "discrimination, exclusion and rejection" which had initiated the present "desperate situation."

Mr. Clark stated that Canada was prepared to take tougher measures against the "scourge" of *apartheid* in light of the increasingly repressive response to demonstration and dissent in South Africa (*Globe and Mail*, July 30). The Minister also called for an opening of dialogue between the government of South Africa and leaders of the black majority, including the imprisoned Nelson Mandela (leader of the banned African National Congress). Discussions would be held with the Canadian business community to formulate suggestions for future appropriate action, Mr. Clark added.

Spain

Fishing Dispute

In an incident of alleged illegal fishing by Spanish vessels off the coast of Newfoundland in early July, the Canadian Navy (in cooperation with Fisheries department officers and the RCMP) was called in to enforce boundary regulations. Fisheries Minister John Fraser, in announcing the impounding of the Spanish trawlers, stated that further violations would continue to be penalized. Following a meeting between the Minister and the Spanish Ambassador to Canada July 4, the Ambassador expressed a desire to have the dispute resolved in a manner which "corresponds to the friendly and close relations between Spain and Canada" (CBC television [External Affairs transcript], July 4). Mr. Fraser added that strict enforcement of

Canada's 200-mile fishing limit would involve all foreign vessels operating in Canadian waters.

Mr. Fraser pointed out that the violation had not been responsible for the termination of the 1976 Canada-Spain Fisheries Treaty, since the dispute did not bring Canada's relationship with Spain into question. (Canada had decided to invoke a termination clause.) The present incident was a "separate matter completely," he added. However, Canada intended to proceed with "all charges as indictable offenses" (Fisheries and Oceans communiqué, July 5).

Turkey

Candu Reactor

Canada's continuing efforts to secure the sale of a Candu reactor to Turkey moved forward in mid-June with the announcement of the signing of a nuclear-cooperation agreement for the peaceful use of nuclear energy. Along with provisions for the future supply of Candu reactors to Turkey, the agreement also covered the exchange of nuclear specialists, technical training, joint research projects and uranium development. Turkey, along with Canada, adheres to the Nuclear Non-Proliferation Treaty which provides for the application of international safeguards for nuclear facilities. Mention of this mutual commitment was made in the current agreement (External Affairs communiqué, June 18).

However, impediments remained to the actual purchase of Candu reactors by Turkey. Following the successful bidding of Canada for reactor construction, an alteration in the requirements for financial backing was made by Turkey (see "International Canada" for December 1984 and January 1985). The federal government was expected to receive financing proposals from Atomic Energy Canada Ltd. — either in the form of funding from the Export Development Corporation or of insurance against loss while operating in a foreign country (*Globe and Mail*, June 19).

Multilateral Relations

ASEAN

Visit of External Affairs Minister

External Affairs Minister Joe Clark attended the annual ASEAN (Indonesia, Malaysia, the Philippines, Singapore, Thailand and Brunei) Post-Ministerial Conference for foreign ministers in Kuala Lumpur, Malaysia, July 11-13. Representing Canada as one of ASEAN's "Dialogue" partners (in addition to Australia, the EEC, Japan, New Zealand and the US), Mr. Clark stressed the importance of Canada's relationship with ASEAN. While discussions centred on regional economic and political issues (including international efforts at curtailing drug trafficking, terrorism and achieving a resolution to the situation in Cambodia), broader aspects of the international economic situation were also covered (*The Citizen*, July 4). The Minister placed his emphasis on the strengthening of commercial links between Canada and ASEAN and on the expansion of two-way trade — with the possible development of joint ventures (External Affairs communiqué, June 18). In addition to holding meetings with his ASEAN counterparts, Mr. Clark met with other "Dialogue" officials, including US Secretary of State George Shultz, with whom he discussed international terrorism, environmental protection and growing US protectionist trends (CBC Radio, July 11).

Following the conference, Mr. Clark proceeded to both Thailand (July 15-18) and Indonesia (July 18-22) for further discussions. Statements released by the Minister in all three nations reflected the growing Canadian interest in establishing a "comprehensive relationship" with ASEAN which would go beyond economics and trade to include development, culture and education. Mr. Clark mentioned in particular the establishment of Canada's Asia Pacific Foundation in 1984 as a step in that direction. As well, Canada would remain actively involved in development assistance and the resettlement of refugees from the region, operating "in full consultation" with ASEAN. While visiting refugee camps in Thailand, the Minister reiterated Canada's intention to continue its relief efforts for displaced Indochinese (*Globe and Mail*, July 18). Mr. Clark also issued a call for ASEAN to join Canada in strengthening the agencies of the United Nations as the "focal point" for "blending the interests" of the international community (External Affairs statements, July 13, 16, 19).

Central America

Visit of External Relations Minister

In a further instance of Canadian support for the Contadora initiative, External Relations Minister Monique Vézina paid an official visit to Central America in early June, visiting Costa Rica, El Salvador and Nicaragua from June 2 to 9 (External Affairs communiqué, May 17). When questioned in the Commons May 21 prior to her departure by Pauline Jewett (NDP, New Westminster-Coquitlam) on receiving representations from NGO experts on the region, Ms. Vézina responded that arrangements had been made both for "preliminary meetings" and for later discussions with "political authorities, non-governmental organizations and voluntary groups working on our behalf in the international development area." The Minister made an attempt to ascertain the present situation and current needs in terms of Canadian involvement and assistance. However, Canada's "neutralist" role, she added, had been emphasized during all meetings. Ms. Vézina discussed development aid, human rights issues and various regional peace initiatives. As well as touring various Canadian aid projects, the Minister discussed with her Central American counterparts the prospects for a durable settlement of regional conflict.

Arriving in Costa Rica in the midst of a border controversy between that country and Nicaragua, Ms. Vézina was faced immediately with the task confronting the Contadora group. Meeting with Costa Rican officials, including Foreign Minister Carlos Gutierrez, Ms. Vézina proceeded to announce Canadian credits to Costa Rica (to the figure of \$14 million). While thanking Canada for the funding, Mr. Gutierrez called upon Canada to remain supportive of Contadora, since their were "no alternatives." In El Salvador, Ms. Vézina formally acknowledged Canada's intention to resume direct, government-to-government aid (suspended in 1981 because of suspected "gross and systematic" human rights abuses). However, mention was made of the utilization of a local development fund for distribution, since doubts remained with regard to Salvadoran improvements in the administration of justice (*The Citizen*, June 1, *Le Devoir*, June 4). In Nicaragua, the Minister met with President Ortega while also holding sessions with Roman Catholic Church representatives and anti-Sandinista opposition leaders. Canada also pressed

the Sandinista regime on pluralism — to negotiate with the opposition, including the “contras” receiving financial backing from the US (*La Presse, Le Devoir, The Citizen*, June 6). Ms. Vézina stated that Canada would continue to support efforts toward “dialogue and compromise,” and would assist in alleviating “economic and social disparity” — the primary cause of regional confrontation. To that end, Ms. Vézina signed an \$11 million agreement supporting a geothermal electric project.

Speaking on CBC Radio upon her return to Canada, the Minister reiterated the fundamental difference between the Canadian and US approaches to Central America. Ms. Vézina emphasized Canada’s continuing support for Con-tadora, stating that especially with regard to Nicaragua, Canada would not be swayed by the US attitude. Rather, Canada would remain committed to development assistance, while closely monitoring those projects already in place in the region. Commercial relations could be established in complement with existing cooperation programs, without neglecting the humanitarian needs of displaced persons and refugees (External Affairs transcripts, June 10, 11).

GATT

Quadrilateral Group

Canada hosted a trade ministers’ meeting of the Quadrilateral Group (Canada, the US, Japan and the European Community), from July 11 to 14. Participating representatives discussed the international trade situation, while centering their attention on preparations for the next round of GATT multilateral trade negotiations (External Affairs communiqué, June 10, NBC Radio [External Affairs transcript], July 8). International Trade Minister James Ke-leher noted that the frequency of the Quadrilateral meetings had increased as a new GATT round appeared imminent. (The Group accounts for a majority of the free world’s trade, approximately 65 percent.) Of prime consideration was the content of the projected GATT round, the Minister added, particularly in the area of “intellectual property.” Services, agricultural trade, resource products and high technology were also viewed as important from the Canadian (and US) perspective. The Group, while in agreement that GATT remained the “corner-stone of our trading system,” recognized the inevitability of trade liberalization (despite some European hesitance at keeping GATT discussions separate from discussions of the international monetary system).

Hopes were expressed that a new GATT round might begin by 1986, with Quadrilateral representatives acknowledging the threat of increasing protectionist trends world-wide (*Globe and Mail, The Citizen*, July 15). While most contentious bilateral issues remained in the background during the informal talks, it was expected that Third World countries would oppose the suggested inclusion of trade in services in any new international agreement (these countries attempting to protect their own developing industries). Despite remaining differences, the Group affirmed its intention to request GATT member nations meeting in Sep-

tember to press for “preparations” for a new round. Another meeting would be proposed for November to begin an “updating” of the current treaty.

Following the meeting on July 19, the International Trade Minister released a submission to GATT outlining Canadian views on multilateral trade negotiations (MTN). The text stressed the importance to be placed on the “early convening” of such negotiations as a means toward opening further markets for Canadian exports, enhancing market access and generally improving international trade rules. Canada approached the MTN with “a sense of urgency” in the fight against protectionist trends. In addition, greater trade liberalization would be of benefit to both industrialized and developing countries, enhancing economic cooperation. While the emphasis in the submission was on liberalization, it also covered the development of new rules for agricultural trade, tighter control of “contingency protection measures and subsidies,” a framework for trade in services and a strengthening of the effectiveness of GATT rules to reinforce the agreement’s credibility (External Affairs communiqué, July 19).

Middle East

Senate Report

A report released in June by the Senate foreign affairs committee, while offering support to the Palestinians, was sharply critical of Israel. The “mistreatment” of Palestinians living in the occupied territories of the Gaza Strip and the West Bank received censure; in particular, the confiscation of property and the imposition of restrictive controls on economic and political activity. The report proposed a Middle East peace plan which recommended the removal of Jewish settlements from the occupied territories (seized during the 1967 war) and a demilitarization of the zones. Continued humanitarian aid, as well as a facilitation of emigration for Palestinian refugees in Lebanon, was also urged in the report. Calling for an end to both violence from anti-Arab Jewish extremists and PLO terrorism (along with an easing in harsh rhetoric), the Senate proposed an international dialogue with Israel, neighboring Arab states, the US and the USSR participating. Direct informal talks between Israel and the PLO were also advocated. Without issuing a direct call for Canadian recognition of the PLO as sole representative of Palestinians, the report stated that a “vast majority” of Palestinians did consider the PLO to be their principal advocate. It added that the negative attitude of the Canadian public toward the organization at the present time (primarily because of terrorist tactics), prohibited any constructive purpose in an official recognition. Despite the use of terrorism, the PLO, the report concluded, operated as a “democratic” body in the “best interests” of the Palestinians.

Prime Minister Brian Mulroney expressed his concern over the “orientation” of the Senate committee, particularly the possibility of an “unfairness to Israel developing.” However, he added that any overall peace proposal for the region would have to take into account the “legitimate rights” of the Palestinians (*Globe and Mail*, June 6). The

Canadian director of the PLO criticized Mr. Mulroney's comments, stating that it was "unfortunate that the Prime Minister [had] questioned the good faith and integrity of a Senate foreign relations committee which spent three years studying Canadian Middle East policy" (*The Citizen*, June 7).

United Nations

40th Anniversary

On the occasion of the fortieth anniversary of the signing of the UN Charter, a joint appeal was issued by a group of member states to the UN Secretary-General for a "strengthening" of the UN (External Affairs communiqué, June 27). Prime Minister Brian Mulroney was joined by other heads of state as signatories to the appeal — from

Argentina, Austria, Jordan, Malaysia, Senegal, Sweden and Tanzania. The appeal reflected a desire to initiate a recommitment by all countries to the principles of the Charter and to make "concrete efforts" to strengthen the association. Among several recommendations made were:

- a call for the Security Council to "fully discharge" its responsibility for the maintenance of international peace and security (and to strictly monitor the implementation of its resolutions);
- a strengthening of the role of the Secretary-General in coordination with the Security Council;
- a clearer mandate (and sounder financing) for UN peacekeeping efforts;
- a greater effort in resolving through the UN international economic and social problems, in particular the development of a "new consensus for development."

Policy

Disarmament

Nuclear Winter

Following the release of the Royal Society of Canada's report entitled "The Environmental Consequences of Nuclear War," External Affairs Minister Joe Clark stated the Canadian government's response to the Society's findings in the Commons June 17. Mr. Clark, while noting the uncertainties surrounding the nuclear winter hypothesis with regard to "magnitude and duration," stated that the government was in "general agreement" on the scientific credibility of the theory. (Nuclear winter involves the possibility of a global drop in temperature as a result of a nuclear exchange, whereby smoke and dust reduce the incoming energy of the sun.) The government agreed with recommendations of the Society that "continuing research" could reduce such uncertainties, adding that any Canadian studies should be "fully coordinated" with other international efforts. Mr. Clark noted that the long-term implications of the report necessitated a reexamination of Canada's civil defence planning in the areas of agriculture,

transportation, communication and general living conditions. Previously, the focus had been on "short-term survival." As well, the report reinforced the government's conviction that the "catastrophic" consequences of any nuclear war required increased international cooperation on deterring its initiation (External Affairs statement, June 27, *Globe and Mail*, July 15).

A controlled forest fire in the province of Ontario provided both Canadian and US scientists in mid-summer with an opportunity to study aspects of the nuclear winter theory (*Globe and Mail*, July 15). Ontario invited the scientists, both government and academic, to act as observers in taking "preliminary measurements" of smoke generation, the "missing link" in the nuclear winter hypothesis. Controlled fires, such as the one to be observed, result in smoke columns similar to those "expected" from nuclear firestorms. This, in turn, could provide information about the likelihood of smoke failing to disperse and blocking the sun.

Environment

Acid Rain

Canada's appointed envoy on acid rain, William Davis, met for discussions in mid-June with his US counterpart, Drew Lewis. The envoys, addressed by both federal and provincial environment ministers and representatives of the private sector, also met with Prime Minister Brian Mulroney. While no specific recommendations were made following the consultations, Mr. Davis stated that the meetings had resulted in his "greater appreciation of the complexity" of the issue as perceived by the US government (*Globe and Mail*, June 14). Progress had been made, he added, in that both envoys had gained an understanding of "respective problems." Despite the attempt to address the "substance of political and economic considerations," the meeting was criticized by environmentalists, including former Environment Minister Charles Caccia, for failing to achieve any concrete results — just as the appointments themselves had been earlier criticized as a mere "stalling" tactic (see "International Canada" for February and March 1985). However, the envoys stated that "firm recommendations," rather than a review, would be contained in their projected spring report. The Canadian meeting was followed by another in Washington later in the month, when Mr. Davis and Mr. Lewis held discussions with both Congressional members and officials of the US administration. The second, lower profile meeting was described by Mr. Lewis as an opportunity for "fact-finding," an effort to gauge the mood of Congress on the acid rain issue (*The Citizen*, June 20).

In early July, Canada signed a 21-nation agreement to further reduce sulphur dioxide emissions (the agreement stemming from the original 30 percent club of nations). However, the two largest international producers of sulphur dioxide — the US and the United Kingdom — refused to sign. Canada's Environment Minister Suzanne Blais-Grenier defended the US refusal. The Minister, while noting that Canada did not necessarily agree with the US position (which held that reductions already made had been significant), stated that the percentages outlined by the US had been "convincing" (*Globe and Mail*, *The Citizen*, July 9). Ms. Blais-Grenier called the international agreement a "first step" toward acid rain reductions.

Immigration

Plaut Report

A report commissioned by the Employment and Immigration department from W. Gunther Plaut, *Refugee Determination in Canada*, was tabled June 17 by the Minister. Flora MacDonald stated that the report, a study of in-country refugee claims, would form the basis for an anticipated "major overhaul of legislation" affecting such determination. In his report, Rabbi Plaut dealt with both political and practical problems, and issued a number of recommendations along with options for a new system. The

report advocated the creation of a Refugee Board determining claims to refugee status (along with a new category of extensively-trained refugee official). Other recommendations toward a liberalization included the right of immigrants, regardless of status, to make a claim to Convention refugee status at port of entry or from within Canada. This would, in effect, eliminate the initial screening process. As well, the current backlog of refugee claimants (resulting from the April Supreme Court decision that refugee claimants be granted oral hearings) might be eliminated through a decision to halt deportations, as a "transitional arrangement," to those countries experiencing civil disorder, racial tension or violence. Otherwise, stated Mr. Plaut, a "massive injection of additional funds" for increased personnel would be required to process the backlog (Report and statement released by Employment and Immigration, June 17, *Globe and Mail*, June 18).

Following the release of the report, Ms. MacDonald announced a short consultation period to ascertain public opinion on the issue of refugee determination. The Minister stressed that her department intended to introduce new measures to streamline the process by fall 1985. In her call for a representative cross section of informed opinion, Ms. MacDonald noted that two main areas had become the focus of attention; one, an "unequivocal support" for the report's principle that refugee claimants be dealt with "promptly, fairly and humanely," and two, a concern with regard to abuses of the system by those whose claims proved unfounded (letter from the Minister's Office, July 22).

Terrorism

Counter-measures

Following two incidents in June of possible international air-terrorism, both with Canadian departure points, the government announced increased protective measures to be taken against terrorist activity in Canada. When an Air India 747 was downed in the north Atlantic and baggage on a CP Air flight landing in Tokyo (en route to India) exploded, External Affairs Minister Joe Clark stated in a scrum that added security would be instituted on international flights from Canada. Mr. Clark added that Canada recognized that the sudden burst of terrorist activity might become "contagious" (External Affairs transcript, June 23). Mr. Clark's comments on increased protection were echoed by Transport Minister Don Mazankowski June 24, who outlined precautions to be taken: a screening of all checked baggage on international flights leaving or coming into Canada, the deployment of additional screening equipment, and a request for a 24-hour delay for cargo. While these measures could cause "inconvenience and delay," said Mr. Mazankowski, Canadians were appreciative of the need (CTV [External Affairs transcript], June 25). Canada had already, in response to an earlier TWA hijacking in Athens and hostage-taking in Beirut, announced its intention to pursue proposals for the improvement of air security (passengers, aircraft and airport) within ICAO (External Affairs communiqué, June 20).

In a scrum June 24, Prime Minister Brian Mulroney, following an expression of condolence over the loss of life in the Air India incident and a strong denunciation of international terrorism, stated that he had instructed the Interdepartmental committee on Security and Intelligence to "examine all aspects of airport and airline security and to report . . . as to what changes should be made to prevent such horrible recurrences in the future." While no nation could protect itself entirely from the possibility of a "wilful act of terrorism," Canada, added the Prime Minister, was strengthened in its commitment to a cooperative international effort to enhance security (External Affairs transcript, June 24, *Globe and Mail*, June 25). At the same time, the Prime Minister noted that Canadian airport security already ranked with the world's "most stringent."

Responding to questioning in the Commons June 25 on airport security, Mr. Mulroney reassured Parliament that the government had undertaken a reevaluation of existing security and surveillance systems, in light of recent events. As well, previously mentioned screening and

inspection measures had already been instituted. The Minister stressed that Canadian security efforts had hitherto been in excess of "minimum requirements advocated" by international conventions, and would continue to remain in "full compliance" with standard and recommended practice.

In a footnote to the Air India incident, Prime Minister Brian Mulroney responded in an open letter to Indian Prime Minister Rajiv Gandhi's expression of concern with regard to Canadian security and policy toward terrorism. Mr. Mulroney stated that Canada, while dealing "forcefully" with internal subversion, would deal "equally harshly with violence launched from our soil at any foreign nation" (*Globe and Mail*, July 11). However, he pointed out that Canada had, in the past, made a "sustained effort to monitor organizations suspected of activities inconsistent with Canadian law and with the friendly relations between Canada and India." Mr. Gandhi's condemnation of Canadian anti-terrorist efforts, in the "absence of constructive advice," would not help meet the terrorist challenge.

For the Record

(supplied by External Affairs Canada)

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- No. 50 (April 17, 1985) Visit to Canada of the President of the Socialist Republic of Romania.
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- No. 52 (April 22, 1985) Guidelines on marine pollution from land-based sources.
- No. 53 (April 23, 1985) Appointment of Canadian member to the Permanent Court of Arbitration.
- No. 54 (April 24, 1985) Appointments to the IDRC Board.
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- No. 57 (May 3, 1985) Appointment of Special Coordinator for market access consultation.
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- No. 59 (May 8, 1985) German Democratic Republic Trade Minister visits Ottawa.
- No. 60 (May 14, 1985) Review of Canada's International Relations.
- No. 61 (May 10, 1985) Visit to Canada of member of the Revolutionary Command Council and Iraqi Minister of Trade, His Excellency Hassan Ali.
- No. 62 (May 13, 1985) Canada ratifies Council of Europe Convention on the Transfer of Sentenced Persons.
- No. 63 (May 13, 1985) The National Ballet of Canada to receive \$275,000.
- No. 64 (May 17, 1985) Visit of the Minister for External Relations to Central America.
- No. 65 (May 21, 1985) Federal-provincial Trade Ministers' conference.
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- No. 67 (May 22, 1985) Canada-Bolivia Agreement on the Transfer of Inmates: entry into force.
- No. 68 (May 22, 1985) Soviet Politburo member to visit Ottawa.
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- No. 73 (May 29, 1985) Canadian assistance to Galapagos Islands.
- No. 74 (May 31, 1985) Canadian Emergency Coordinator for African Famine's mandate extended.
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- No. 76 (June 6, 1985) Trade Dispute Over EEC Beef Exports to Canada Settled.
- No. 77 (June 7, 1985) Minister Kelleher Announces Major Orders for Canadian Aerospace.
- No. 78 (June 10, 1985) Minister Kelleher to Hold International Trade Talks in Canada.
- No. 79 (June 10, 1985) The Vancouver Symphony Orchestra to Receive \$200,000.
- No. 80 (June 11, 1985) U.S. Commerce Department Decision on Subsidies Affecting Canadian Live Swine and Fresh, Chilled or Frozen Pork.
- No. 81 (June 14, 1985) Withdrawal of Canadian Staff from the Embassy in Beirut.
- No. 82 (June 14, 1985) South African Raid on Gaborone, Botswana.
- No. 83 (June 17, 1985) Minister for International Trade Convenes Provincial Industry Meeting on Canadian Exports of Live Swine and Pork to the U.S.
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- No. 90 (June 21, 1985) Canadian Delegation to San Francisco Commemoration of the 40th Anniversary of the Signature of the UN Charter.
- No. 91 (June 21, 1985) Agreement Between the Government of Canada and the European Atomic Energy Community (Euratom) for Cooperation in the Peaceful Uses of Nuclear Energy.
- No. 92 (June 21, 1985) Opening of a Canadian Embassy in Damascus.
- No. 93 (June 24, 1985) Air India Disaster.
- No. 94 (June 26, 1985) Air India Disaster.
- No. 95 (June 28, 1985) Canada Signs Agreement with Multinational Force.
- No. 96 (June 28, 1985) Diplomatic Appointments. Mr. Eldon Pattysan Black (59), originally from Montreal, Quebec, to be Ambassador to the Holy See, replacing Mr. P. Dumas. Mr. Robert W. Clark (58), originally from Yorkton, Saskatchewan, to be Ambassador to Pakistan.

- Mr. Victor G. Lotto (50), originally from Toronto, Ontario, to be Ambassador to Venezuela, replacing Mr. J.R. Midwinter.
Miss Marion A. Macpherson (61), originally from Moose Jaw, Saskatchewan, to be High Commissioner to Zambia, replacing Mr. C.D. Fogerty.
Mr. Archie D. McArthur (47), originally from Saskatoon, Saskatchewan, to be Ambassador to Ecuador, replacing Mr. P.A. Théberge.
Mr. Daniel Molgat (50), originally from Sainte-Rose du Lac, Manitoba, to be Ambassador to Spain, replacing Mr. C. Hardy.
Mr. Marc Perron (44) originally from Dolbeau, Quebec, to be Ambassador to the Arab Republic of Egypt with concurrent accreditation to the Sudan.
Mr. François Pouliot (44), originally from Quebec City, Quebec, to be Ambassador to Algeria, replacing Mr. P.E. Laberge.
Mr. Robert G. Woolham (53), originally from Toronto, Ontario, to be High Commissioner to Jamaica, replacing Mr. D.C. Reece.
- No. 97 (June 27, 1985) Joint Appeal on Strengthening of the United Nations.
- No. 98 (June 28, 1985) Special Joint Committee on Canada's International Relations.
- No. 99 (June 28, 1985) Minister Seeks Exporting Excellence.
- No. 100 (July 2, 1985) TWA Hijacking: Release of Hostages.
- No. 101 (July 4, 1985) Trade Minister Releases Canadian Import Tribunal Report on Footwear Industry.
- No. 102 (July 6, 1985) Diplomatic Appointments
Mr. Serge April (41), originally from Quebec City, Quebec, to be Ambassador to Senegal, replacing Mr. M. Bujold.
Mr. Lucien Bouchard (46), originally from St. Coeur-de-Marie Lac St. Jean, Quebec, to be Ambassador to France, replacing Mr. M. Dupuy.
Mr. Raymond A.J. Chrétien (43), originally from Shawinigan, Quebec, to be Ambassador to Mexico, replacing Mr. R.J. McKinney.
Mr. David S. McCracken (50), originally from Medicine Hat, Alberta, to be Ambassador to Kuwait, with concurrent accreditation as Ambassador to Qatar, replacing Mr. F.I. Wood.
Mr. Aubrey L. Morantz (46), originally from Winnipeg, Manitoba, to be High Commissioner to Ghana, replacing Mr. F.G. Livingston.
Mr. Anthony G. Vincent (45), originally from Beaconsfield, England, to be High Commissioner to Bangladesh, replacing Mr. C. Westdal.
- No. 103 (July 8, 1985) Canadian Government Policy Regarding Sporting Contacts Between Canada and South Africa.
- No. 104 (July 11, 1985) Participation of the Secretary of State for External Affairs at the Tenth Anniversary of the Signing of the Final Act of the Conference on Security and Cooperation in Europe (CSCE), in Helsinki July 30-August 1, 1985.
- No. 105 (July 11, 1985) Games of the Conference of Youth and Sports Ministers of French-Speaking Countries.
- No. 106 (July 12, 1985) Letter to the Minister for Foreign Affairs, Republic of Ireland.
- No. 107 (July 15, 1985) Champthai Manufacturing Joint Venture.
- No. 108 (July 16, 1985) Trade Minister Announces Agreement with China.
- No. 109 (July 18, 1985) Canada Adheres to OECD Capital Movements Code.
- No. 110 (July 19, 1985) Canada Submits Initial Views to the GATT on the Upcoming Multilateral Trade Negotiations.
- No. 111 (July 22, 1985) Expulsion of Bulgarian Diplomat.
- No. 112 (July 23, 1985) Imposition of State of Emergency in South Africa.
- No. 113 (July 29, 1985) Minister Kelleher Announces Visit of US Congressional Delegation to Discuss Developments in Lumber Trade.
- No. 114 (July 31, 1985) Voyage of the *Polar Sea*.

on the Suppression of the Crime of Apartheid. Again, a number of countries with commercial or other ties with the South African regime vote against or abstain from voting on resolutions relating to that item. As of January 1, 1985, seventy-nine countries had ratified the Convention and no major Western nation is on the list of ratifiers. The reason

The Khalifa report was prepared by a member of the Sub-Commission on Prevention of Discrimination and Protection of Minorities. An updated version of the report was tabled at the 41st Session. The report provides a fairly comprehensive list of banks, insurance and other companies "assisting South Africa, either directly or indirectly, through assistance to the illegal regime in Namibia." The report names over 100 Canadian companies doing business with South Africa.

most often given by countries such as Canada for not ratifying, is the "language" of the Convention or "legal problems."

Afghanistan

Under agenda Item 12, the Commission considered a number of reports, including those dealing with the situations in Afghanistan and Guatemala. Agenda Item 12 is much anticipated both by countries and by NGOs as it affords them the opportunity to make their major statements on human rights violations in any part of the world. Canada intervened under this item and commented on the two reports mentioned above.

The report on Afghanistan, prepared by Felix Ermacora of Austria at the request of the Commission, turned out to be highly controversial both because it had been leaked to the press before being tabled and because of its content, especially the way it ascribed responsibilities for the violations of human rights. Ermacora's report accused "foreign invaders" of "deliberately" bombing villages, massacring civilians and summarily executing captured guerrillas. It was obviously aimed at the Soviet Union. The report was an example of the work that can be done by the Commission. By appointing Ermacora to conduct the inquiry, the Commission chose a well-known international human rights expert who had previously participated in similar inquiries on Chile and South Africa.

When the Canadian delegate intervened on this subject she said that "her delegation agreed with the Special Rapporteur that there must be immediate application of the norms of human rights and humanitarian law by all the parties involved. Equally, however, there must be an end to the conflict, which would be initiated by the withdrawal of all foreign troops and the elimination of foreign influence." Canada was one of the co-sponsors of a resolution on the situation in Afghanistan which was adopted by a vote of twenty-six to eight with eight abstentions.

Guatemala

On the other hand, the Commission report on Guatemala prepared by Viscount Colville of Great Britain and tabled at the 41st Session was criticized by NGOs for

not ascribing such responsibilities. For example, in his conclusions and recommendations Colville stated:

Violence and disappearances. These are an alarming feature of the current scene. A great variety of people are affected, but members of political parties, staff and students at, particularly, the University of San Carlos and trade unionists are among the victims. *Whoever may be responsible*, many forms of human rights violations are involved. The Government should urgently seek to prevent those occurrences and to bring to justice those who have perpetrated such acts in the past.

Some NGOs felt that Colville lacked sound methodology in his approach to the task. According to them, not only did he not ascribe responsibility, but he never dealt with the main issue, i.e., the control of the military in Guatemala. In an article published by the influential Paris newspaper *Le Monde* human rights groups attributed the responsibility for human rights violations in Guatemala to the army, security forces and the paramilitary groups linked to them. The article further stated that on March 15 (the last day of the 41st Session) the Guatemalan Head of State, General Mejia, warned that he considered steps taken to obtain information on detainees and disappeared persons, as "aggressive acts." But Commission members were reluctant to criticize Colville or his approach to the problem.

This is where NGOs play an important role. For example, the intervention by the representative of the International Federation of Human Rights clearly expressed "her organization's surprise at the approach to enforced or involuntary disappearances taken by the Special Rapporteur on Guatemala which tended to minimize the responsibility of the military government. Guatemala possessed no private organization for repression; repression was exercised by the security forces under the command of the military authorities."

On the other hand, the Observer for Guatemala said that "her delegation wished to state that the Special Rapporteur's latest report [Colville's] on the situation in Guatemala had doubtless once again surprised those who had morbidly expected a horror story." Her delegation "rejected the diatribes and arguments stemming from activist bodies of known militancy, as well as the repeated allegations contained in documents being circulated irresponsibly in the Commission in an attempt to discredit the Guatemalan government's efforts to restore democratic institutions, including a free electoral process, and prevent it from fulfilling its commitments to the people's sovereignty."

Canada on Guatemala

In commenting on Guatemala and on El Salvador, a member of the Canadian delegation "thanked the governments of El Salvador and Guatemala for their cooperation." The delegate added that such cooperation was "a sign of respect for the concerns of the international community." The Canadian statement contained no evaluation or criticism of Colville's report. It did however state that "those responsible, including members of the security forces, must be brought to trial and punished."

A rarely-reported forum

Canada co-sponsored, along with Austria, France, Ireland, Netherlands and Spain, a resolution condemning Guatemala. However, during the debate, the resolution was modified to the point that Ireland withdrew as a co-sponsor. The original resolution had "called upon governments to refrain from supplying arms and other military assistance to all parties in conflict in Guatemala, in order to contribute to the improvement of the human rights situation in that country." The US delegation objected to the wording and proposed the following amendment: "requests all states to contribute to the improvement of the human rights situation in Guatemala by refraining from any type of intervention in the internal situation of that country that might prolong and intensify the armed conflict." The resolution as amended was adopted.

Apparently the Canadian delegation went to great lengths to accommodate the US delegation's objections to the draft resolution. The Canadian delegation's action on that point was in conflict with the recommendation made to the government in January 1985 by the Inter-Church Committee on Human Rights in Latin America, which asked "the government of Canada, through its observer delegation to the UN Human Rights Commission, taking note of the above recommendations, to continue to co-sponsor a resolution *strongly* condemning human rights violations in Guatemala."

Native Peoples and self-determination

Canada's treatment of its Native Peoples was criticized at the Commission by representatives of three international organizations who spoke mainly under agenda Item 9 — the right of peoples to self-determination and its application to peoples under colonial or alien domination or foreign occupation.

Speaking under the aegis of the Four Directions Council, Ben Andrew of the Innu National Council of Labrador, stated that his people have been colonized and subjugated over the past thirty years by foreigners, including successive governments, missionaries and police. He also mentioned the high rate of deaths due to accidents, poisoning and violence among his people, brought about by living under foreign domination. He also said that far from wanting to lose their land or to receive compensation for being dispossessed of it, they wanted freedom from foreign domination, the right to be self-determining, and decolonization.

The Commission also heard from Ed Burnstick of Alberta, a board member of the International Indian Treaty Council, who is also a member of Treaty Six Alliance and of the Coalition of First Nations. He described the situation of poverty and degradation afflicting the Native populations both in Canada and in the United States. Referring to the indigenous populations of Canada, represented by the Coalition of First Nations, he said that they would continue to assert their right to self-determination despite Canada's assertion to the contrary. He added that, as a people in a colonized country, they had the inalienable right to choose freely and on terms of equality their own political, economic and social system, and their own international status. The Canadian government, he said, con-

tinued to insist on its right to define the citizenship of Indian communities.

Finally, Clem Chartier, a Métis from Saskatchewan, described the plight of Natives in various parts of the world. Speaking on behalf of the World Council of Indigenous Peoples, of which he is the President, he mentioned the problem in Canada of the transference of Native children from their families to government institutions, foster homes or adoption agencies. He also described the high rate of suicide among Native youth in Canada.

Replying to the statements made by the Native groups, a member of the Canadian delegation at the Commission mainly addressed the issue of self-determination, indicating that the Canadian government's traditional position on the question was that there is not in international law a right to self-determination for minorities within a nation-state. He then briefly described the constitutional process of consultation on aboriginal rights which is now taking place in Canada.

Israel

The issue of the violation of human rights in occupied Arab territories, including Palestine, was addressed by the Commission for the first time at its 1968 Session. At the following Session, in 1969, the Commission created a Special Working Group of Experts to inquire into alleged human rights violations in occupied territories, as a result of the "Six-Day War."

After seventeen years of discussion at the Commission, it remains one of the most politicized issues on the agenda. It is also an occasion for countries to state their positions vis-à-vis Israel.

While Israel was being heavily and bitterly attacked from all sides for five days at the 41st Session, the Canadian delegation remained silent throughout and did not express the government's position or offer any views on the whole question.

Canada could do more

As an elected member of the Commission from 1976 to 1984, Canada gained the respect of other countries and was well viewed by NGOs who could rely on the Canadian delegation to raise their issues at the Sessions and to lobby on their behalf. But something has changed. Canada, either as a full member or as an Observer, should certainly play a more active and a more convincing role than it did at the 41st Session. A first step would be to endeavor to regain a seat on the Commission, for if it continues to sit as an Observer, Canada could lose the momentum and the credibility it had gained during its period of membership.

As a second step the government should not only go through the annual exercise of consulting NGOs, but it should take the groups' recommendations more seriously when it speaks out on human rights issues in international forums.

Finally, Canada should take the lead at the Commission in presenting and lobbying for its own positions on major human rights issues, rather than following what other countries say on these issues. Canada could also play a role in promoting at the UN a more humanitarian approach to issues rather than a purely diplomatic one. □

Foreign aid and human rights

by Irving Brecher

Last June, in Ottawa, a major international conference on human rights came to a dead end. Thirty-three European countries, Canada and the United States were supposed to examine compliance with the Helsinki Accords — an heroic effort which they had enshrined in 1975 as the Final Act of the Conference on Security and Cooperation in Europe.

The scenario was depressingly familiar: while Western delegates were alleging violations of individual human rights, the Soviet Union was churning out vacuous rhetoric about the right to world peace. Not surprisingly, after six weeks of sparring behind closed doors, the conference failed to reach consensus on even a modest concluding communiqué.

Early in August came a three-day conference marking the tenth anniversary of Helsinki. Concrete results, once again, were minimal: while the United States was naming human rights victims and Canada was deploring human rights abuse, the Soviet Union was condemning US policy on arms control.

Long or short, these sessions have been mostly a "dialogue of the deaf." Western optimists, naturally, have tried to put the best face on things. They take comfort from noting that the Accords remain in force, and that they continue to generate conferences which keep human rights issues in the public eye. But this is cold comfort. The overriding truth is that the prospects for rapid human rights advancement along the Helsinki route are about as bright as they are for a snowless Canadian winter.

Why linkage?

What does all this have to do with foreign aid? A great deal, in my view.

There is ample cause for Western donors to reassess their development assistance programs for the Third World. The past three decades have produced some impressive success stories, to be sure. And there has been overall economic progress. But it has often been painfully slow; and sometimes — as in sub-Saharan Africa — the trail has led heartbreakingly backwards. No less worrisome, donor interest has been flagging, and there is a dearth of fresh ideas for revitalizing the aid-giving process. The federal government's current search for new Canadian directions is timely in this context. It is bound to stimulate some rethinking on the economic and technical facets of Canada's aid policy. My fear, however, is that the human

rights dimension will continue to suffer from benign neglect.

For whatever reasons, Canadian governments have striven mightily to camouflage the issue of political rights — the rule of law, representative government, freedom of speech, press and religion — in a foreign aid setting. From the earliest Colombo Plan days, there has never been a forthright official statement on the promotion of free societies as an objective of development assistance policy. "Human rights" were not even mentioned in the federal government's landmark *Strategy for International Development Cooperation 1975-1980*. True, "basic human needs" — health, housing, education among the lowest income groups — were coming to the fore, and this was long overdue. But not so Western-type democratic values and decision-making, which typically languished in embarrassed silence.

More recently, in *Elements of Canada's Official Development Assistance Strategy 1984*, the government did confront the human rights issue. The sum-total of its approach, however, was to affirm that while "gross violations should not be endorsed . . . by the maintenance of a substantial ODA programme . . . populations already suffering because of these violations should not be doubly penalized by the withdrawal of ODA programmes." In a similar vein, the President of the Canadian International Development Agency has stated that "there is no hard-and-fast rule" on human rights violations, and that "foreign aid policies must balance human rights issues against long-term goals" (*The Globe and Mail*, May 17, 1985).

Ottawa's 1985 green paper on *Competitiveness and Security* poses the question: "Should our bilateral aid be made more directly conditional upon the performance of recipient governments in . . . respect for human rights?" My answer is an unequivocal "yes!" It is high time that Canadians took the human rights skeleton out of the foreign aid closet.

Irving Brecher is Emeritus Professor of Economics at McGill University in Montreal, a former Vice-Chairman of the Economic Council of Canada and a former member of the Board of Governors of the International Development Research Centre in Ottawa.

Human rights need aid

A closer look

Let us review some of the more common arguments put forward against direct "aid/rights" linkage. First, there is the contention that human rights are exceedingly difficult to define since they mean different things in different societies. But surely the relevant benchmark is the commonality of *free* societies. Their institutions and processes will naturally differ, but what they clearly share are the basic individual freedoms in a pluralistic system of due process and elected government. Unlike beauty, fundamental human rights are not in the eye of the beholder.

Secondly, there is the argument that aid donors have no business infringing on recipients' sovereignty by making such transfers conditional on social, economic or political performance. This is patent nonsense. The potential for socio-economic gains in the receiving country is widely accepted as a major determinant of aid-giving. There is no *a priori* reason why donors should not seek the enhancement of liberty as well.

Nor is it convincing to argue that a human rights test adds unmanageable complexity to the task of gauging the effectiveness of economic aid. The criteria for judgment are already numerous, varied and complex. If human rights are a significant element of Canadian foreign policy, there is no logical way of avoiding their inclusion in the aid-evaluation process.

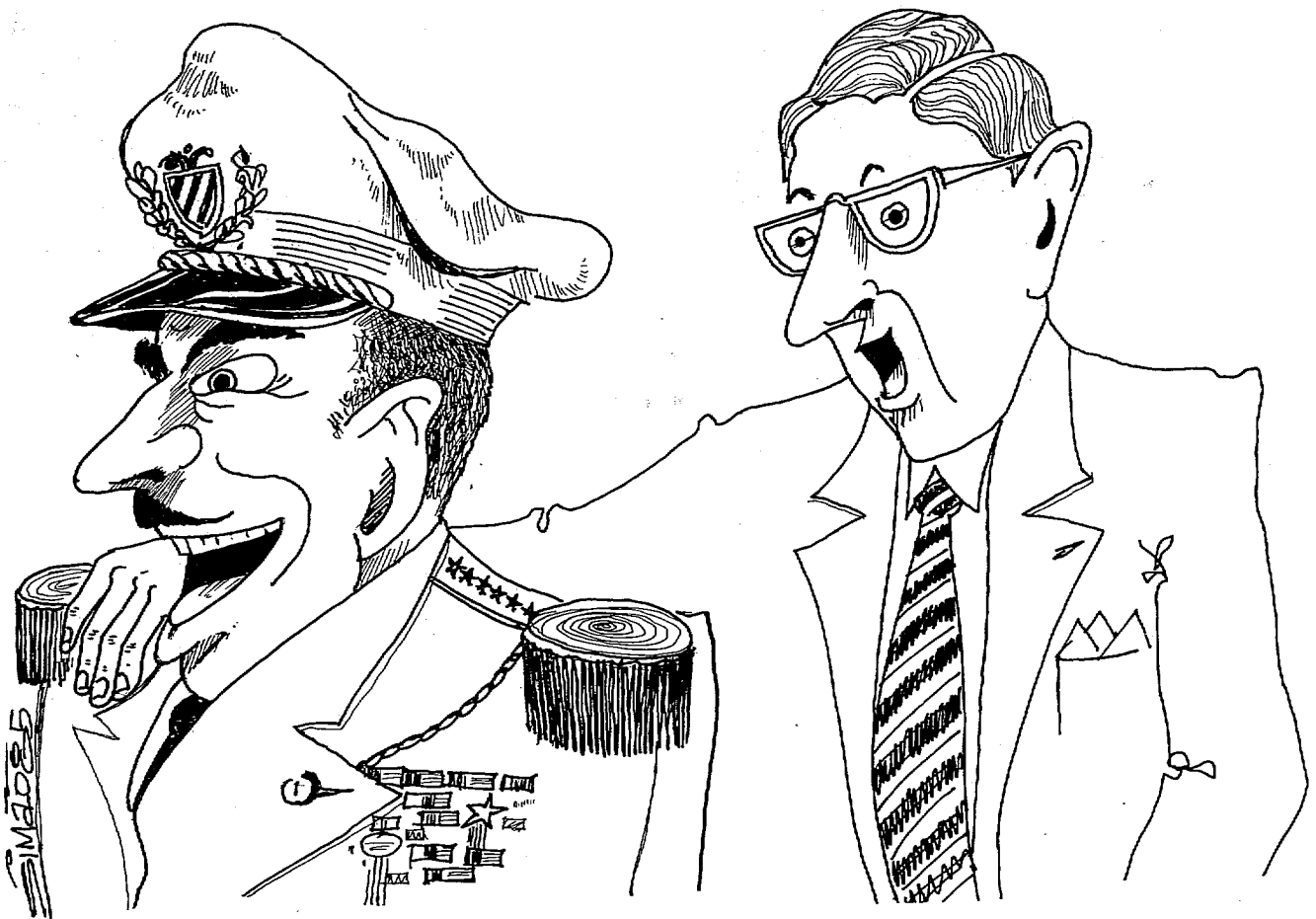
Logic does not, however, require that human rights generally be traded off against economic development.

Saying, over and over again, that rapid growth in most Third World countries is incompatible with Western-style governance does not make it so. What experience does tell us is that authoritarianism is neither a necessary nor a sufficient condition for economic development. We also know that Western democratic values — notably individual freedom and broad-based decision-making — can be powerful instruments for socio-economic progress. And we know that corrupt authoritarian regimes in the developing countries have often blunted the stimulus which foreign aid was intended to provide. (Corruption may, of course, coexist with human rights. This speaks for more careful aid appraisal, not against aid/rights linkage.)

No need to abandon the poorest

A related argument is that a larger human rights dimension in aid policy would exacerbate world poverty since so much of it prevails in non-democratic countries. To some extent, this is a spurious line of reasoning. Consider, for example, the unanimity of approval that would probably attach to the withdrawal of Canadian assistance from genocidal Cambodia-type regimes, no matter how extreme the poverty. Consider also the possibility of more concentrated, and more effective, aid going to low income democracies. But such contingencies aside, probing head-on for human rights does not mean opting out of generous relief for Ethiopia-type disasters (assuming reasonably effective delivery systems); even freedom is no match for nature

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suddenly gone wild. Nor does the deepest concern for human rights preclude substantial development aid to authoritarian governments that are taking clear steps towards a free society.

Perhaps the most subtle argument against closer aid/rights linkage is that it would spawn human rights "distortions" throughout the trade and private investment spheres. Indeed, one can cite instances, such as South Africa and Afghanistan, where the Canadian government has already tightened or considered trade and investment restrictions aimed at human rights abuse. (The United States has gone much further — Cuba, Poland, Afghanistan, Nicaragua — amid far greater controversy.) But this, for the most part, is "crisis politics" sparked by flagrant rights violations in particular settings. It is not a matter of reshaping world trade or investment patterns to give a clearer reflection of favorable human rights performance.

Western governments know full well that they reap enormous economic gains from relatively unfettered trade and capital flows; that they cannot indefinitely override the market and productivity factors which typically determine the volume and direction of such flows; and that, in any event, the efficiency and retaliation costs of attempting to do so would be unacceptably high. On the trade/import side especially, the industrialized democracies, including Canada, do practise plenty of discrimination vis-à-vis the Third World — some of it positive (in the form of trade preferences), and much of it unfortunately negative (through quotas and an incredible variety of other devices). But these "distortions" are rooted in economic, not human rights problems. More important, there is growing international recognition of the mutuality of economic benefit deriving from less restricted flows of goods, services and private capital. A wide-ranging human rights constraint would be very costly in this context.

Foreign aid, by contrast, has its *raison d'être* in the large scale failure of market forces, and in their inability to achieve various social goals. There is not only income growth at stake, but broadly-based nation-building as well. Unlike trade and private capital flows, aid is inherently a transfer of resources from one country to another (whatever the eventual repayment might be). The donor is entitled to share in the process of seeking maximum effectiveness for the transfer. And if the recipient's respect for basic human rights is deemed a prime ingredient of nation-building, the aid giver is entitled to use the extent of such respect as a significant criterion for disbursing and allocating development assistance. Human rights thereby become a central objective of foreign aid. They can also be a major tool for promoting economic development. And they could help to breathe new life into the faltering Western commitment to Third World welfare.

The case for Canadian aid/rights linkage is all the more compelling in light of the near certainty that, given their specific mandates and their widely diverse memberships, few, if any, of the multilateral aid agencies will take up the human rights challenge. More on this later.

Some policy implications

Let me turn to some key implications of linkage for Canada's foreign policy through the 1980s and beyond.

First, and perhaps foremost, we need to move human rights out of the "aid shadows" by officially declaring that they will henceforth be an integral part of our development assistance effort. This means, among other things, that we no longer confine ourselves to cutting off or starting up economic aid because particularly gross violations of basic rights have been committed or stopped; and that continuing movement towards the enforcement of such rights becomes a critical factor in determining where Canadian aid goes, on what scale and along which lines. An unequivocal policy statement on linkage also means recognizing that the human rights test is by no means necessarily incompatible with other crucial tests such as Third World economic need and performance; and that where, in conflict situations, the latter receive greater weight, the reasons are made both explicit and cogent.

Aid/rights linkage implies, as well, a stronger rationale for very substantial assistance in bilateral form. The conventional arguments for large or increased bilateral aid have to do with political support in the donor country, its capacity for matching domestic skills with foreign needs, economic leverage on program results, and the management constraints on multilateral aid giving. These are serious arguments. The main point in the present context, however, is that the bilateral approach to aid policy draws added support from human rights concerns. By the same token, there is cause for Canadian assistance to focus even more sharply on the health and education sectors of Third World development: richer human capital is the handmaiden of greater human rights.

It is, of course, vital not to overstress the donor's role — notwithstanding the fact that so many writers seem unable to tolerate any donor input beyond making the aid transfer. If the aid giver is entitled to appraise the recipient country's potential and monitor its performance, the recipient is entitled to make the ultimate choices on the economic system and policy instruments required for rapid growth (presumably mindful of possible complementarities between private markets and personal freedom). If the aid giver can legitimately seek to influence both economic and human rights outcomes, the recipient can justifiably insist on a donor commitment to long-term development assistance that is commensurate with impact and consistent with the donor's trade and other related policies.

Both sides can benefit

Neither party to the bilateral aid relationship can expect perfection from the other. Each operates within a framework of political and socio-economic constraints, for example, the growing demand for domestic commercial benefit from Canadian aid; and the enduring Third World concerns over diluted sovereignty. These problems will not go away. But there is also no escape from the fact that two-sided judgment is likely to produce more effective development assistance. Nor can there be any doubt that donor countries such as Canada have much to gain from greater prosperity in the low income regions of our increasingly interdependent world economy. A rising awareness on these fronts — together with a deeper understanding of constraining factors on both sides — would (if they materialize) be the stuff of which real "duality" in aid-giving is made. And the closer we get to duality, the larger the scope

Human rights need aid

for a human rights test that does not conflict with economic development.

So much for the bilateral dimension. Needless to say, there are limits to any donor's capacity for pursuing the bilateral route to aid/rights linkage. For Canada, a middle power at most, the limits are sizable. But economic strength joins with history and geography to create an important Canadian niche on the international front.

The multilateral aid agencies pose a special kind of problem. To put it bluntly, most of them — including United Nations bodies and UN affiliates such as the World Bank — comprise authoritarian as well as democratic governments, and are mandated to address exclusively economic issues. As a result, they scrupulously avoid public involvement with questions of political development. It is easy to understand why human rights have no place on their official agenda.

Multilateral aid not impotent

But this cannot, in the nature of things, be an indictment of multilateral aid. Indeed, the UN-related agencies and the regional development banks, for example, have some impressive credentials: flexibility in types of aid, resources not tied to inefficient suppliers, in-depth technical expertise in many fields, the recipients' confidence generated by a low political profile. Despite their inevitable growing pains, they can reasonably lay claim to a large share of the success stories in aid giving. Furthermore, there can be a world of difference between official policy and unofficial views on human rights. Just because most of the multilateral aid agencies bring rich and poor countries together on a regular basis, they provide countless opportunities for informal discussion of the economic and political facets of aid impact. The Canadian government should be in the vanguard of those emphasizing and re-emphasizing the human rights implications of economic aid specifically and nation building in general.

In the case of at least one of the multilateral agencies — the Organization for Economic Cooperation and Development, grouping only the Western donor countries plus Japan — Canada should be doing more. We should be urging the integration of human rights criteria into members' development assistance programs. And we should be hosting and promoting a wide variety of gatherings among democratic donors, with a view to exploring the possibilities for joint aid giving linked to respect for human rights.

This is not all. A gentle way of evaluating the Helsinki Accords is to say that "not much was expected and not much was achieved — but little was lost, either" (*The Globe and Mail*, August 5, 1985). In less diplomatic terms, the

Accords are spinning in their tracks. Canada should be searching for new ideas and machinery to bring meaningful progress — not only on Helsinki but also on its badly bruised pioneering predecessor, the UN's 1948 Universal Declaration of Human Rights. And we should be persistently encouraging the formation of new regional arrangements patterned on the Organization of American States and European Conventions on Human Rights.

Then, too, we should be on the alert for fresh private sector initiatives beamed in the same direction. Perhaps the most interesting recent example was an April 1985 conference attended by citizens of twenty-six developed and developing democratic countries (including Canada, the United States and India). Constituting themselves as an International Committee for a Community of Democracies, the participants called for the establishment of an Association of Democracies at the government level, as well as an affiliated but independent International Institute for Democracy.

The Association would give effect to the conviction that "pluralistic democracies urgently require a forum in which effective arrangements for mutual support, for solving problems among themselves, for the development and protection of democratic systems and for achieving other common objectives can be pursued in a context of shared values and ideals" (*CCD Courier*, July 1985). It is not at all intended to supplant or diminish the United Nations or other vital organizations, but rather to reinforce the international struggle for human rights. As for the Institute, it would conduct research and exchanges of expert views on the problems of developing and sustaining democratic government. This is the type of novel approach that merits the most serious consideration by Canada and by democracies everywhere.

Last words

By this point in the essay, the aid dimension has faded — though it could be nourished by the proposed Association of Democracies. But this is as it should be. Foreign aid is essentially about means, not ends.

My broader concern is fundamental human rights. South Africa, for all its current drama and pathos, is little more than the tip of a global iceberg. My underlying premise is that virtually all men and women, wherever they live and whatever they believe, aspire to be free — free to choose, and free to enrich their own lives — and that moving significantly in this direction will make our planet a more just and peaceful place in the years and decades ahead. Canadians would find ample room for debate on whether such hypotheses are subject to rigorous proof. But how many, among us, would dispute the proposition that we can seek no greater good than universal respect for individual dignity and freedom? □

The Mulroney gamble

by David Leyton-Brown

Canadians have always been ambivalent about their relations with the United States. On the one hand they have sought the benefits of closer relations with their southern neighbor; on the other hand they have sought to preserve the autonomy and identity which might be threatened by such closer relations. Now Brian Mulroney believes that Canadians can have it both ways. He is staking the integrity of Canadian foreign policy and the future of his government on the conviction that pursuit of the closest possible personal and official relationship with the United States will yield for Canada greater economic and other benefits than a more distant or even adversarial posture, and that such a rapport poses no threat to Canada's independence or interests. As a result, the Mulroney government is taking an unprecedented series of actions to demonstrate the reality of its stance, and is gambling that impressive benefits will be received in return.

The essence of the Mulroney policy toward the United States is to give the United States "the benefit of the doubt" in international affairs, and to make good relations, or even "super relations" with the United States the cornerstone of Canada's foreign policy. Brian Mulroney has indeed given the benefit of the doubt to the United States on such international questions as the trade embargo against Nicaragua, even to the extent of publicly repudiating his own Secretary of State for External Affairs, Joe Clark, who had expressed regret that Canada was neither consulted nor informed prior to the imposition of the embargo. Super relations with the United States have been given concrete expression in such actions as the replacement of the Foreign Investment Review Agency (FIRA) by a new body called Investment Canada intended to encourage and attract foreign investment, the decision not to press the United States for quick action on acid rain until Canada has cleaned up its own pollution sources and could come to the table "with clean hands," and the commitment to replace those aspects of the National Energy Program (NEP) to which the United States government has objected.

Some critics have complained that these and other such measures amount to giving up major bargaining chips without receiving, or even asking for, US concessions in return. Brian Mulroney, however, is content that these actions are earnest demonstrations of Canada's good faith in pursuing closer relations with the United States, and in any event are themselves in Canada's interests.

A public embrace

All of these events have taken place amid a carefully constructed public relations campaign designed to symbolize the closeness of the two countries and their two leaders. This reached a peak at the Quebec City summit in March 1985, but has been reinforced in a host of speeches, international conferences and lower level meetings.

The central objective in this entire policy is a more beneficial economic relationship with the United States. At a time when Canada and the United States share the world's largest two-way trade flow, and Canada sells 75 percent of its exports to the United States, there are alarming prospects of protectionist restrictions in the United States. The Mulroney government is determined to make secure Canada's existing access to the United States market, and also to enhance that access. It sees closer relations with the United States as best suited to achieving those broad goals.

Historically, many Canadians have feared that closer economic cooperation with the United States, however attractive it might appear given the logic of geography and economics, would lead to an unhealthy over-reliance on a single market, and would erode Canada's policy-making autonomy in other areas, and possibly even lead to a loss of political independence and sovereignty. Mitchell Sharp, in enunciating his Third Option policy in the pages of this journal in 1972, flatly predicted that closer economic integration with the United States would inevitably lead to political union. Nevertheless, the Mulroney view is that the logic of that connection, if it ever was true, does not hold today.

Strong enough to walk alone

The Mulroney gamble is based on the assumption that Canada has matured — economically, socially and politically. It now possesses the economic strength to thrive under conditions of closer economic ties with the United States and the increased competition and trade opportunities inherent in a continental market, rather than to be distorted or submerged by those conditions. The Canadian identity is sufficiently firm, vigorous and distinct that it will

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flourish independently even in closer proximity to, and connection with, American culture. The Canadian government's distinctive policies are so well entrenched that they will remain attractive and viable even if the two countries are more closely associated. To squander the opportunity for substantial economic benefits, and substantial political influence in Washington, because of an outmoded fear that the Canadian economy and psyche would be too frail to withstand the pressures of the American colossus, would be to live in the past, and to underestimate the strength of modern Canada. For Brian Mulroney, the dangers of closer relations have receded, and the benefits have increased. Hence the attractiveness of the gamble.

In this gamble, the stakes are high, for Brian Mulroney and his government, for Canada, and for the United States. The gamble will be won or lost in a relatively short period of time. If the Canadian public is not persuaded of success by the middle of 1986, then it is likely to judge the gamble to have failed. Whichever the outcome, the consequences will be far-reaching.

Three tests of success

For the gamble to be judged a success, three criteria will have to be met. *First*, there must be no substantial worsening of the bilateral relationship. Protectionist legislation now before the US Congress must not seriously reduce Canadian access to the American market. Current pressures on major Canadian exports such as steel or forest products must not result in the loss of hundreds of millions of dollars to the Canadian economy. Whether such restrictions were the result of deliberate legislation or of the quasi-judicial operation of independent regulatory agencies would be irrelevant to the public judgment of the results of the gamble. The interdependence and asymmetry between the two countries make recurrent frictions inevitable, and a constant slate of irritants will always be present. Nevertheless, for the gamble to succeed, things must not get worse.

Second, however, things must get better, and visibly so. It will not satisfy anxious Canadians to be told that a trade war has been averted, or some other peril avoided.

SIMON ALVES



US investment at any cost

Nor will it be sufficient to announce that at the official level the management of the relationship is smoother and irritants are more easily resolved. The public must be able to see some positive payoff, and that payoff must be actual and immediate, and not merely potential. There are two obvious prospects for this crucial result. The first would be a firm agreement on the reduction of acid rain. The two acid rain envoys, William Davis and Drew Lewis, were charged at the Quebec City summit to report back by March 1986. If they recommend, and both governments accept, a dramatic program of action on the acid rain problem rather than further study, there would be a tangible result by which to judge the gamble a success. Anything less, and the Canadian public would be understandably disillusioned.

The second possible payoff would be the inclusion of a new trade agreement with the United States. Whether such an agreement involved comprehensive free trade, sectoral free trade, or the creation of some new trade mechanism, it would have to involve more than merely the preservation of the status quo, no matter how valuable or beleaguered that status quo might be. It would have to offer greater access to the United States market than is now enjoyed, or in the current Mulroney vocabulary, "trade enhancement." Anything less would not in the public view be commensurate with the risks being run. Of course the time frame may be too short to permit such a trade agreement to reach a final conclusion by mid-1986, but substantial progress would have to be seen to have been achieved. Even if Congressional approval of any treaty or implementing legislation had not yet been obtained, the US administration would have to be visibly receptive and in agreement, without engaging in a prolonged negotiation to exact maximum advantage.

Don't take advantage

Third, even if disaster is avoided, and some positive economic benefit is achieved, for the gamble to be judged a success the public must be confident that there has been no compromising of Canadian sovereignty and independence in the face of US pressure. There must be no instances of US pressure on Canada to comply with its wishes (e.g., Central America) regardless of Canada's interests. Here symbolism will be very important. Any incident like the voyage of the *Polar Sea* through the Northwest Passage could escalate into an apparent challenge to Canadian sovereignty. Canadians are astute enough to realize that an independent foreign policy does not necessarily mean a different foreign policy. But for the gamble to be judged a success, they will insist that Canadian foreign policy decisions be taken for Canadian purposes, and not to follow a US lead, or because the closer relationship with the United States has left Canada with no room for maneuver.

There are also three criteria by which the gamble could be judged a failure. *First*, it will have failed if the bilateral relationship does get worse despite the actions of the Canadian government. If there is a trade war, a tariff surcharge on Canadian exports, or major protectionist legislation in the United States, the gamble will have been lost. *Second*, even if things do not get worse, it will have failed if the relationship stays the same, or manifests only marginal improvement. The public could not easily be

persuaded that this steady state outcome could not have been achieved without the unprecedented actions of the Mulroney government. *Third*, it will have failed if the Canadian government is seen by its citizens to have subordinated Canada's interests to US goals, and compromised Canada's sovereignty and independence.

This examination of the criteria for success and failure makes it clear that for the gamble to succeed, two necessary conditions must be met. The *first* is that the Mulroney government must clarify what its objectives are. The United States government will not force upon Canada a major acid rain cleanup program, or decide for Canada which among a variety of trade options is most in Canada's interests. The Canadian government must make plain to the United States what it wants, and to do that it must first decide what it wants. The time for public consultations on some of these issues is past. To take a public stand is to risk failure, but is also a necessary precondition for success and leadership.

Preparing for success

The *second* necessary condition is American compliance and restraint. The United States administration must substantiate the rhetoric of close relations, and must offer support for the kinds of initiatives which would embody success. The administration must also refrain from pressing its case too vigorously in an adversarial negotiation. The Reagan administration may be accustomed to playing hardball with Congress, with the Soviet Union or with other allies. That would be inappropriate in the closer Canada-United States relationship. This does not mean that the United States government should sacrifice its own interests, but it does mean that the emphasis should be on long term mutual benefit rather than short term unilateral advantage. For its part, the United States Congress should refrain from domestically-appealing but bilaterally-alarming rhetoric, and must not enact the kind of protectionist legislation which would signal failure of the gamble; in the present economic circumstances, that may be the most difficult condition to attain.

Mulroney's gamble — and ours

If the gamble succeeds, Brian Mulroney will be politically triumphant, the closest ally and most important trading partner of the United States will be even more closely associated, and Canada's role and self-image will have been irrevocably altered. Even under the best of conditions, as a partner rather than a subordinate, Canada will have identified itself with the United States, and been so identified by others. Certain options will have been foreclosed, and Canada will be proceeding down a track in tandem, benefitting or suffering economically and politically in synchronization with the United States to a greater extent than at present. Inevitably, Canada-US relations will loom even larger on Canada's policy agenda than before, and the public debate will continue to be preoccupied with the balance between costs and benefits of closer association with the United States.

If the gamble fails, Brian Mulroney will have been unable to produce positive results on his highest priority in foreign policy. His political future will be clouded, as will that of his party. More important, not only will his govern-

US all the way

ment be likely to pull back from its enthusiastic pursuit of closer relations with the United States, but he and his successors will be unlikely to repeat these unprecedented initiatives for many years to come. Depending on the degree of failure, Canadian retrenchment could range from a return to the status quo ante to a period of severe tension. At best there would be a normal, arms-length interstate relationship, but at worst there would be bitterness, resentment and hostility. In any event, the level of interdependence between Canada and the United States would require a continued close interconnection, but it would not be based on the logic of the Mulroney gamble. For the

United States, failure of the gamble would mark a lost opportunity to strengthen its alliance relationships, and make a significant move in the direction of freer trade at a time of rising worldwide protectionist pressures. It could also mark a worsening of relations with its closest ally and most important trading partner.

The results of the Mulroney gamble will be known within the year. Win or lose, Brian Mulroney has set Canadian-American relations on a new course. The difficulties in the path of success are formidable, but the gamble is a bold one. Whatever happens, Canada's relations with the United States will never again be the same. □

An attempt at control

With the help of Star Wars

President Reagan and nuclear arms

by K.J. Merklinger

On January 7 and 8, 1985, the representatives of the US and USSR met for the first time in thirteen months to discuss nuclear arms control matters in Geneva. Formal negotiations began two months later in March. The final result of these negotiations is not expected to be reached easily or quickly and is thought by some to be many years away. The January talks were described as procedural and philosophical, but they were also long and arduous (14 ½ hours). It was decided in the end that there should be three separate and parallel but closely related sets of discussions dealing with strategic nuclear weapons, intermediate-range nuclear weapons and space weapons. The term "space weapons" is imprecise but usually refers to anti-ballistic missile weapons which can be launched from earth or from space with interception occurring in space. A joint statement released January 8 said that the objective of the renewed negotiations would be to "work out effective agreements aimed at preventing an arms race in space and terminating it on Earth." US Secretary of State Shultz said that he and the Soviets had agreed to a "radical reduction" in nuclear weapons and not just a capping off of increases as had occurred in SALT I and II.

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What is remarkable about the January agreement on the structure of the talks, officially called the Negotiations on Nuclear and Space Arms? The Soviet Union dropped its demand that the US abandon its Star Wars research project as an expression of good faith even before the negotiations had begun and, also, its previous insistence that new US intermediate-range missiles be pulled out of Europe before it would resume negotiations. The US, for its part, had to agree to discuss space weapons and to the linkage of talks on this subject with those on the reduction of strategic and intermediate-range nuclear weapons. Mr. Shultz said that the separate meetings would be closely linked in a way the US did not prefer; thus a deadlock over space weapons could derail a very desirable agreement to reduce offensive weapons. But the US clearly wanted the talks to proceed and this was the best formula they could get.

January: talks begin

Under a preferred US scenario, Mr. Shultz would have liked the first part of the negotiations to deal with proposed deep cuts in offensive nuclear forces, especially the hundreds of Soviet large and accurate land-based missiles; the second, to turn to defensive systems existing or required to protect retaliatory forces; and finally, discussion of the possibilities for space-based defence of populations. The reasons for this strategy are obvious: progress in the first subject area would not then depend on two and three; two would not depend on three and each subject area could proceed in parallel or in sequence, whichever seemed most logical and practicable.

The reason for asking for negotiations on defensive systems (category 2) in the view of some US officials was that as both sides continued to improve the accuracy and destructive power of ballistic missiles, each would begin to fear the possible first strike capability of the other, and neither would have full trust in mutual deterrence. Even sharp cutbacks in powerful intercontinental-range missiles would not sufficiently reduce the threat to the remaining retaliatory forces. This could be done, it was argued, only by protecting them with defensive systems. Such systems could be phased in during the next five to ten years. In the meantime, Mr. Shultz was said to have asserted, the two sides would have a mutual interest in looking into a third category of systems by seeing whether *space-based defences* could be developed to protect members of the public, should deterrence fail.

One reason a lot of time had to be spent on these subjects was that the US position on defensive systems today is exactly 180 degrees from where it was in the early seventies when the Nixon administration, and the President himself, worked hard to convince Mr. Brezhnev and the Soviets to accept the Anti-Ballistic Missile Treaty (part of SALT I) which limited each side to 100 ground-based defensive interceptors at one national site of its choice (for the Soviets, around Moscow; to date the US has not exercised its option to build such a system). The Americans, for the reason indicated above, would now like to consider an extension of this concept, but there is little evidence as yet that the Soviets are prepared to accept the argument either for additional missile defence systems of the type currently employed in the USSR, or for the pursuit of more exotic non-nuclear Star Wars defences. This lends credence to the view that further negotiations will be very demanding and progress will be slow.

To understand how the new set of talks came about, one has to go back at least to the US elections in November 1984. Immediately after election night (November 6) the President of the USSR wrote to Ronald Reagan to congratulate him on winning a second term as President of the United States, and further to propose a resumption of nuclear arms talks. Chernenko might have been motivated in part by some very positive words that had just been uttered by the victorious Reagan, as well as by the fact of his election triumph which confirmed that he would be around for another four years. Other feelers had been extended by the two leaders since shortly after Chernenko assumed power in February 1984, but none came nearly so close to sparking agreement on a formula for the resumption of talks. In the jubilation of election night 1984 when many subjects might have occupied Ronald Reagan's attention — and the Kremlin need not have been one of them — he told a crowd of supporters gathered in California to celebrate his unprecedented victory that the highest priorities of the second term of his administration would be first, nuclear arms control and second, tax reform. The same two priorities were repeated and reaffirmed in Reagan's Inaugural Address to Congress late in January 1985.

Controlled eagerness

Chernenko's congratulations were followed by other encouraging Soviet messages in quick succession. One from the Soviet leader read out at a Soviet Embassy recep-

tion in Washington, D.C., emphasized that the Soviet side was interested in serious business-like relations with the United States and wished to reach agreement "on a whole range of issues." Chernenko then gave an interview to NBC-TV in which he again expressed willingness to accept a broad agenda in arms control negotiations and pledged to work with President Reagan, provided the latter would make the reduction of nuclear weapons his top priority in US-Soviet relations. No other conditions were set relating, for example, to the removal of US nuclear weapons stationed in Western Europe.

After brief consideration, the US reacted favorably to these messages. "I think we are seeing results; we are seeing progress" said Secretary of State George Shultz on NBC-TV on November 16. "We agree with the goals that he [Chernenko] states." On November 22, only sixteen days after President Reagan's re-election, the United States and Soviet Union announced that Secretary of State Shultz and Foreign Minister Gromyko would meet in Geneva on January 7 and 8 to negotiate an agenda for talks on limiting nuclear arms. These talks were to be held without preconditions and "with the aim of achieving mutually acceptable accords on the entire complex of questions concerning nuclear and space weapons." Both the fact of the talks and their very broad mandate constituted a truly remarkable achievement, considering the conditions that the Soviets had stipulated for reentering the negotiations after walking out of two sets of Geneva talks late in 1983.

How did it come about that the Soviet and American leaders who had shown so much hostility toward one another in 1983, and largely ignored one another in the first half of 1984, could take such a significant step toward negotiations immediately after the American elections in November 1984? Are the superpowers and their leaders serious in seeking arms control or reduction? Are the Soviets concerned about the costs of building increasingly complex weapons systems?

Why negotiate? A Soviet view

One recalls that in 1983 the Kremlin had insisted that it could never again have dealings with Mr. Reagan. In November 1983 Soviet negotiators quit the talks on medium-range missiles, then on strategic missiles, charging that the deployment of new US missiles in Europe made further negotiations pointless. They insisted that nothing could happen until the new weapons were dismantled. But a year later, the Kremlin had come around. Military, economic and political factors apparently played a part in this about-face.

On the political side, Soviet leaders may have hoped that antiwar movements in Western Europe or the US Congress or electorate might have turned things around for them. They did not. The US allies stood firm. American voters gave their support to Reagan in historic proportions. After seeing the size of Reagan's election victory, Soviet leaders evidently saw no further advantage in sulking or waiting. They insisted, however, that they were not returning to the Geneva talks they had abandoned a year earlier but entering totally new negotiations.

Military factors likely counted even more than political considerations. Recall that by September 1984 Mr. Gromyko was ready to meet Mr. Reagan in the White House

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and to set in motion the contacts that culminated in the November 22 announcement of forthcoming talks to start in January 1985. Thus it is apparent that a few weeks at least in advance of the US elections the Soviets were preparing to negotiate with the Reagan administration. Why this haste to get together with an unconfirmed and allegedly hostile President following the unproductive and broken talks of 1983? Two explanations seem possible. Either the Kremlin wanted specifically to help Mr. Reagan's re-election efforts by allowing him to be portrayed as the candidate who could sit down and talk peace with the Soviets, thereby undercutting anything that Mr. Mondale could say in this area; or the Soviets were already convinced that they wanted to talk about arms control with the next President and, believing they knew who he would be, thought they might as well get started early.

My own conclusion is that Soviet leaders had decided by the summer of 1984 that they would return to the negotiating table on the best terms available. If, as now appears likely, they actually took such a decision, it is tempting to conclude that they may have some very real concerns to deal with. The principal Soviet preoccupation which is usually identified at this point is their worry about the revival of US military strength over the preceding four years.

Soviet worries

The Kremlin undoubtedly has its own set of pressures to contend with. Observers believe, for example, that anxiety over an arms race in outer space has troubled the Soviets for some time since Mr. Reagan's Star Wars speech in March 1983. A clear expression of this anxiety was Moscow's proposal on space weapons talks in June 1984, reflecting concern about a new competition in which the American lead in electronic technology could prove insurmountable.

Still other Soviet military-related concerns may exist including: the need to move a greater part of their mainly land-based missile force out to sea in submarines because the coming American D-5 warhead would make the Soviet's land-based missiles at least theoretically vulnerable to a US first strike; the technological mobilization of American industry generally in support of the defence program; the ability of NATO weapons systems to detect and attack Soviet reinforcements in East Germany and Poland long before they were engaged; the superiority of US targetting and delivery systems, which applied also to the Pershing-2 and ground-launched Cruise missiles now being installed in Western Europe. The continued deployment of these missiles (the ultimate total will be 572) represented a political defeat for Moscow which some analysts believe helped push the Kremlin toward negotiations.

But of all these concerns, the prime Soviet objective reiterated again and again by President Chernenko before his death in March 1985, and by Secretary Gorbachev since, was to forestall President Reagan's Strategic Defence Initiative (SDI or "Star Wars"), a research and development program designed to explore all possibilities for the destruction of ballistic missiles in flight. These might include both ground-based and space-based weapons systems, nuclear and conventional means, and probably some not-so-conventional non-nuclear ones. As the program is

still in its infancy, its scope is unlimited and its focus very broad. Whether the Congress will fund the program is still uncertain. Should the administration go full speed to grasp SDI, the consequent financial burden on the Soviet Union might be intolerable. Vast sums of money would have to be added to those already spent for nuclear and conventional forces — including the "pacification" of Afghanistan — in order to prevent the Americans from moving rapidly out in front. As one observer put it, "a trillion dollars arms race that the Soviets fear they could not win!" Since the Americans have already spent a trillion dollars on nuclear armaments, it is apparently not too much to consider that this amount could be doubled in the next two or three decades.

At this point military and economic factors begin to overlap. The cost of development of new systems has become prohibitive, while the risk of the Soviet's losing weapons superiority to the Americans — of slipping back to an apparently vulnerable and inferior position such as they have not experienced since the first postwar decade — appears intolerable. At this point also I believe that a case can be made that the Soviets do want a negotiation — at least, that is, one which serves to protect their position by reining in the United States effort.

Why negotiate? The US position

In the United States, Americans clearly voted in November for a serious effort in nuclear arms reduction. This is most evident in Mr. Reagan's more respectful tone toward the Kremlin in the months leading up to the election, culminating in his invitation to Mr. Gromyko in September 1984 which acknowledged that the voters wanted something more than the hostility and diplomatic confusion of the preceding three years. As the *New York Times* put it, "The first Reagan term proved how easy it is to stage arms control negotiations that run no risk of reaching agreement."

Leading up to his meeting with the Soviet Foreign Minister, Mr. Reagan went beyond electioneering. He had until then virtually conceded a reluctance to negotiate out of fear that Congress might not pass his big military budgets. But by September he was ready to make arms control his first priority. He sounded even more eager for it than Mr. Mondale and even reaffirmed the commitment *after* the votes were counted.

The resumption of negotiations was hailed in the United States as a major diplomatic coup for the Reagan administration, even though some early enthusiasm had been tempered by the reality of nuclear complexity and the likelihood of a lengthy and difficult negotiation. The administration also expected to gain more tangible benefits: not only greater public approval for its foreign policy as a whole, but, paradoxically, voting support in Congress to relieve pressure on its defence spending, especially on weaponry directly tied to arms control sensitivities. The government also gained international credit for reviving the dormant talks.

The administration's mandate is undeniable even if the first three Reagan years are seen as a success — a shrewd campaign to soften up the Soviet leaders, to show them how expensive and dangerous an unrestrained arms race would be. As it turned out, the burden was also great for the US economy, adding enormously to the public debt.

And alleged vulnerability to a Soviet nuclear attack is no less now than it was four years ago. But either way, the voters' mandate was plain.

Putting together a negotiating position

What are the choices open to President Reagan and what strategy has he adopted? There are several schools of thought in Washington on the basic stance the US should take, and these are reflected among the several advisers in the State Department, the Pentagon and the National Security Council, the three principal agencies concerned with the talks. For example, there have been those who said that the United States:

1) should not seek any agreement with the USSR or only one which offers a clear advantage to the US. Exponents of this position allegedly include some US officials who believe that past agreements have been damaging to US security. Failing an agreement which favored the US, they would prefer an all-out weapons race;

2) must first catch up to the USSR in nuclear armaments and then negotiate from a position of comparable strength. Proponents have included Secretary of Defence Casper Weinberger and some of his principal advisers, Under-Secretary Fred Ikle and Assistant Secretary Richard Perle (who, some might claim, belongs more appropriately in the first category). It is not always clear whether this group is convinced that the US is ready for serious negotiations. Alternatively, they may simply believe that the USSR is not ready for serious negotiations;

3) should negotiate now and try to break the arms impasse. This group apparently believes that past agreements, for all their inadequacies, enhanced security and restrained the Soviet forces at least as much as the US's. At least the opportunity should not be lost to test Soviet willingness now. Proponents of this view appear to enjoy the support of the President. They include Secretary of State Shultz, Assistant Secretary for European Affairs Richard Burt, National Security Council Adviser Robert MacFarlane and, by past performance, some senior military officers in the Pentagon. For those who are not quite convinced that the time has come to take the plunge or have been recruited reluctantly from group 2, it will be of some comfort to know that fully fledged negotiations will almost certainly take several years to complete and will give the US time in which to try to narrow the claimed gap in nuclear capability. This applies particularly to the sacred cow of Star Wars research;

4) The US should be prepared to make concessions in order to achieve agreement with the Soviets. It may be premature to ask whether there are any proponents of this view in the administration. In any case our analysis suggests that Mr. Reagan has moved into category 3 and might be prepared to consider 4 in certain circumstances, depending on the Soviet attitude and its willingness to consider realistic propositions.

What the US wants

Broadly speaking, the US objectives in these talks aim at stability, and, broken down into their component parts, might look something like this:

- 1) agreement to broadly equal numbers of warheads, missiles, throwweights, etc., for each side. This might have to include some sort of allowance for the British and French nuclear armories in the calculations of European-based forces;
- 2) a real cut in the present number of weapons;
- 3) some provisions for verification;
- 4) encouragement for both sides to put more of their missiles in submarines, since these are more or less invulnerable to attack because they are hidden under the sea;
- 5) specified limits on new developments and modernization;
- 6) no other freeze on deployment or development except as part of a negotiated settlement.

But seeking reconciliation with respect to these objectives is not the only obstacle with which the negotiations will have to contend. A serious complication has arisen concerning the US Strategic Defence Initiative (Star Wars), which could conceivably scuttle the talks or alternatively give them life. Star Wars has captured the attention of the press and clearly has a wide appeal to the imagination and the ability to arouse passions among both experts and non-experts on defence matters. It is clear that the Soviets are anxious to foster these reservations and to curtail or eliminate the program if at all possible — whether to protect their own lead in this field or out of fear the US might excel, is not known. The US, on the other hand, seems increasingly bent on maintaining the program for the purpose of determining what are the possibilities and costs associated with various options for missile defence based on earth or in space.

One might well ask whether the program is simply a negotiating ploy to grab the attention of the Soviets, provide negotiating leverage and test whether the Soviets can be persuaded to accept a smaller number of land-based missiles. However, indications from US spokesmen from the President on down are that research into the methods and technologies of missile defence is *not* negotiable and will not be abandoned as a negotiating chip, but that the later development of such systems — still some years away — might be negotiable in some respects. In fact American officials have acknowledged that the US hopes to use the Geneva talks to convince the Soviet Union that a space-based anti-nuclear shield is a better deterrent than existing nuclear weapons, and President Reagan has expressed willingness to share the results of this research, if productive, with the Soviets.

To what extent the Soviet spokesmen criticizing the project are simply posturing for effect might be debatable, since they are known to have a substantial program of their own in space-related research. The fact remains that, even as the Soviet and US negotiators were gathering for the start of talks on March 12, a number of editorialists were

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able to conclude that the pivotal issue for these negotiations was unmistakable. It would be the fate of President Reagan's Star Wars and the revolutionary new nuclear strategy that the White House was promoting.

In defence of Star Wars

Some special attention is merited for this subject because of its now central place in US arms control policy and its consequent importance to the Geneva negotiations. As noted above, the US is seeking a radical change in the Soviet-US strategic relationship. It is aimed at replacing the current system of stockpiling growing numbers of offensive weapons having greater power, accuracy and sophistication. This includes the complete arsenal of strategic bombers, ICBMs, submarine-launched missiles, Cruise missiles, intermediate-range ballistic missiles, MX (Peacekeeper), Midgetmen and the rest, together with their Soviet counterparts and leaders such as the SS-X-25. Soviet strategic warheads targeted against the US have nearly doubled to almost 9000 from about 5000 since the 1979 Treaty limiting some weapons on both sides. Also the complexity of arriving at effective arms control agreements is becoming more apparent as more precise and mobile weapons, with multiple warheads, appear on both sides. In part the new US approach may reflect the fact that all past efforts to negotiate nuclear arms reduction have failed, and a growing realization that without some change future prospects may be not better.

In sum President Reagan has expressed a desire to abandon the balance-of-terror policies known as MAD (Mutual Assured Destruction) which the superpowers have pursued for the past fifteen or more years. His aim is to move away from exclusive reliance on the threat of devastating retaliation to deter an adversary from launching a nuclear strike. Instead the emphasis would be shifted in stages toward defensive systems destined to thwart ballistic missile attack, and ultimately to render nuclear weapons "impotent and obsolete." "Would it not be better to save lives than to avenge them?" Mr. Reagan has argued appealingly.

Agreement between the superpowers to a stepwise reduction in offensive weapons would be a welcome accompaniment to the process of building defensive systems. If agreement comes before the actual deployment of new defensive systems, so much the better. In fact it is essential that the Soviets not move in the opposite direction of seeking to match potential US capacity in defensive weapons with *increased* Soviet capacity in offensive weapons. President Reagan clearly recognized this important limitation in his March 1983 speech (introducing SDI) when he noted, "If paired with offensive systems, any defensive systems can be viewed as fostering an aggressive policy, and no one wants that." In other words, the Americans have a responsibility to determine that Star Wars deployment would not in fact make matters worse by setting off a new arms race in offensive *and* defensive weapons.

It will obviously take some convincing to persuade the Soviets that this new approach to nuclear deterrence would benefit them as much as the US. The Soviets now would have us believe that the Americans are seeking an invulnerable space defence in order that they may be in position to carry out a disarming first strike against the Soviet

Union. In other words, they appear more convinced that the US just might be able to do what President Reagan would like it to do (i.e., erect an effective defence) than some of his own critics inside the United States. Leaving aside the question of US motives, if the Soviets become convinced that the US could make headway on SDI and possessed a capability to manufacture devices that would be effective against Soviet missiles, then almost certainly they would be obliged to commit themselves to the same kind of research (which they already have underway), hoping that this might benefit them in a similar way.

Then what?

When this research has proceeded to the point where one side or the other is in position to deploy new defensive systems, then one of three things could happen.

- 1) If the US were in the lead, an agreement might conceivably be reached wherein the US would refrain from deploying such systems in exchange for some fairly significant cuts in offensive weapons on the USSR side. Alternatively, both sides might agree to certain cuts or limits on the number of offensive weapons instead of a costly deployment of defensive systems which might be not wholly effective.
- 2) In a second scenario, the first country approaching deployment capability might simply pause, or limit its deployment to the one site allowed under the Anti-Ballistic Missile Treaty (Grand Forks or Moscow) rather than breaking its commitment under the Treaty. Ultimately, both sides might agree to Treaty amendments and deploy together.
- 3) Either country could renounce the Treaty with six months notice and proceed to deployment if it saw substantial advantage in doing so, if the other side failed to agree to satisfactory weapons reduction or limits, or if it thought that defensive systems offered better hope for long term stability. Indeed some proponents of SDI would argue that scenario 3, by allowing for the deployment of effective defences against ICBMs, by reducing the utility of such weapons, would perforce lead both sides to reduce their dependence on them, thereby creating the conditions for deep cutbacks in nuclear arsenals.

Contrary to those who might anticipate a kind of preemptive deployment in accordance with the last scenario, US National Security Adviser Robert MacFarlane and other American officials have pointed out that it would be essential to allow for negotiating transition period of many years in which to work with the Soviets to bring about a stable transition to defensive weapons. This assurance of Mr. MacFarlane and others should be of some comfort to those who see the development of these new weapons as upsetting to deterrent stability, particularly during the transition period.

The importance in all these circumstances of the inevitable campaigns to convince (particularly NATO) countries of the merits of one position or another is more than obvious, and these campaigns are already well underway (e.g., high level Soviet visits to Britain, France, Japan,

Italy and Spain before the Geneva negotiations get underway, including an October visit to Paris by Mr. Gorbachev). In the face of the Soviet wedge-driving campaign, it is notable that Mr. Reagan has so far succeeded in maintaining support in principle from his principal allies for the US project. While reaffirming its view of the "prudence" of conducting research in this area, Canada announced on September 7 that it would not participate as a government in the project, although Canadian firms might do so.

As the London-based *Economist* said, "Most people in the world believe that fewer is better when it comes to missiles and megatons. Most people would therefore be glad that a lever has been found that might push Russia towards lower numbers, and they should not be asking Mr. Reagan to throw the lever away." Indeed all of the scenarios described above, based on the results of SDI research, suggest that it might be possible to put a cap on the nuclear arms race with the help of this new element in a way that would not have been possible without it.

What lies ahead?

That the Soviet and US negotiators achieved little in their first two sets of talks from March to July 1985 is not surprising for the reasons indicated above. A third set began on September 19, but in reality any hope for further significant progress is now pinned on the Reagan/Gorbachev summit to take place in Geneva in November.

In the meantime, the two sides have traded some proposals, which are not altogether new but are seen as being cast in a somewhat more forthcoming and friendly tone. First, the Soviet declaration on April 7 that they would cease adding to their already extensive inventory of intermediate-range weapons in Europe until after the Summit in November is, as before, a reflection of a status quo which happens to favor the Soviet Union. Secondly, Gorbachev announced a unilateral ban on nuclear weapons testing beginning August 6, the fortieth anniversary of Hiroshima, and continuing to the end of this year. This is another example of Soviet all-or-nothing proposals, rather than aiming simply for a reduction in nuclear tests under adequate supervision, such as might be acceptable to both sides. However, the proposal was sufficiently interesting to catch the personal attention of President Reagan who exclaimed at a press briefing that the US would support such a ban at the right time! The US, on the other hand, offered the Soviets the opportunity to witness an underground test in the United States as a prelude to mutual and expanded measures of international inspection to which the US attaches much importance. In the same vein, an American proposal last September for an exchange of US and Soviet scientists to measure the yield of tests has been ignored by the USSR.

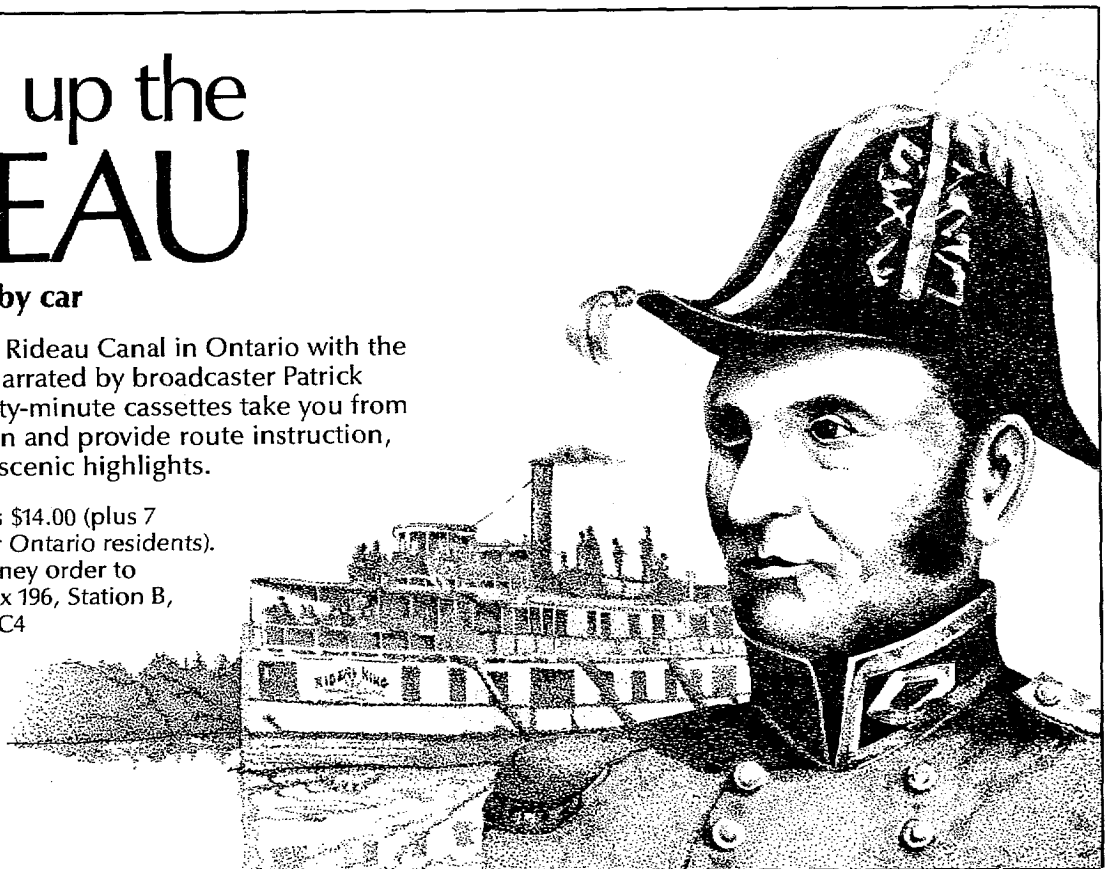
This, then, is the scene prior to the first Soviet-US summit in six years. On it are focussed the hopes of those who seek some sign of progress toward a safer and more peaceful world. □

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Book Reviews

Valuable international law reference

by Maxwell Cohen

Canadian Bibliography of International Law edited by Christian L. Wiktor. Toronto: University of Toronto Press, 1984, 767 pages, \$95.00.

While Professor Wiktor produced an earlier mimeographed version as a preliminary exercise to this volume in 1981, this printed and completed publication is now a major and original contribution. It attempts no less than to list the principal materials of public international law produced in Canada or by Canadians, as well as the major and minor references works in Canada and abroad, but linked to international Canadiana in the fields of International Law, and International Relations, wherever the latter may have legal significance.

At the outset, it must be observed, therefore, that the editor has undertaken the double burden of both an international law compendium, which includes articles, books, reviews and sourcebooks, as well as an international relations (legal) reference handbook. It is not an unfair comment to suggest that inevitably the volume is more successful, and perhaps more important, on the international law side than it is in the areas presumably covered by Part Two ("International Relations: Legal Implications"). For one thing, the variety and richness in the international relations field generally is so extensive that it was a brave judgment to embrace in the same volume both "international law" and "international relations," even if the justification was the legal implications of a particular international relations paper or monograph.

The scope of Part One ("Public International Law: Doctrine and Institutions"), is itself almost an act of bibliographical and research courage. Section I ("Reference Works") is a fine summary of source materials, existing bibliographies and indexes, the publications by associations and societies, of legal directories and others and, above all, references from primary sources including documents collections, treaties, annual surveys, state practice, judicial decisions, international organizations and conferences.

The editor then proceeds to list the larger items of Canadiana under the heading of "General Works," moving into "International Law in General" where the broad view is taken by a number of writers on basic aspects of the Canadian international legal experience, as well as world issues from a Canadian perspective, or even more generally — including, of course, Canadians writing on world law issues as professionals, where the Canadian component itself becomes only incidental. Shifting from the general to the particular, the headings of Part One speak for themselves: Sources of International Law, Subjects of International Law, Individuals, Organs of the State, Law of Treaties, Jurisdiction of the State, State Territory, Polar Regions, Inland Waterways, Law of the Sea, Maritime Navigation and Transportation, Airspace and Outer Space, International Organizations, International Conferences, State Responsibility, Pacific Settlement of Disputes, Coercion and Use of Force, Control and Prevention of Conflict, Conduct of Armed Conflict (Law of War), Neutrality, International Criminal Law.

The diversity of the 466 pages of items under the above headings is witness to the extraordinary burgeoning of Canadian scholarship in the international law field, and it is quite fascinating to glance over the summary on pages xx and xxi which sets out the number of entries from 1755 on, where Canada was a principal element in the document or publication.

An observation in the editor's introduction is worth noting, namely that there were 134 publications printed before 1900 in both fields and primarily dealing with relations with the United States, and possibly some Commonwealth/Empire matters. The total entries in this volume are 9,040 of which 332 are duplicated under more than one heading. As the editor states, 8,708 individual writings break down into 2,612 monographs, 5,627 articles, and 469 are parts of books. How slow the movement was until recent decades is reflected not only by the first publications of 1755 dealing with the boundaries of British and French possessions in America, but the next recorded publications does not appear until 1828, over seventy-five years later. And during the colonial period until 1867, the editor observes that a total of only twenty-two titles dealing with Canada was found.

Part Two, "International Relations: Legal Implications," reflects a broad but specialized approach to Canadian external dealings for the same historical period down

to March 1, 1983, the bibliography's cut-off date. Necessarily the headings are more restrictive than such a massive coverage would otherwise have entailed if a literal view had been taken of the heading "International Relations." The individual subjects covered in this part are: International Relations, International Economic Relations, International Transportation and Communication, International Scientific and Technological Affairs, International Environmental Cooperation, International Social Affairs, International Cultural Relations, International Legal Cooperation.

The volume completes its exhaustive and exhausting ambitions with an index of authors, including the numbers assigned to their writings in this volume; and an index of corporate names, conferences and series — a useful and original approach to such a particularized bibliography.

Some oversights

It is easy, of course, to find minor faults or defects which may not be so minor given the perspective of the reviewer and his or her interests. For example, it appears that in choosing his sources for articles both in Part One and Part Two Professor Wiktor omitted using materials from quite important journals on public affairs, where an "unfootnoted" article may be as valuable and significant as an overly documented one in some one or more of already-too-many law reviews. Indeed, so far as this reviewer could find, little or no reference is made to articles in such journals of opinion as *Saturday Night* and *Canadian Forum*. A number of others might be added: *MacLean's* as it used to be; and others of a more regional nature, particularly the long tradition of political writings in Quebec. This is especially so if the "International Relations" objectives of the volume were to be met on the same level of detail presented in Part One.

It is certainly a sign of professional and intellectual health that the growing substance of the Canadian achievement in analyzing and discussing global, regional and continental issues, both of international law and foreign policy, should have led to a bibliography of this dimension where the sins of omission are modest in contrast with the achievements of commission. The French, the Germans and others have published such digests and manuals for years. Now the Russians, the Japanese and others have also recognized the value of their domestic and perhaps global perceptions in recording domestic scholarship and documentation where transboundary issues and principles are involved. The Canadian present and future are alive with challenges about which foreign policymakers, legal advisers, and students more generally, will wish to be kept knowledgeable as these multiply beyond the management of a single mind. These areas and sub-areas are now becoming too large for more than a general view from the Law of the Sea to Outer Space, from bilateral economic/legal issues with the United States to international environmental principles and practices.

Above all, the age of the nuclear weapon is altering forever the priorities of people and scholarship everywhere. No future compendium of this kind will be able to be reviewed without paying particular attention not only to the law of "Armed Conflict," but also to Canadian views of arms control and nuclear weaponry.

This landmark exercise should be seen also in the context of a number of watershed events marking the growth rings of international legal studies and practice in Canada. The founding of the International Law Association, Canadian Branch, followed some years later by the Canadian Council on International Law; the recreation of the Canadian Bar Association's Section on International Law; the important occasion when the *Canadian Yearbook of International Law* was first published in 1963; Professor R. St. John Macdonald's four-part study, in the *Yearbook*, of teaching and scholarship in international law from their beginnings, and appearing in 1974, 1975, 1976 and 1983; and finally that seminal collection of papers demonstrating this country-wide maturity, *Canadian Perspectives on International Law and Organization*, 1974, edited by Macdonald, Morris and Johnston, all represent the context in which Professor Wiktor's effort must be seen.

Finally, this beginning, or summation, of a process, at a specific point in time, invites updating on some systematic basis. Perhaps a special insert in five years and a total revision in ten years offers some prospect of recording in one location the productivity of Canadian scholarship and practice so that both Canadians and the world community will no longer be unaware of this serious participation of Canada on the juridical plane of world affairs.

Maxwell Cohen is Emeritus Professor of Law, McGill University, Montreal, and Scholar-in-Residence, University of Ottawa.

Central America penetrated

by Jim Guy

Central America in Crisis edited by Marcelo Alonso.
New York: Paragon House, 1984, 277 pages,
US \$9.95.

Some reports are diamonds, others are stone. This one is a diamond. First published in May 1983, the authors were able to conduct an independent analysis of US policy goals towards Central America that was both concise and impartial. The objective quality of *Central America in Crisis* gives it a degree of credibility not attainable in the *Report of the National Bipartisan Commission on Central America* (Kissinger Report), published in January 1984. As such this revised edition released in 1984 should be read first by anyone seeking a nonpartisan perspective on Central America, before absorbing the prescriptions of the Kissinger Commission, President Reagan's Caribbean Basin Initiative, or the Recommendations of the Contadora Group.

An important quality of the report is its comprehensive presentation of the economic, social and political factors that currently and historically underlie the problems of development faced by the Central American republics. In

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addition, the revised edition contains four appendices that provide excellent references for comparative policy analysis. Each country is reviewed separately across a wide variety of economic and social issues, with special consideration of the problem of political violence.

Most of the reasons for the crisis in Central America cited by the authors of the report are unobjectionable. They point to the dysfunctional role of dictatorship, the presence of stubborn and durable cliques of political and economic power, and the external manipulation of explosive domestic conditions by foreign powers. But while the report is strong on identifying the Soviet Union and Cuba as the culprits responsible for fueling the flames of political instability for ideological advantage in the region, it is weak on identifying the United States as the external power most culpable of both fostering and sustaining the status quo conditions of underdevelopment.

Few Americans appreciate how intimidating their culture is to the people of Central and South America. Most Latin Americans know that the assimilation of US economic and political values almost certainly means the end of their cultural identity. The authors of *Central America in Crisis* merely trace the changing erroneous perceptions held by US policymakers and opinion leaders towards Central America, without recognizing that the economic and political culture of the United States transfers as an anticulture when it imposes its will on Latin America. In short the report accomplishes an objectivity towards Central America that it falls short on vis-à-vis the United States.

Foreign Policy on Latin America, 1970-1980 by the staff of *Foreign Policy*. Boulder (Colorado): Westview Press, 1983, 184 pages, US \$20.00 (cloth) and US \$9.95 (paper).

Foreign policy anthologies assume a formidable task. As their titles often suggest, anthologies aspire to be greater than the sum of their parts. Usually they fail because anthologies are simply a collection of parts, without structure, coherence, and often organized without logic. The student of foreign policy is subjected to a barrage of seemingly interrelated facts and positions that may arouse the same spasmodic interest as during a "Trivial Pursuit" game. But the day after it is unlikely that one can recall any of the questions or answers that so engulfed one's attention span. That being said, anthologies are neither good nor bad: they are either meaningful or meaningless.

The Latinist who wants an overview of US foreign policy on Latin America will find this copublished report meaningful in only six of the sixteen contributions. Ten of the submissions could stand well on their own in specialized journals but are not conducive to generating a comprehensive view of US external policies south of the Rio Grande.

Lawrence Harrison's "Waking From the Pan-American Dream" takes a penetrating glance at the obvious but ignored disintegration of America's version of hemispheric solidarity. As his article suggests, Pan-Americanism has been a conscious or unconscious rush to empire for most of the Presidents from James Munroe to Ronald Reagan. Harrison points out that the US has had "policies" for most of the regions of the world but "dreams" for Latin America.

Cuba is the litmus test of American foreign policy because any US moves to normalize relations with that country would almost certainly represent a new approach to hemispheric affairs. Abraham Lowenthal's "Cuba: Time For a Change" reminds us how significant a rapprochement with Cuba would be as a signal of fundamental changes occurring in US perceptions of inter-American relations. In relation to such a rapprochement Mariano Grondona takes a look at general East/West détente as viewed by US policymakers and anti-Communist regimes throughout Latin America. The "contradictions" he finds tell us much about the difficulties of achieving hemispheric solidarity on even the basic question of the threats of communism in the Americas.

Always perceptive and subtly ingenious, Richard Falk moves from the trees to the forest in his "Panama Treaty Trap." Noting that the new Panama Canal Treaty was "regressive and unwise," Falk asserts that "the United States has not yet outgrown imperialism." In the final analysis Falk holds that generally the foreign policy consensus towards Latin America "is set by the Pentagon and the political right." Abraham Lowenthal's second article, "Latin America: a not-so-special relationship" follows suit with Falk's, but blames many of the policy gaffes towards Latin America on ignorance. Lowenthal laments that "it took former Secretary of State Henry Kissinger years to discover Latin America." Regrettably, nothing had changed under Reagan at the time of the appointment of the Bipartisan Commission. Critics pointed to Kissinger's admitted ignorance of Latin America: "The president has chosen the only man in the United States who knows nothing about Central America."

Finally, Richard Millett gives the anthology some coherence when he observes in his "Central American Paralysis" that "US efforts to respond to revolutionary change in Central America resemble those of a fire brigade during the London blitz." The United States has consistently confused the support of governments with the friendship of Latin American populations.

Those of you who can eat a salad from sixteen bowls with your favorite vegetables in six of them may enjoy this anthology.

Conquest and Survival in Colonial Guatemala, 1500-1821 by W. George Lovell. Toronto: McGill-Queen's University Press, 1985, 254 pages, \$30.00.

For all we have come to know about Mesoamerica (a geographically and culturally distinguished area of the Americas that includes Mexico, Guatemala, El Salvador, what is now Belize, and the westernmost parts of Honduras) there is probably still no country more intriguing to us, more exotic in the true sense than is Guatemala. This magnificently imaginative and penetrating book offers the reader a personal introduction to the peoples of the Cuchumatán highlands of Guatemala, their age-old culture and their history. The author creatively deals with the experiences of several years in research and travel in a civilization profoundly different from our own, studying a period of revolutionary change and transformation.

This is the work of an expressive, richly informed and observant Canadian scholar who spent over ten years ab-

sorbing the cultural history of Mayans, such as the Mam, the Ixil, and the Quichean people. Little by little the reader finds that he or she has absorbed a comprehensive history of Guatemala, the complete picture of its agriculture, its intricate social pattern, and the richness of its political culture. As we proceed through the book what at first seemed strange becomes normal; the exotic becomes real, but we remain aware that we have learned another order of ideas, a political world governed by different dimensions, and are left somewhat embarrassed by the incursions of western civilization that turned conquest and exploitation against a superior cultural landscape.

One of the qualities of the book and one of the reasons for its great readability is the skillful way in which the chapters have been woven, an agreeable bit at a time, into the whole, so that the resolution of many of the apparently disparate subject headings is reached in the conclusion. The subjects are not taken up one-by-one and exhausted before a new one is introduced. The book is not conceived that way, nor is it presented in simple chronological order. Yet we feel so much closer to Guatemala's unique past when we have read the book from cover to cover.

Since the Spanish swept down over the Cuchumatanes in 1525, Guatemala has been overrun by dictators and insurgents, all trying to resurrect an ancient ideal of living that once characterized the ethereal splendor of the region. George Lovell set out to explore this country with all its paradoxes, pathos and potential. Lovell shows us Guatemala through the eyes of a foreigner but also through the eyes of its people, and his own scintillating, subtle point of view. His work is an important contribution not only to Guatemalan, but to world history.

Jim Guy is Chairman of the Department of Social Sciences at the University College of Cape Breton in Sydney, Nova Scotia.

Formulating foreign policy

by Alexander Craig

Groups and Governments in Canadian Foreign Policy edited by Don Munton. Toronto: Canadian Institute of International Affairs, 1985, 115 pages, \$7.00

Mackenzie King to Philosopher King: Canadian Foreign Policy in the Modern Age edited by Peter St. John et al. Winnipeg: University of Manitoba, 1984, 472 pages, \$27.50.

The Domestic Mosaic. Domestic Groups and Canadian Foreign Policy by Elizabeth Riddell-Dixon. Toronto: Canadian Institute of International Affairs, 1985, 120 pages, \$7.00.

These are all rather different books, but they do focus on the same topic: Canadian foreign policy and its formulation. Only one of them is a book in the conventional sense — in some ways it is also the best, so we shall come to it last.

The papers which make up the conference report *Groups and Governments* were presented in Ottawa in June 1982. They range far and wide, but not deep. They are so brief, in fact, that the ones by academics in particular shy away from specifics and examples. Non- and ex-academics are more helpful to the general reader by providing illustrations of the cases they are seeking to make: Don Page of External's Historical Division, for instance, gives a good synopsis of the chronology and politics of Canada's recognition of the People's Republic of China.

A number of activists in environment, disarmament and other areas, give papers, but their presentations lean too much to the descriptive and idealistic rather than to the analytical. They concentrate too much on the goals of the groups, and pay little or no attention to the means of pressure.

Nonetheless this was, as the editor says in his short and helpful preface, a first attempt to survey a complex topic. Some themes do emerge: the ever-increasing inter-relatedness of issues, and the possible disappearance of boundaries between domestic and foreign policy; the relative insignificance of elected representatives and thus their inability to do much about these matters.

As with practically every academic effort, the inevitable conclusion is that further study is required. Some help in this respect might come from the second item under review here — *Mackenzie King to Philosopher King*. Again it is not what most people would recognize straightaway as a book. Its punched pages are held together in laminated cardboard covers by a plastic spine. Similar to a previous collection of essays, called *Fireproof House*, this too seems "aimed at the third-year student in university." The essays, most of them not previously published, are by "a happy blend of six academics, eight diplomats, seven other professionals, and five students still involved in graduate work."

A large range of matters is covered. The editor provides brief introductions to sectors such as Canada and the international economic system, Canada's defence, Canada and the search for counterweights, and Canada and the Third World.

This is another collection very much for the specialist. Yet it will be worth dipping into for readers wanting to brush up their knowledge on quite a number of issues, such as Canada and the Commonwealth, non-proliferation and nuclear sales, the middle power idea. The essays are uneven, of course, but many are interesting and well-documented. There is also a provocative essay by John Holmes on "The World According to Ottawa."

Ms. Riddell-Dixon's book is the most modest but possibly the most immediately useful, and of the widest general interest. The author, who did her Ph.D. under the supervision of John Holmes and who contributed to each of the other two books under review, provides a survey and a practical guide to the ever-growing number of organizations which want some kind of say. She notes at the start that "As interest in foreign affairs grows, so does the potential for a greater divergence of opinions on what Canada's foreign policies should be."

The book distinguishes between economic and non-economic groups, and then outlines the goals and methods of a wide range of types of organization within each of these broad categories. She makes some interesting points: that, for instance, there are some bona fide chambers of com-

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merce (or bilateral trade councils), and then there are some which are really promotion offices sponsored by foreign governments: "The Canada-Germany, Canada-Netherlands and Canada-France Chambers of Commerce fall into the latter category. Three of the most prominent bona fide chambers are the Brazil-Canada Chamber of Commerce, the Canada-Japan Trade Council, and the Swiss-Canadian Chamber of Commerce, all of which qualify for inclusion in this study."

The author does not seek to analyze and explain why this is, because she has as her objective a preliminary, tentative survey. The discussion of each interest group, she emphasizes, is "confined to information on its purpose, foreign policy goals, membership, structure and funding.

The inclusion of full details on tactics, government contacts, and relative influence and effectiveness of the groups is beyond the scope of this survey."

Bearing these qualifications in mind, this guide will be of considerable use to academics, journalists, indeed anyone concerned with the public political process in Canada. There are helpful indexes of interest groups involved in foreign policy, with addresses, phone numbers, and list of interviewees.

Alexander Craig is a freelance writer based in Sherbrooke, Quebec.

Letters to the Editor

Sir,

If Fearn and Leibovitz are as irrational about other aspects of peacemaking in their article, "A Start on Peacemaking," (*International Perspectives*, May/June 1985), as in their short paragraph on modern media, war will continue to be mankind's lot despite, or maybe even because of, the efforts of Fearn and Leibovitz.

Assertions such as "modern mass media have come to function as a broadsheet for advertising"; the "decapitation of a free and inquiring press"; "the decline of autonomous and critical journalism," and "mass-mediated information serves to tranquilize the passive majority," add up to the most unintelligent conglomeration of what must be sociological jargon it has been my misfortune to read for a long time.

Surely some substantiation should have been included, no matter how biased in the gathering, to support claims the media are broadsheets for advertising, that a free press has been decapitated, that critical journalism has declined and that the passive majority are truly tranquilized.

I am reassured, however, by Fearn's and Leibovitz's "however" bit at the end of their paragraph, that "critical journalism remains possible for those who dare to try it," which is what is intended here.

William C. Heine
London, Ontario



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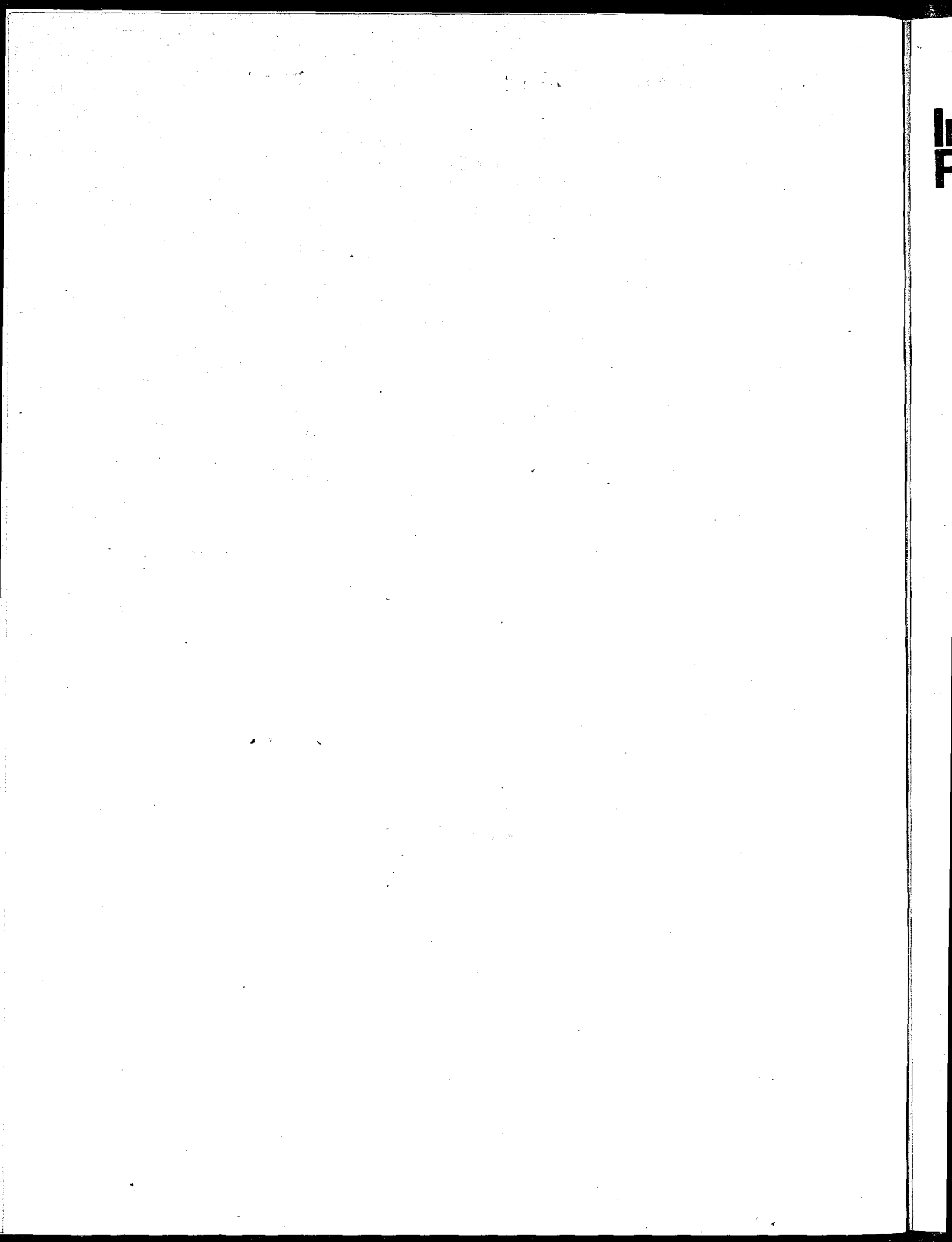
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International Perspectives is published in Canada six times a year by International Perspectives, (95312 Canada Inc.), 302-150 Wellington St., Ottawa, Ontario, K1P 5A4. Telephone: (613) 238-2628

Second Class Mail
Registration Number 4929

Publisher:
Alex Inglis

Editor:
Gordon Cullingham

Editorial Associate:
David MacNeill

Design and Production:
Anita Bergmann

Subscription Manager:
Michael Macphail

Subscription rates:

In Canada:

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Station B,
Ottawa, Canada
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International Perspectives is a journal of opinion on world affairs. It takes no editorial position. The opinions expressed are those of the authors. *International Perspectives* is indexed in the *Canadian Periodical Index*, *Current Content* and *PAIS Bulletin*.

ISSN 0381-4874
© 1985

Editor's Note:

The mighty Summit came and went. One of the ideas the superpower leaders would not have discussed is revealed in these pages for the first time. It is Charles-Philippe David's proposal for a Nuclear Crisis Control Center in Ottawa. Up to now our security has owed a lot to NATO, and one of its advocates — Escott Reid — examines some of the flaws that have developed in that organization.

Two Canadian Members of Parliament with something to say about Canadian policy appear in this issue. NDPer Pauline Jewett thinks we should be and can be much more independent of the United States in our foreign policy, and Liberal Charles Caccia takes a somewhat whimsical look back to the present to see how we North Americans fouled our environment.

Two articles on Africa help to remind us that neither the problems nor the solutions are simple. Nigeria had another coup in 1985, and we still wait — with some optimism — to see what the latest reforming general will do. In southern Africa the "Fronline States" and a few others have banded together to provide both mutual help and a common front in opposing the Republic of South Africa. Two African experts in Canada unravel both of those situations.

The world's attempt to control without discouraging the energies of the great multinational corporations has given birth to a whole array of international institutions with acronyms galore. Two Carleton University economists help us through the maze.

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Strengthening the North Atlantic Alliance

by Escott Reid

Misconceptions about the obligations of members of the North Atlantic Alliance under the Washington treaty of 1949 are so widespread that they greatly weaken the Alliance. The existence of some obligations is ignored. Obligations are invented which are contrary to obligations set forth in the treaty. The removal of these misconceptions will make the Alliance a more effective instrument for maintaining peace. An urgent task for a strengthened Alliance is to seek an agreement with the Soviet Union for the renunciation of the first-use of nuclear weapons and of Star Wars programs.

A message which the United States sent to its fellow members of the Alliance in February, 1985, suggests that the administration in Washington may have serious misconceptions about the Alliance. The message reaffirmed "the commitment of the United States to the North Atlantic Treaty Organization, the importance of consultation, and the importance of all countries honoring their obligations as best they could." It seems unlikely that the draftsmen of this message would have used the words "the importance of all countries honoring their obligations as best they could" if they had realized that a good case could be made that the United States had failed, especially in recent years, to honor three or four or perhaps even five of the eight obligations set forth in the treaty.

Treaty obligations

The first obligation is "to settle any international dispute in which they may be involved by peaceful means in such a manner that international peace and security, and justice are not endangered" (Article 1). Has the United States in its dealings with the Soviet Union under the Reagan administration lived up to this obligation?

The second obligation is "to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations" (Article 1). Has the United States in its relations with Nicaragua violated this obligation? Was the United States invasion of Grenada a violation?

The members of the Alliance "will contribute toward the further development of peaceful and friendly international relations . . . by promoting conditions of stability and well-being" (Article 2). It is generally agreed that there cannot be stability and well-being in the world so long as about a fifth of mankind live in the most squalid and degrading poverty. Has the United States by its recent reductions in its economic aid to poor countries violated this obligation?

The allies "will seek to eliminate conflict in their international economic policies and will encourage economic

collaboration between any or all of them" (Article 2). Has the United States sought with vigor to carry out this obligation?

To pose questions about how far the United States may have failed to honor these four treaty obligations is not to suggest that similar questions might not be addressed to other members of the Alliance. The record of many of them is far from perfect. Certainly the responsibility for the failure of the Alliance to give effect to one of the most important articles in the treaty (Article 4 on consultation) must be shared by all the allies. Article 4 requires the allies to "consult together whenever, in the opinion of any of them, the territorial integrity, political independence or security of any of the Parties is threatened." This provision "is applicable in the event of a threat in any part of the world, to the security of any of the Parties." (Agreed interpretation of March 15, 1949.)

NATO Summits unfruitful

Pierre Trudeau, a few months after his resignation as Prime Minister of Canada, stated in November 1984 that he had attended four of the six summit meetings the Alliance had held since its foundation and that at none of them was there any real consultation. "NATO heads of state and of government meet only to go through the tedious motions of reading speeches drafted by others with the principal objective of not rocking the boat. Indeed, any attempt to start a discussion . . . was met with stony embarrassment or strong objection. Is it any wonder that the value of NATO as a political alliance is increasingly being questioned? . . . NATO must be transformed into a vital political alliance, as had been intended at the beginning . . . NATO summits must be frequently held and sufficient time must be allowed for fruitful and creative exchanges."

While the responsibility for the failure of the allies to carry out their obligation to consult on threats to their security must be shared by all the allies, is it not likely that the strongest member bears more of the blame than the others since the stronger the member the less it is likely to welcome discussion by its less strong allies of international issues on which it holds firm views not shared by some of its allies?

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Questioning the "Obligation"

I have mentioned five of the eight obligations set forth in the North Atlantic Treaty. The sixth is the obligation to "contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions, [and] by bringing about a better understanding of the principles upon which these institutions are founded" (Article 2). Those principles are defined in the preamble of the Treaty as "democracy, individual liberty and the rule of law."

The two remaining obligations are military. Article 3 requires the allies to "maintain and develop their individual and collective capacity to resist armed attack . . . by means of continuous and effective self-help and mutual aid . . . in order more effectively to achieve the objectives of this Treaty." The United States is foremost in living up to this obligation. Indeed it is probably spending too much on defence.

Under Article 5 the allies undertake to consider "an armed attack against one or more of them in Europe or North America . . . [as] an attack against them all; and . . . if such an attack occurs . . . [to] assist the Party or Parties so attacked by taking forthwith, individually and in concert with the other Parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area."

All obligations binding

The six non-military obligations and the two military obligations are equally binding on the members of the Alliance. The Treaty did not establish two sets of obligations, a military set to be taken seriously and a non-military set not to be taken seriously. The architects of the Treaty believed — and rightly believed — that the best way to reduce the chances of a third world war was by strict adherence by the allies to both sets of obligations. The military set would deter the Soviet Union from running risks of precipitating a war. The non-military set would make war less likely by increasing cooperation among the members of the Alliance on economic matters, by close consultation among them on threats to their security, and by strict adherence of each to its undertaking to base its international relations on a renunciation of the threat or use of force anywhere in the world, unless it or an ally were subjected to armed attack by another country.

The bad effects of the failure of the Atlantic allies to take their non-military obligations as seriously as their military ones have been compounded by the insistence of some spokesmen for allied governments that the allies are bound by obligations which are not in the Treaty and which are indeed inconsistent with obligations under the Treaty. One such erroneous belief is that once the North Atlantic Council has made a decision an ally is under an obligation not to question that decision. The North Atlantic Council is not infallible. If any ally on reflection concludes that a decision it has concurred in does not serve the interests of the Alliance it is under an obligation as a loyal ally concerned with the strength of the Alliance to use its best efforts to have the decision changed.

A variant of this error is the belief that decisions of the Council are binding on member countries. A decision of the Council binds only those members who agree to be bound by it. The Council was not given power by the Treaty

to commit its members to go to war if one or more of them were subjected to armed attack. Allies decide for themselves "in accordance with their respective constitutional processes" whether an armed attack has occurred and, if so, what action "it deems necessary [to take] to restore and maintain the security of the North Atlantic area" (Article 11). The rule which applies to decisions on war applies with equal force to other decisions of the Council.

Defining "loyalty"

Another erroneous belief is that loyalty to the Alliance means that an ally should support the foreign policies of its allies. Loyalty to the Alliance may mean the opposite. If an ally believes that a policy of one of its allies weakens the Alliance or increases the risks of war it is bound to oppose that policy. When in December 1957 I was putting this point to the newly-appointed Canadian foreign minister, Sidney Smith, I said:

If Great Britain had, after the war, tried to suppress the Indian independence movement, the friends and allies of Great Britain would have done Great Britain — and the whole free world — a disservice if they had given Great Britain diplomatic and other support for this policy. They would have strengthened both Great Britain and the free world as a whole if, by refusing to support such a suicidal British policy, they had put pressure on Great Britain to grant independence to India. Here would have been a case where strength did not lie in unity among Great Britain and its friends and allies. Unity would have been a source of weakness. In disunity lay strength.

There is one thing worse in an alliance than disunity. It is unity on an unwise policy. The most impressive demonstration in history of unity of purpose and collective action is that of the Gadarene swine who, with one accord, rushed down a steep place into the sea and were drowned.

One reason for misunderstandings about the nature of the Alliance is that it is not generally realized that Britain, the western European countries and Canada wanted the Alliance not only because it would restrain the Soviet Union, but also because they hoped it would restrain the United States from pursuing impatient and provocative policies toward the Soviet Union.

Restraining the US

In April 1948 the British Foreign Minister, Ernest Bevin, made a guarded reference to British apprehensions about American attitudes to the Soviet Union in a message to General George Marshall, the Secretary of State. The United States and Britain, he said, must be careful, while remaining firm, not to provoke the Russians into ill-considered actions from which it would be difficult for them to retreat. The motto of the United States and Britain must be moderation, patience and prudence combined with firmness and toughness.

Four months later at the beginning of August, the French used more forthright language in a message delivered by the French embassy to the State Department. The French government felt that "the developments in regard to Germany and in particular [the American] attitude thereto might well bring matters to a head in Europe"

before the western European countries had been strengthened by United States support and especially military supplies.

The French at this time were not only apprehensive about American foreign policy, they were hesitant about the very idea of a North Atlantic treaty. This led the Canadian government in mid-August to tell the French government that one reason they should support the creation of a North Atlantic alliance was their fear, which Canada shared, that the United States might press the Soviet Union too hard and too fast and not leave the Soviet Union a way out. "To lessen this danger, the western European powers will have to exert a steady and constructive influence on Washington. The establishment of a North Atlantic union will give them additional channels through which to exert this moderating influence."

All policies debatable

The North Atlantic Treaty gives the allies of the United States the right to have the North Atlantic Council discuss any American policy which they consider a threat to their security. The Treaty likewise gives the United States the right to have the Council discuss the policy of any of its allies which it considers a threat to its security. Arthur Vandenberg, then Chairman of the Senate Foreign Relations Committee, told Dean Rusk of the State Department in April 1948 that he was concerned with "the possibility that guarantees of security from the United States, whatever form they might take, might . . . encourage [European countries] to act provocatively . . . To meet . . . [this] possibility he thought that the consultative body, if one were created, should have the authority to review actions of one signatory which might be considered provocative by another signatory."

In the thirty-six years since the formation of the Alliance its members have embarked on many unwise foreign policies from which they have been slow to withdraw. The Alliance and indeed the world would be in better shape if France had withdrawn sooner from Indochina and North Africa, if Britain and France had not invaded Egypt in 1956, if the United States had recognized the Communist regime in China sooner and had got out of Vietnam sooner. Is it not possible that if there had been frank discussion of these matters at meetings of the heads of the North Atlantic governments some of these errors might not have been committed and others might have been corrected sooner?

On issues such as these a government which is committing an error cannot rely on a friendly government giving it a friendly warning in a talk between the two governments. Governments are always reluctant to say displeasing things to a friendly government on an issue that government considers important. This reluctance is especially great when the government whose policies are being questioned is the government of the United States, for then the other governments have to bear in mind that their criticism may make it less likely that they will get the support or sympathy they need from the United States on matters of great importance to them. One example which Alastair Buchan has given of this was the way in which "[President] Johnson brutally used the dependence of sterling on the dollar to exact [Prime Minister] Wilson's support for American policy in Vietnam, except for the bombing of the North. In the end, Wilson failed in both his objectives: to maintain the

parity of sterling and to retain any leverage over American policy in Asia. Both countries suffered in the process."

The democratic North Atlantic allies of the United States would have found it easier to talk frankly to the United States about its Vietnam policy if they had sought safety in numbers, if they had agreed among themselves well in advance of a North Atlantic summit meeting that they would act together at that meeting in an effort to persuade the United States to reconsider its Vietnam policy. Faced with the arguments of its allies the US administration might have moved sooner to get out of Vietnam.

Too many advisers present

In the negotiations on the North Atlantic Treaty the principal negotiators discovered on two occasions that they were unlikely to get very far in composing their differences if they met in the presence of their advisers and of stenographers and if an agreed record were made of their discussions. They therefore met in August 1948 and February 1949 in informal, top-secret meetings with no advisers present, no stenographers, and no agreed minutes. They reduced the number of people at their meetings from about twenty-five to seven. The meetings were successful in composing the differences.

I was present in the late 1950s at a top-secret meeting of the North Atlantic Council in Paris, where Dulles expounded United States policy on Communist China. There must have been at least 200 people in the room. The meeting resembled a press conference, not a consultation among allies. It gave Dulles what he wanted, an opportunity to promote what he called "a more sympathetic attitude towards United States policies." It did not give the allies an opportunity to influence United States policies.

Governments know that multilateral intergovernmental discussions on delicate, grave and divisive issues are more likely to be effective the fewer the number of people present. A head of government is more likely to speak frankly at a meeting with his peers if he can talk to them in a small room across a table seating no more than about twenty people. It would therefore be well if the governments of the fifteen North Atlantic countries were to agree that a meeting of their heads of government to discuss such issues as Star Wars, the first-use of nuclear weapons, policy toward the Soviet Union and the problems of Central America and the Mid-East should be restricted to the heads of government, each with only one adviser who would sit behind him or her at the small council table, the Secretary-General of the Alliance and no more than a couple of alliance officials.

First-use and Star Wars

No one summit meeting of the heads of government of the North Atlantic countries could usefully discuss more than two of these five issues. The most urgent are the refusal of NATO to renounce the first-use of nuclear weapons in a war against the Soviet Union in Europe and President Reagan's Star Wars program. The governments of the Alliance should decide that a summit meeting of their heads of government be held within the next few months to discuss these two questions. If all the governments are not in favor of this then those that want it should request this consultation under Article 4 of the Treaty on the ground that the strategy of first-use of nuclear weapons and the Star Wars program threaten their security. The

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members of the Alliance have undertaken that once such a request is made they will participate in the consultation.

The arguments for NATO renouncing the first-use of nuclear weapons and for the United States renouncing the Star Wars program have been put in many articles and speeches in North Atlantic countries. Two of the most impressive articles are by four leading American authorities on international affairs writing in *Foreign Affairs*: Robert McNamara, McGeorge Bundy, Gerard Smith and George Kennan. McNamara was Secretary of Defence from 1961 to 1968. Bundy was special assistant to the President for national security affairs from 1961 to 1966. Smith was chief of the American delegation to the strategic arms limitation talks from 1969 to 1972. Kennan was ambassador to the Soviet Union in 1952 and to Yugoslavia from 1961 to 1963. They set forth their views on no first-use in *Foreign Affairs* for Spring 1982 and their views on Star Wars in the issue for Winter 1984-85.

In the first article they state: "Any use of nuclear weapons in Europe, by the Alliance or against it, carries

with it a high and inescapable risk of escalation into the general nuclear war which would bring ruin to all and victory to none . . . [In] the age of massive thermonuclear overkill it no longer makes sense — if it ever did — to hold these weapons for any other purpose than the prevention of their use" by the other side. They contend in the second article that "there is literally no hope that Star Wars can make nuclear weapons obsolete . . . Star Wars, in sum, is a prescription not for ending or limiting the threat of nuclear weapons, but for a competition [with the Soviet Union] unlimited in expense, duration and danger." They believe that it is possible to reach good arms control agreements with the Soviet Union or "to insist on the Star Wars program as it stands, but wholly impossible to do both."

If discussion of these two issues at a meeting of the heads of government of the North Atlantic countries should eventually result in a renunciation by NATO and the Warsaw Pact of the first-use of nuclear weapons and of Star Wars programs the future of the world would be less bleak. □

An underappreciated Canadian Dead at 88

E.L.M Burns: soldier and peacekeeper

by Michael J. Tucker

This article on General Burns, who died in October 1985 at the age of eighty-eight, is presented by International Perspectives not as an obituary, but as a preliminary statement of a fullscale study-in-progress by Michael Tucker, Professor of Political Science at Mount Allison University in Sackville, New Brunswick.

In the late 1950s perceptive officials in the United Nations and the Defence Liaison Divisions of the Department of External Affairs became increasingly disturbed by what they saw as a profound lack of understanding in Canada about the possible implications of technological innovation for international peace and stability. This lacuna, it seemed, was on two fronts: Canadians and others did not appreciate that the deployment by both East and West of battlefield nuclear weapons in the European theatre, under the doctrine of limited nuclear war, could well mean widespread civilian deaths. Nor did they seem to appreciate the possibility of Canadian complicity, even if inadvertent, in the undermining of the then-embryonic nuclear non-proliferation regime which Ottawa's peaceful

nuclear exports policy was directed to. While staunchly resisted by others within the Department of External Affairs (DEA) and from within other departments in Ottawa, these officials began to press Cabinet for the establishment of a separate Disarmament Division within External Affairs. Their hope was that this Division would become the locus for strategic, technological and scientific expertise — and thus bureaucratic authority — upon which the dangerous and delusive notion of limited nuclear war, and the equally dangerous habit on the part of supplier states of exporting "peaceful" nuclear materials without strong safeguards, could be challenged at home and abroad.

Soldier turns diplomat

The Disarmament Division was not to be established forthwith, and when it was, in May 1961, it was never to gain the degree of expertise, much less the sort of control over Canada's military and peaceful nuclear policies, that the DEA activists of the late 1950s had hoped it would. And, while the bureaucratic momentum was there, the birth of the Division as the institutional expression of the Canadian commitment to the disarmament ideal owed much to the acumen and tenacity of one individual. Lieutenant-General E.L.M. Burns — "Tommy" Burns, as his friends and

confreres knew him — became in 1959 Canada's first government adviser as well as chief negotiator for disarmament. The post was not his through design; he was the choice of senior officials in the DEA, just as he had been the choice of the Department in 1954 to become Commander of the UN Truce Supervisory Force in the Middle East. As a DEA man, Burns was a peacekeeper *cum* diplomat, and the nearest approximation to the Department's ideal of renaissance man that it was likely to find.

Yet when the call came in 1959 to assume his diplomatic duties, Burns saw the position as a challenge and as a job that had to be done. At Geneva he always felt, as he put it, "like a reformed drunk at a Salvation Army meeting." Had the choice been his and not that of his minister, Howard Green, he would have relinquished his disarmament duties in 1962 rather than 1969 in order to head up the UN force in the Congo. Had the choice been Canada's Burns would again have relinquished his Geneva duties in 1964 in favor of peacekeeping in Cyprus. Burns saw the natural and inevitable relationship between peacekeeping and disarmament, which he tried to impress upon his colleagues at Geneva. In spirit, however, Burns was a peacekeeper before he was a disarmament diplomat — and not only because his tour of duty in the Middle East was closer to his chosen profession. As his years in Geneva wore on, he found the dialogues "desultory" and lamented, in harsh reference to a few of his colleagues, "the skeptical attitude of these rather dreary men." Yet in spirit Burns was also a soldier more than he was a peacekeeper; as a soldier, his chief concern was always with the defence of Canada, its people, and their allies.

His military record

Burns's thirty years of soldiering had by all accounts been distinguished by valor on the battlefield and by a dedication to the principles of military professionalism. He won the Military Cross in 1916 for bravery at the Somme, and in October 1944 the Distinguished Service Order (DSO) of the British Empire for his command of the 1st Canadian Corps in the Italian Liri Valley. Yet he had been dismissed by his British superiors from his command in Italy with indecent haste after the honor of receiving the DSO, and no event was ever to prove more agonizing for him. In retirement Burns would recollect, calmly, that this command was by far his most important contribution as a Canadian public servant. His memoirs of World War II were the last he was to write, and when he had finished reading a history of the war in the Liri Valley he was left, in his words, "with a certain feeling of satisfaction at what had been accomplished under my command." Yet in 1949 he refused Charles Foulkes's suggestion that he return to military life in order to take over as Chairman of the Chiefs of Staff. Burns felt that he had lost respect among the Canadian military as a consequence of his wartime dismissal.

Burns was not without opinion on imperial defence relations, and what he and others saw as the consequences for its troops of Canada's subordinate status in wartime to its great Anglo-Saxon allies. Burns in this sense was a nationalist and his greatest work, *Manpower in the Canadian Army*, reflected his nationalist as well as his professional soldierly concerns. But, although the British High Command bore ultimate responsibility for his dismissal, Burns's nationalism was never anti-British. Perhaps this

was because he was also an internationalist, as a peacekeeper but also as a soldier of Empire, by training and in intellect and imagination. These latter attributes of internationalism were provoked by his years at the Royal School of Engineers and the Imperial Defence College in England, and at Quetta, India. Burns was a soldier by training but a sailor by avocation, a gardener and pianist as well as peacekeeper and diplomat, and administrator, lecturer, scholar and engineer *cum* mapmaker. His proficiency here won him the Order of the British Empire in 1937. He was

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General Burns in Italy during World War II

also phenomenal, a Canadian military man-of-letters. Juvenal's words, from his *Satires*, had a personal meaning for Burns: "an inveterate itch to write, now incurable." The man who mused upon "Manners and Morals for Modern Maidens," who wrote as Arlington B. Conway for H.L. Mencken's *American Mercury* and who vacationed with the controversial gadfly, was also the man who twice in succession won the coveted Bertram Stewart Essay prize for the best military essay in the British Empire, and who held his own in correspondence with the celebrated strategist Liddell Hart; these too were attributes of Burns the internationalist.

Man of peace

History and scholarship have yet to fully record Burns's true accomplishments as a soldier during the Italian campaign and as a peacekeeper in the Middle East. Little known to most of his compatriots, Burns had been nominated in 1956 — because of his work as commander of the United Nations Truce Supervisory Organization (UNTSO) — for the Nobel Peace prize. At Geneva General Burns

An underappreciated Canadian

was the conscience of the 18-power disarmament conference, in quietly urging his colleagues to get things done. That he could not do more to assert the Canadian will was due in small measure at least to Canada's lack of expertise on matters military-strategic and technological. It was only on the eve of Burns's retirement in 1969 that this shortcoming in Canadian disarmament diplomacy was about to be rectified. As a soldier he was what his sternest critic said of him, "splendid" in leading Canadian troops in the smashing of the Gothic Line in Italy; as a peacekeeper he exhibited what the DEA expected of him: "toughness, impartiality and consummate tact" — the foundations of his reputation as an international civil servant.

Burns kept the peace between Arab and Israeli as best he could, in what he described as an always "most ticklish situation." Yet it could be that Burns will not be remembered best for his deeds. The military and the diplomatic circumstances in which he found himself, the duties with which he was charged as a Canadian or international public servant, were always beyond his control. He cannot be faulted for the failure of disarmament to materialize, much less for the inability of the UN to keep the peace in the Middle East. And, as General Crerar told Burns shortly after his dismissal from command in 1944, "the odds were stacked against you from the beginning." What Gibbon wrote of the Byzantine general Belisarius might also now be said of Burns: "His imperfections flowed from the contagion of the times; his virtues were his own."

Burns's overriding virtue was his integrity which, when coupled with his military experiences, his tenacity, his humanism and his intellect, impelled his writing. His always controversial thoughts on strategy and war, dating back to the 1920s, may prove to be his most lasting contribution to posterity. "General Mud" (as he referred to himself after Flanders and Italy) had been troubled by his battlefield experiences in Europe's wars of carnage. Total war in a technological era, a perverse manifestation of which was, for Burns, the strategic bombing of civilian targets by airmen, violated his sense of military professionalism. This he derived from the emphasis on the defence in British military tradition and from his training at the Royal Military College in Kingston, an engineering school once steeped in the militia ethic.

Defence by destruction no defence

Burns's sensibilities here were only heightened in the atomic era, with the development of the doctrine of nuclear deterrence. The threat of assured destruction was for him potential "megamurder"; the subscription by professional soldiers to the precepts of nuclear deterrence meant "an abdication of their true function as protectors of the civil population" and a delivery of that population to "mass slaughter." As a military man Burns could only be dubious about the promised stability of a superpower "system" of mutual nuclear deterrence; and he was always equally skeptical of the strategic benefits of arms control as a promised regulator to that system. This he saw as a feint devised by the "Pentagon's academic hired men" to legiti-

mize its armaments. Burns wrote of the dangers of nuclear war; and he wrote as early as 1949 of the need for disarmament, as the only way to obviate these dangers. Yet Burns, profoundly disillusioned with the changing role of the professional soldier in the nuclear era, could never advocate unilateral disarmament either by Canada or its allies. Nor is it clear that he was truly convinced of the practicability of negotiated disarmament itself.

As a soldier with battlefield experience during the two world wars, and as the chief disarmament negotiator for a NATO country, Burns could not escape from a deep-seated concern for European security. *Megamurder*, and his memoranda to Ottawa in the 1960s, datelined Geneva, clearly reflected this concern as much as they did his fear of nuclear war. Yet he had rejected on both moral and strategic grounds the legitimacy of America's extended nuclear guarantee, through the deployment of tactical nuclear systems, as the basis for NATO Europe's security. Burns argued, partly in opposition to Canada's commitment to a nuclear role in the alliance, that the use of these weapons in any "limited" war in Europe would inevitably lead to an escalation of the conflict to the strategic threshold. Committed to the idea of Europe as a nuclear free zone, he was also occasionally attracted to the prospect of a demilitarized Europe under internationally-supervised police forces. Yet as a military man he was in the main justifiably skeptical about such a prospect, and rested his case against nuclear weapons in Europe on NATO's need to rely upon a strengthened conventional shield.

Conundrums still unsolved

Here, as was often the case, Burns was in the vanguard of Canadian strategic thinking. Doubts about the doctrine of limited nuclear war became a hallmark of serious Canadian thinking in alliance councils during the 1970s, but hitherto authorities in Ottawa and in alliance headquarters failed to take to mind Burns's advice about their need to "raise the nuclear threshold." It is suggestive that had they done so, NATO's nuclear dilemmas of the early 1980s might have been circumvented. Yet, as he recognized more clearly than most, innovations in the technology of precision-guided munitions had, by the early 1980s, rendered anachronistic Burns's hope of two decades ago that a rational defence policy for NATO Europe could be found.

When General Burns left government service in 1969 to take up a chair in strategic studies at Carleton University, an item on Canada's defence policy agenda was the Ballistic Missile Defence (BMD) of North America through a "modernized" continental aerospace defence system. Paradoxically, Burns's final words as adviser to the government on disarmament were against BMD and Canadian participation therein, as he feared that a superpower competition in the field of strategic defence might well undermine the stability of mutual nuclear deterrence. Yet he recognized the moral and political imperatives underlying the idea of defences against the nuclear threat, and the likelihood that fearful adversaries would at some point pursue this will-o'-the-wisp. □

Toward an independent foreign policy

by Pauline Jewett

There is a lack of independence in Canadian foreign policy that historically and currently provides much of the basis for the New Democratic Party's critique of the conduct of Canada's external relations and provides much of the basis for the NDP's own foreign policy deliberations.

When 2,000 New Democrats met in Federal Convention last July they were presented with thirty-six resolutions on international affairs. A common theme in these resolutions was the lack of independence from Washington in the conduct and making of Canadian foreign policy. New Democrats called on the Conservative government to say "No" to Star Wars and to commit Canada to the preservation of the Anti-Ballistic Missile (ABM) Treaty. At the same time the party called for radical reductions in US and Soviet nuclear arms, a mutual superpower nuclear weapons freeze and an end to the militarization of the Arctic and outer space. The biennial convention of the Party also called for stronger Canadian support for Contadora, an end to US dominated militarization of Central America and more active Canadian support for the achievements and goals of the Nicaraguan revolution. The Party called on the Canadian government to support New Zealand's stand against nuclear weapons in its harbors.

The concern of New Democrats with international affairs reflects a long standing tradition of the NDP, and its forerunner the CCF. New Democrats believe that part of democratic socialism is a commitment to the concerns and struggles of people, especially workers, women, the oppressed and the dispossessed the world over. The concern of New Democrats with independence in Canadian foreign policy reflects a deep and long standing concern about Canadian political, cultural and economic independence from the United States. It is a rejection of superpower global domination and "spheres of influence." It is an expression born, not of anti-Americanism, but rather of concern about Canada's unique and perilous proximity to the United States. And it is an expression of faith in what Canada and Canadians can be.

This concern about Canadian independence as part of democratic socialist foreign policy is reflected, as well, in the Party's parliamentary activities. In the House of Commons New Democrats have not only led but often been the only voices in opposition to the "quiet acquiescence" of Canada to US foreign policy leadership. From Vietnam to

Cruise missile tests to the NDP's present challenge of the NORAD arrangements the Party's parliamentary record is clear and consistent.

To call for Canadian foreign policy independence means to call for major changes to the way policy is made and to the way policy makers think. While some decisions are made in Washington — such as the deployment of nuclear weapons to Canada at a time of crisis — it is the context of such decision making and the post-World War Two cross-border integration of institutions and of elites that marks the lack of independence in Canadian international policy. Our defence and foreign policy makers and those who carry out the conduct of these policies have traditionally shared class, cultural and educational experience with their counterparts in the United States. These groups have been dominated by male elites who share common attitudes and world views.

Canadian decision and policy makers have also shared with their American counterparts a set of assumptions about Canada, including assumptions about the common defence of North America, about the desire and viability of the American-arranged and -led postwar economic system, a willingness to accept a threat of use of nuclear weapons as the basis of common security, and a role for Canada in the world as a small, loyal "European" ally (remember Canada was handled by the Western European desk of the US State Department until recently).

Furthermore, the Canadian policy elite has harbored its own assumptions about Canada: that Canada cannot be fully independent from US foreign policy, that Canadian foreign policy independence must be drastically circumscribed by fear of US "retaliation," that the Canadian economy and Canadian prosperity can only be sustained by massive, "user friendly" economic links with US multinationals and capital, that Canada can only select, at any one time, limited specific opportunities for variance from US policies. And there has been a major assumption that it is natural and in Canada's best interests to be and remain a largely unquestioning US military alliance partner.

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How the NDP sees it

These assumptions are based on a belief that the Americans know best about strategic, nuclear and other issues, that they know best about areas such as Central America, that the American analysis and assessment of any given situation will be correct and reflect Canadian interests fully, and that the Americans will share their knowledge and assessments fully when asked to do so.

Canadian policy makers and governments, from Mackenzie King to this day, continue to hold these beliefs and assumptions. They hold them in the face of overwhelming contradictory evidence — evidence that the Americans do not know best (MIRVing warheads, ending SALT, Star Wars), that their analyses and assessments are not always correct (Vietnam), that they do not reflect Canadian interests (the Olympic boycott, Grenada) and that they do not share their knowledge, assessments or plans (the entire history of NORAD up to the 1985 revelations of plans to deploy nuclear weapons here).

While Canada from time to time has diverged from enthusiastic support for specific US policies — by maintaining trade with Cuba, and late, muted criticism of US bombing in Cambodia, for example — Canada has never taken a fully independent course, or a course in concert with countries other than the US, on any fundamental

foreign or defence policy issue. Lost opportunities range from Pierre Trudeau's dismissal of the neutron bomb as a "European matter," to Mark MacGuigan's "quiet acquiescence" on Central America, to Erik Nielsen's "prudent" acceptance of Star Wars research and Brian Mulroney's "benefit of doubt" support of US policies in general.

So the question is not so much one of decisions being made in Washington rather than Ottawa. There is a more fundamental question as to whether Canadian policy makers have the will, interest and ability to make decisions for Canadians about critical foreign policy and defence matters. It is this question, given the poor record of successive Liberal and Conservative governments, that forms the basis of NDP international policy making and parliamentary activities.

Willy Brandt has called democratic socialism "the humanitarian ideal of this century." Internationalism is part of that ideal. Arms spending must be diverted to human needs. The division of wealth between societies, as well as within them, must be attacked in bold and imaginative ways. The preservation and extension of basic human rights must be a constant struggle. Such views, coupled with a continuing call by the NDP for greater independence, offers Canada a real alternative to old party foreign policy. □

An idea for Canada

Where the Hot Lines cross

Canada and the superpowers

by Charles-Philippe David

After years of complacency in Canada about the issues related to our national security, the topics of defence and nuclear weapons are now high on the government political agenda. A chief dilemma, however, of Canadian policy towards international security problems is that Canada is a difficult place from which to try to influence questions of war and peace. For one thing, our country sits right in between the superpowers thus making most military issues affecting our security largely dependent upon the actions of the United States and the Soviet Union. Canada has limited ways to protect itself from these actions, and it inevitably has the defence policy of its geography. Under these conditions, it is imperative for the Canadian government to take the strongest action it can in order to achieve a balance between our geographical "limitations" and the need for imaginative political solutions. Thus can the government show the population that indeed it cares about our survival by never being short of ideas to promote lasting nuclear peace in the world.

In this article I shall review those security problems and examine the limits on Canadian solutions, then offer one proposal for improving the dialogue between Washington and Moscow.

Two security problems for Canada

Canada, as it enters 1986, is confronted with new and serious strategic problems. One issue is the arms race in offensive nuclear weapons. The ongoing modernization of superpower nuclear arsenals — always a worrisome trend in the opinion of many Canadians — is likely to entwine Canada more than it already is with the results of that modernization. For example, so far our country has never been involved as a territorial platform to launch ballistic missiles carrying nuclear warheads toward the United States or the Soviet Union. This geostrategic fact could now change because of the Soviet deployment of a potent and credible nuclear submarine force, which may move free from detection or surveillance in some of the Canadian areas of the Arctic. According to Harriet Critchley, in an article published in the Fall 1984 issue of *International Journal*, the Soviet submarine *Typhoon*, for instance, could be positioned in those waters in such a way that its SS-N-20 missiles, each carrying between six and nine warheads, would reach all potential American targets, even some

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European NATO targets, in relatively little time — perhaps fifteen minutes.

The deployment of Soviet submarines armed with long-range ballistic missiles under the edges of the polar ice pack, may be in fact one of the most destabilizing of all foreseeable technological advances in strategic weaponry (if only because they might be used in a counterforce first strike). As Dr. Critchley concluded: "In the interests of maintaining Canadian sovereignty, it is essential for Canada to participate in the development and application of monitoring techniques for these waters. Yet . . . I have found no evidence of any effective monitoring mechanisms in place — or planned — in these areas." This is one instance where Canadian territory can become unintentionally involved as an important element of new superpower activities in the nuclear arms race.

Star Wars North

Another example of an issue that may change the future for us, as a witness of the Soviet-American strategic interaction, is the SDI or "Strategic Defence Initiative" proposed by President Reagan in March 1983. Although the Canadian government has officially declined to participate in this research program, the momentum of the SDI will inevitably put pressure on Ottawa to make further policy decisions regarding North American aerospace defence. Admittedly, the evaluation and conclusions about the Reagan administration's proposal are speculative because no one knows for sure how this mega-Manhattan project will turn out. At this point, however, it is difficult to see how the SDI can improve the military or political condition of the nuclear deterrence world. A space-based defence, in the view of many experts, will just be another giant step in the arms race and not a deactivating factor in the US-Soviet military competition. More importantly for us, such a defence system might involve Canadian territory once again. In a press interview on February 5, 1985, as reported by the Canadian Centre for Arms Control and Disarmament *Arms Control Chronicle* of Spring 1985, the chief of the Department of National Defence research and analysis establishment acknowledged the possibility of ballistic missile defence launchers being based on Canadian territory, both for mid-course interception and for the terminal defence of potential targets in Canada.

This is another instance where we could become entangled with a superpower action, albeit this time a supposedly defensive one. One implication of the SDI might be to make the northern Canadian territory in the long run a critical and valuable strategic area, tailored just right for setting up anti-ballistic missiles or ground-based laser stations. A second serious implication of the Strategic Defence Initiative would be Canadian participation in the new space command of NORAD (established by the Pentagon this fall), that would directly involve us with the command, control and communication systems required for the conduct of space defence operations and for other forms of Soviet missile interception. Another implication of the SDI is that Canada might be in a difficult position if the divergence of interest between our Western European allies and the United States increased, with respect to the soundness of proceeding forward with Star Wars type of defence. The old bogey of a decoupling of NATO security from the

American nuclear protection would surely reappear as an explosive matter of contention, if and when the US were seen in Europe as constructing for itself, and only for itself, an impermeable defensive fortress. Canada could eventually find itself in the awkward situation where it faced two distinct approaches toward the nuclear issue, one European and the other American; one advocating the retention of the superpower Mutual Assured Destruction concept, the other arguing in favor of a shift by the United States and the Soviet Union to the notion of Mutual Assured Survival. Canada in this case might have to decide which approach it wanted to encourage, especially if a growing public debate about the SDI in this country required a clearer statement of policy intention on the part of the government.

Limited influence of Canada

The two strategic trends described here — one, the Soviet deployment of a new generation of nuclear submarines and launchers capable of operating in Canadian Arctic waters, and the other, the American quest for a full-scope or partial nuclear protection — clearly present new security problems for Canada. They are problems especially because few experts in this country think that they will promote stability in the nuclear world. Also, the persistent issue of Canadian sovereignty relating to those matters could likely be aggravated, as public awareness of Canada's inability to influence external factors which affect its security becomes widespread.

What then can Canada do? Not much, unfortunately, at least not much directly. We have traditionally been viewed as a "middle-power," that is, Canadian contributions to international relations were seen to involve special responsibility for such functions as peacekeeping, mediating and communicating. Middle-power internationalism was for a long time the expression of Canadian foreign policy, epitomized in Canada's commitment to peacekeeping operations, from Kashmir to Palestine, from the Sinai to Cyprus. But the ability of Canada to help solve international security problems has been met with increasing skepticism. First, there is an international consensus that the Canadian military forces are under-equipped and lack a clear mandate to fulfill the basic missions related to our territorial defence (recall the recent episode of the *Polar Sea*). Second, while Canada has done relatively well as a partner with other countries in peacekeeping activities or in gathering support for signing international treaties, the future does not appear promising for our influence to have a significant impact in either of those areas. And third, as a mediator between states or groups of states, as a regional or global "fixer," Canada has more often than not experienced frustration in trying to advance the cause of peace. Of course all of this results from our geopolitical rank and status within the international system. Only the superpowers can really do something about nuclear weapons. However this does not mean that our efforts are and must be totally useless when it comes to helping the world become a safer place.

No hope for peace plans

In particular, it is fallacious to believe that if we were daring enough to take a global initiative on our own to try to lessen the threat of nuclear war, things might change. As

An idea for Canada

the attempt made by former Prime Minister Pierre Elliot Trudeau to work out his peace plan showed, such initiatives are doomed to failure without full superpower support. The Trudeau peace plan was a remarkable academic exercise, but brought little political change. The world did not and does not require more information about the nuclear threat; we already have enough information and education on the potential catastrophe of a thermonuclear war. What we need at this point is definite superpower commitment to resolve the nuclear weapons dilemma. For example, scientists know today a great deal more about the phenomenon called "nuclear winter," whereby it does not matter which side strikes first in a nuclear war, because the whole planet is likely to experience the ravaging ecological after-effects of a nuclear exchange as soon as the explosions reach an approximate level of 5,000 megatons. Does this new knowledge change the nuclear war-planning of either superpower? Not at all. The truth is that more than ever the nuclear doctrine and capabilities of both the United States and the Soviet Union are being refined to accommodate military strategies for fighting and winning a nuclear war.

My essential point is this: there is definite wishful thinking in believing that Canada can alone, or with the help of other middle powers, change the essential conditions of the strategic world. The sad reality of international relations is that world politics are still characterized by the struggle of political entities for power, prestige and wealth in a condition of global anarchy, and that a world community of common values has yet to displace international conflict. However, a lack of fundamental leverage by middle powers does not mean that we should underestimate the possibility we have of helping the superpowers gradually to come to terms with their problems.

A possible Canadian contribution

In contrast to a grandiose and idealistic scheme such as the late Trudeau peace plan was, the government of Canada might consider smaller *ad hoc* goals in order to assist the United States and the Soviet Union in their search for cooperation. As a practical step that the Conservative government could initiate for the purpose of lessening the threat of nuclear war, Canada might concentrate its efforts on implementing confidence-building measures between the two superpowers. These measures are intended to prevent a process of escalation by which some military action or signal might lead to a nuclear conflict. For instance, in time of deep crisis or conventional conflict involving directly or indirectly Washington and Moscow, a number of events taking place or messages transmitted could be misinterpreted and as a result increase the risk of nuclear war (such as an unusually large Soviet fleet of *Typhoons* patrolling our Arctic waters at a time when both superpowers were at odds over the settlement of a regional crisis).

Thus it would be in the interests of Canada to encourage and press the United States and the Soviet Union to give serious thought to establishing in Ottawa a Nuclear Crisis Control Center, located geographically as well as

symbolically in the country that sits exactly between the thermonuclear arsenals. The idea of a Nuclear Crisis Control Center was first suggested in November 1983 by the working group on nuclear risk reduction of US Senators Sam Nunn and John Warner. This Center could perform several functions. First, senior US and Soviet military and civilian officials would work side-by-side to help defuse incidents which could lead to the use of nuclear weapons. This means that the Center would be staffed around-the-clock by military specialists and would have high speed communications links to the White House, the Kremlin and military headquarters on both sides. Second, those officials would work together to assist Washington and Moscow in maintaining close contact during a crisis precipitated, for example, by third-parties or nuclear terrorists. Third, they would exchange information concerning events that might lead to nuclear proliferation or the acquisition of nuclear weapons by subnational groups. Fourth, they would exchange information about military activities of one country which could be misunderstood by the other country during periods of tension (such as the example of the *Typhoon* above). Finally, they would establish a dialogue about nuclear doctrines, forces and activities that might help superpowers understand better their respective nuclear strategies. They could also use this forum to maintain an agreed data base on the nuclear capabilities of the two sides, information which is necessary for strategic arms control negotiations.

Not much, but ours

Admittedly, the setting up of a superpower Nuclear Crisis Control Center in Ottawa would not go far towards solving the strategic problem, which is the Soviet-US rivalry itself. But nevertheless, through the creation of the Centre Canada might contribute greatly to a fruitful, permanent and non-politicized dialogue between high officials from Moscow and Washington. It is precisely because of the importance that these communications be as excellent as possible that Ottawa should offer its full support for a Center, which, by its very existence and with a little organizational momentum, might engage the United States and the Soviet Union in a process of cooperation leading to further confidence-building measures. While it is beyond Canada's ability to get the superpowers to settle the substantive aspects of their nuclear disagreements, it is not beyond Canada's skills to use its diplomatic assets (such as our current excellent relationship with the Americans) to create some opportunities and incentives for a gradual *rapprochement* between the nuclear giants. If the conditions of international security improved, it is likely that the growing threat posed by Soviet submarines and US strategic defences to our territorial defence and sovereignty, would be alleviated to an extent which would allow Canada to stay out of the arms race. By the same token, the proposal of the Nuclear Crisis Control Center might turn out to be a successful and realistic way in which Canadian diplomacy could fulfill its traditional role of middlepower mediator in the world. □

Canadian sanctions and southern Africa

by Steve Godfrey

The roots of the vigorous stand which the new Mulroney government has taken on South Africa lie in the disintegration of US dominance of international diplomacy in southern Africa. By early 1985 the anti-apartheid lobby had drawn Congress so far towards sanctions against South Africa that the policy of "constructive engagement" was a policy in name only. The resultant withdrawal of this protective umbrella from South Africa, no less than the visible deterioration within South Africa, set in motion a flurry of diplomatic and political activity within the European Economic Community, the Nordic countries and the Commonwealth to fill the vacuum.

But the change of pace in Canadian policy has also been driven by another logic: the strong anti-apartheid stand which the Prime Minister, Brian Mulroney, has taken on this issue. As a result, policy is no longer solely in the hands of Sussex Drive. In June and September the Canadian government announced a series of trade restrictions and other measures against the South African government, together with support for black organizations, unions and families of detainees and political prisoners. But most importantly, the government broke with the position of all previous administrations by declaring that it accepted the case for a total economic and political break with the Republic if moves to dismantle apartheid were not put in motion.

The progress to this position has not been smooth. In late August the Prime Minister was openly committing Canada to stronger sanctions, only to qualify his comments in response to traditional External Affairs arguments that sanctions would hurt blacks most and compromise Canada's defence of open trading systems. But scarcely two weeks later both Mulroney and Clark would state the willingness, in principle, for a total break in economic and political relations with South Africa. The imposition of modest sanctions by Britain and the US in the interim, and the clampdown under the State of Emergency in South Africa had driven Canada to move further to stake its claim to mediation in the international — primarily Commonwealth — arena.

South Africa today

This new Canadian activism is long overdue. The US domination of Western policies is almost universally recognized to have been a failure. The internal "reforms" pre-

sented by President P.W. Botha have not stilled unrest and the current level of political mobilization of blacks is unprecedented in South African history. The opposition is quite different from the youth protests around Soweto in 1976. It is more widely based, and while much protest is rooted in frustration, the target is clearly apartheid itself: government buildings and those black police and community councillors viewed as collaborators. Most significantly, the African National Congress (ANC) has strengthened its position within the country, not only among blacks, but increasingly among church, business, and press "opinion formers" in the white community.

In the wider region South African aggression against its neighbors has been devastating. Those nine neighbors have organized themselves into the Southern African Development Coordination Conference known as SADCC. Its members are Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe. SADCC estimates that South Africa's program of regional destabilization has cost these countries over \$10 billion since 1980. This staggering sum exceeds the total value of all foreign aid SADCC countries received over the same period.

Fighting destabilization

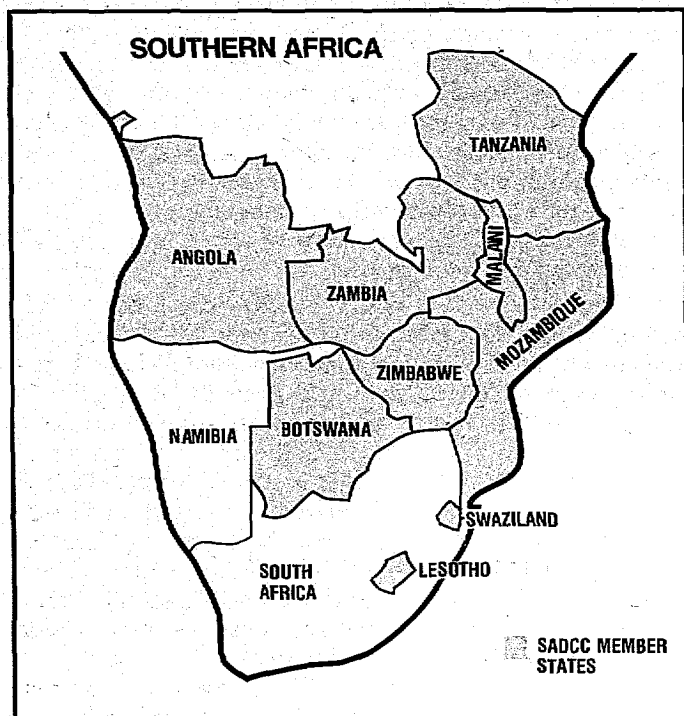
The most brutal aspects of destabilization have been military raids on the capital cities of Lesotho, Botswana and Mozambique, the invasions of Angola, and support to armed subversion in that country and Mozambique. But destabilization also employed economic policy — such as subsidies to the transport routes through South Africa, interference with trading arrangements and financial inducements — to lock the SADCC states into greater dependence on their powerful neighbor. The guiding purpose of this strategy was not only to create a physical barrier to the ANC, but also to pressure black states into opposing economic sanctions.

The creation of SADCC in 1980 was instrumental in frustrating the South African goal of a constellation of

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The sanctions dilemma

dependent black states taking their political and economic cues from Pretoria. SADCC was established with the twin goal of reducing the dependence of its members on South Africa and promoting regional economic cooperation. Most observers agree that SADCC has succeeded in the



latter — raising nearly \$2.5 billion for regional development projects — but has been frustrated in the former. South Africa, by concentrating its attacks on SADCC's national trade routes through Angola and Mozambique, has forced SADCC's six landlocked members to rely even more heavily on the transport corridors through South Africa. The destabilization program has cost enormous human suffering in the member states, the suspension of many development efforts, and the near devastation of Angola and Mozambique. For SADCC's seventy million people, no less than for South Africa's blacks, apartheid is the single obstacle to their development. "Constructive engagement" distorted this essential insight by treating southern Africa as an arena of East-West conflict, at the expense of confronting apartheid itself. This approach implied a dramatic — a propagandist — overstatement of the impact of Soviet bloc programs, which are small in comparison to the economic, political and military involvement of Western nations.

For Canada, the next year offers an important opportunity. As a friend of the seven Commonwealth countries in SADCC, with good relations with Angola and Mozambique, and close links with the two main economic actors — the US and Britain — Canada is well placed to help construct new international policies toward South Africa.

Canada and Southern Africa

In early 1984 CIDA announced a major program of aid to SADCC, pledging a five-year program of \$125 mil-

lion for regional projects, over and above existing bilateral aid programs. The SADCC aid is concentrated in transport, communications, energy and agriculture. It also opened the door for Canadian aid to Angola and Mozambique through SADCC.

Canadian aid to southern Africa is rising fast. The full measure of this will not be felt until the SADCC regional projects come on stream in 1987. Even so, annual Canadian aid has climbed over the past two years from around \$85 million to around \$125 million, an almost 50 percent increase. With the decline in South African trade, and the invitation to Canadian companies to participate in offshore oil development in Angola the medium term could see the SADCC region overtake South Africa as an economic partner.

Canada has run a trade deficit with South Africa since 1971, with combined trade climbing to a peak of \$641 million in 1981. By 1984 there had been a steep decline with combined trade only \$424 million (see Table 1). This downward trend is likely to continue as several major imports into Canada are already, or soon will be, removed by federal, provincial or individual consumer "boycotts" of South African goods. Canadian exports to South Africa are more stable, but the trend remains downward, prompted principally by the credit squeeze and foreign exchange crisis in South Africa. In the first six months of 1985 exports fell by over 20 percent from the same period a year earlier.

The closer political identification of Canadian policy with that of the frontline states is mirrored by this underlying shift in economic priorities. The SADCC region will increasingly become the locus of Canadian trade and aid in southern Africa at the expense of South Africa itself. Combined with Canadian disinvestment in South Africa — on

Table 1

Canadian Trade with South Africa		
	Imports (\$ millions)	Exports (\$ millions)
1981	402	239
1982	214	219
1983	194	166
1984	222	202
1985 (6 months)	93	77

economic grounds — this will diminish the influence of the traditionally strong corporate lobby sympathetic to the South Africa government.

The signs are that Canadian companies with investments and markets in South Africa will continue to press Ottawa to reverse its South African policies. Canadian trade is not only profitable, but South Africa represents one of the few countries in Africa where trade does not require aid support. However, since South Africa only accounts for a fraction of overall Canadian exports, political factors are likely to remain uppermost in Canadian

policy for the immediate future. Most urgent of these political concerns is how sanctions can not only be made to happen, but to work.

The sanctions option

Sanctions are sometimes presented as the trumpet blast that will bring down the walls of apartheid. Such a

Table 2

Some Canadian imports from South Africa affected by trade restrictions or boycotts		
Commodity	Percent of 1983 imports to Canada from SA	Nature of action
Uranium for reprocessing	19.0	New contracts terminated by Federal Govt. in July 1986
Kruggerands	13.1	Voluntary restraint by Canadian banks — virtually eliminated in 1984
Raw sugar	8.8	Renegotiation of contracts
Fruit	10.0	Consumer campaigns intensified in mid-1985
Alcohol	1.6	Boycotts by seven provinces

view is dubious since it ignores the practical reality that it is South Africans themselves — black and white — who are the driving force for change in the country. If this is true, the function of sanctions is to add weight to that movement by increasing the political, economic and psychological costs of sustaining apartheid. The internationally open economy on which white prosperity is based assures that these pressures will be felt in government and the white community as a whole. The meeting between white businessmen and the ANC, and the scramble to restore foreign bank confidence in the Rand in September are two obvious examples of this vulnerability.

It is for this reason that most black leaders are calling for further Western pressure. Anyone who has witnessed the grinding poverty of the homelands or the squalor of the large townships can imagine why black South Africans would be prepared for further sacrifices to end apartheid. The boycotts by blacks of white shops is proof of the economic hardships many are already embracing for this goal. Sanctions cannot ensure peaceful change — but they can help tip the balance in its favor.

Frontline view of sanctions

Economic sanctions include a wide range of possible instruments such as limiting trade, removing investments or banning new investments and ending loans, and measures such as cultural, sports and other boycotts. The impact of each of these on South Africa, its neighbors and the Western countries themselves is very different. It is therefore important not to generalize arguments about the effects of one kind of sanctions to sanctions as a whole.

This is particularly true in respect to the effect of sanctions on the SADCC states. Certain sanctions, such as an investment switch from South Africa to frontline states or restricting foreign credit to South Africa would not pose a direct threat to them. Similarly, banning the importation of South African agricultural products would have little effect because the consequences would be difficult to pass on. For other sanctions it would be easier to pass the

Table 3

Estimated Canadian economic links with SADCC countries			
	Imports (\$ millions)	Exports (\$ millions)	Aid Program (\$ millions)
1982	19	89	n/a
1983	49	42	85
1984	33	70	124

Procurements of Canadian goods (but not services) under the aid program are included in, and make up a majority of, exports.

penalty on to some frontline states, for instance a ban on intercontinental flights to South Africa or an oil blockade could easily result in South Africa's refusing to allow on-flights or deliveries to Lesotho, Botswana and Zimbabwe.

Whatever happens, SADCC will need external support as it braces for the coming year. As SADCC itself stated in July:

Those opposed to sanctions argue that they will hurt the neighboring states. Undoubtedly, this is true. But if we accelerated the ending of apartheid, it would be well worth the additional cost.

Of course, the threat that South Africa will try to hurt the economies of the SADCC countries in response to sanctions is real. The biggest danger would be to the transportation of essential goods, such as food and oil, which could be disrupted by closing South African ports to SADCC goods and attacking the alternate routes in Mozambique.

Even so, such options are not as attractive as they were when South Africa's economy was healthier. If it responded to external sanctions in this way, it would be rubbing salt

The sanctions dilemma

into already painful wounds. South Africa enjoys a healthy balance of payments surplus with its neighbors in the order of \$1 billion a year — more than enough to cover its overall balance of payments deficit. As in the case of South African threats to send foreign mine workers home — which would severely disrupt production in one of the few buoyant economic sectors — the resultant cost to South Africa would be substantial and unpopular to an already shaken business community. There could be many South African companies closing their doors the morning after such action.

Making sanctions work

For sanctions to be effective, three general objectives must be met. First, they should be introduced in stages to maximize their political impact inside South Africa. Second, this staging should reserve particular measures to be implemented should South Africa take “retaliatory” steps against its neighbors. Third, they must be stronger than the largely symbolic measures which most Western nations have so far introduced.

As a relatively minor economic actor, Canadian influence in the sphere of economic sanctions is potentially more decisive within the international community, than with the South African government directly. A program of planned sanctions with wide international backing has a much greater chance of success than isolated actions by individual states. In particular, a Conservative government should continue to press its British counterpart to get Britain — South Africa's biggest economic partner — to join an international program of sanctions. A willingness to contribute Canadian sanctions in an international package, and to act whatever the response, is a good starting position.

Canada should be working through the six-nation Commonwealth Group set up at the Nassau Summit in October, but also with likeminded EEC and Nordic states to construct a new plan for southern Africa. The goals of this plan are not difficult to define. Most important is recognition by the South African government of authentic black leaders such as Tutu, Tambo and Mandela, with all this would imply for political liberalization, and round table discussions to end apartheid. In addition the military

and economic attacks on neighbors should cease, and internationally agreed rights of access to the sea for landlocked states should be respected.

Ways to help

Canada could also take a direct role in mobilizing greater assistance to the SADCC states, which will suffer from the economic downturn in the Republic regardless of the outcome of sanctions. It could also work with other major SADCC supporters to develop contingency plans for emergency economic assistance to keep supply lines open. Zimbabwean troops are playing a vital role in securing the Beira and Maputo rail lines through Mozambique, with other countries such as Britain providing military assistance. Canada could concentrate with the EEC and Nordics in upgrading transport facilities themselves — if need be through special road and rail services — and helping Mozambique and Zimbabwe to bear the foreign exchange costs that this special defence effort would require.

Canada should be looking at the next steps in its own imposition of sanctions. A ban on agricultural imports from South Africa would hit a sector for which Canada is a significant market and where substitutes are readily available. A ban on the procurement of South African goods by federal agencies and institutions would be easy to implement.

Finally, Canada could downgrade its diplomatic relations with South Africa without damage to its potential role in the region. Correspondingly, it should signal its support for those South Africans who believe that the ANC is essential to the future of the country by upgrading its contact with the ANC from junior official to ministerial level.

In one year the Conservative government has gone farther than anyone expected in forcefully opposing apartheid. It has gotten the words right and some of the actions too. It will require tenacity and statesmanship to maximize Canada's influence on a myopic South African government, with recalcitrant allies and vested economic interests at home. The coming year will tell whether the government hides behind these real difficulties, or takes them on. □

Nigerian coups and foreign policy

by Timothy M. Shaw

*The linkage between crises and contradictions within the economy and foreign policy initiatives and action was clearly manifest in Nigeria's Second Republic. The weak nature of the Nigerian state, the dependent accumulative base of the bourgeoisie, increasing class contradictions and struggles, combined with pressures from the metropolitan bourgeoisie to compel the Shagari administration to pursue a complacent and, in fact, reactionary foreign policy. (Toyin Falola & Julius Ihonvbere in *The Rise and Fall of Nigeria's Second Republic*, 1985.)*

Our economy is, to all intents and purposes, still non-cultural. Ninety percent of our foreign exchange earnings is derivable from the exports of crude oil. However, in this era of global oil glut with the concomitant fluctuation of oil prices, it has now become imperative for us to reassess our economic strategy . . . Given our reduced foreign exchange earnings in recent times coupled with . . . servicing our foreign debts, this administration has decided that a new emphasis should now be placed on the development of agriculture. (President Muhammadu Buhari in an address to heads of Nigerian diplomatic missions, February 1985.)

On foreign policy, Nigerian foreign policy in the last twenty months has been characterized by inconsistencies and incoherence. It has lacked the clarity to make us know where we stood on matters of international concern to enable other countries to relate to us with seriousness. Our role as African spokesman has diminished because we have been unable to maintain the respect of African countries. (Babangida in his inaugural speech, September 1985.)

Plus ça change . . . the Babangida coup in Lagos which replaced Buhari's lacklustre rule in late August 1985 claims the mantle and aura of the brief reformist Mohammed period of the mid-1970s — an earlier palace putsch which had removed the increasingly inept and indecisive Gowon regime and transformed the image of Nigeria abroad from a conservative to a progressive African state. Not only will the post-Buhari government attempt to regain the momentum and influence of the immediate pre-Shagari military

regime — “The ousted military government conducted our external relations by a policy of retaliatory reaction” (Babangida inaugural speech, 1985) — it will also strive for a new mixture of domestic revival and external power. “Africa’s problems and their solutions shall constitute the premise of our foreign policy” (Babangida inaugural speech, 1985).

But it will seek to do so in considerably less auspicious circumstances than those which prevailed in the late 1970s: high prices for oil, relatively stable exchange rates, and continued confidence in import substitution industrialization. A decade later, however, the conjuncture of external instability and internal austerity is not promising for either economic revival or diplomatic effectiveness; the political economic bases of foreign policy are quite problematic. Recapturing the mood and motif of Mohammed may be impossible despite the appointment of one of his advisers and advocates — Professor Bolaji Akinyemi — as the new foreign minister.

The halcyon days of Murtala Mohammed — the magical mix of an expanding petro-naira economy and opportunities for the exertion of influence in west and southern Africa — are unlikely to return no matter how determined Major-General Babangida may be to emulate his mentor. However, the apparent aimlessness of Shagari and Buhari may now be succeeded by a reassertion of direction if not effectiveness at the levels of both economy and diplomacy. The inability of the second Shagari administration to seize control of the declining economy was replicated by Buhari’s apparent unwillingness to reach an agreement with the International Monetary Fund (IMF): delusions of grandeur stood in the way of devaluation, deflation, deregulation and discipline. Thus the reformist zeal of Babangida’s regime will have to concentrate on effective economic measures before contemplating external adventures: revival of liquidity and accountability under IMF conditions and World Bank adjustments, consisting of currency devaluation, debt rescheduling, industrial revival and import restraint, and an emphasis on local inputs and foods.

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Waiting for Nigeria

Turning Nigeria around

According to a post-coup "Nigerian-Canadian Dialogue" held at Dalhousie University in late September involving a dozen senior academics and journalists from Nigeria, there is an ongoing major debate over IMF conditions. In turn, this informs subsidiary discussions over defence and foreign policy: will Nigeria be able to transcend its dependence on "petro-naira" and endure the medium-term challenge of reviving agriculture, generating internal industrial inputs, reinstating domestic industries (e.g., coal, cocoa, groundnuts, metals, palm oil, rubber), and rehabilitating decaying internal infrastructures and thus contain foreign exchange leakages so that debts can be retired and production given priority over exchange? Nigerian delegates were moderately confident that the new modesty and maturity in Nigeria's political economy and foreign policy constituted good omens for a successful restructuring and redefinition of both.

The multiple reasons for the latest coup will provide grist to the Nigerianist academic mill: another officers' preemptive move against disgruntled sergeants or a further attempt at purification of a polluted polity? Was it a regime change despite, not because of, IMF assistance, or, as Nigerian radio's announcement claimed, a response to divided and ineffective leadership which had seriously infringed Nigerians' sense of human rights? Clearly the euphoria which greeted Buhari on New Year's Day 1984 rapidly evaporated as imprisoned captains of corruption from the Shagari period languished in Kirikiri prison.

Disgruntlement strikes back

But perhaps the primary catalyst, aside from the nice coincidence of Buhari being in the new capital of Abuja and his number two, Idiagbon, being on a pilgrimage to Mecca, was continued disgruntlement among Nigerian entrepreneurs, in both their national and comprador guises. With neither IMF assistance nor OPEC aid, the economy's decline had yet to be arrested. Countertrade was not enough. The erstwhile "kaduna mafia" of leading Northern capitalists demanded a further changing of the guard: the War Against Indiscipline (WAI) had been discredited as Shagari's successors appeared to enjoy the fruits of indolence. "War Against Idiagbon" became the prerequisite for confronting the continuing ills of the country: not only petroleum prices and an extroverted economy but also inflated military expenditures, diplomatic ambitions, leadership disagreements and personal indulgences. Buhari fiddled while Lagos burned; symbolically Cocoa House in Ibadan was torched like earlier attempts at coverups along the Lagos Marina and Kano city walls. Another "corrective" coup became inevitable.

Yet Babangida may, like Mohammed, constitute the termination of another *ancien régime*; unlike either Gowon or Buhari, not just a palace reshuffle but a real turning point. His reformist inclinations may lead him rapidly to reach agreement with the IMF, to reject OPEC insistence on inadequate oil quotas, to revive the lagging manufacturing and agricultural sectors, and to free-up Nigeria's underlying ebullience. Nigerian energies have been dissipated by imported constitutions, factories, foods and expectations.

With the constraints and contradictions of such extroversion so apparent maybe support for effective and sustained austerity under Babangida will yet produce results.

Last formula of the Seventies

The high life of the mid-1970s had been a function of a particular mix of high oil prices, economic expansion and reformist regime. This mix with its distinctive social basis — a triple alliance of national capital, technocrats and compradors — made it plausible for Nigeria to claim the status of a Newly Industrializing Country (NIC). It provided the resources and momentum for the post-military innovation of an American-style presidential and federal constitution. But the conditions for such an expensive experiment were not auspicious, and were worsened by a rapacious and expansive coterie of leaders in the Senate and House of Assembly in Lagos, state legislators and innumerable administrative and staff persons: politicians undermined the fragile triple alliance. The problematic Newly Industrializing Country could hardly sustain its self-proclaimed leadership role in Africa: a Newly Influential Country? The gross gerrymandering of the second round of elections combined with massive corruption of the economy generated a popular groundswell for change.

But the interregnum of the Buhari period failed to tackle the fundamental difficulties of the political economy: War Against Indiscipline (WAI) was an insufficient prescription. Moreover, the indecisiveness increased as detainees lingered, austerity seemed interminable and corruption resurfaced, this time in the form of lucrative countertrade deals. The triple alliance could not easily be recreated. The central and symbolic series of negotiations with the IMF also seemed to be indefinite and inconclusive as the nationalistic leaders demurred at the prospect of a direct devaluation of the naira.

In these desultory circumstances — the dangers of "continuous misdirection" cited by the 1985 coup announcement — repression became the preferred means to contain dissent: police, army and National Security Opposition (NSO) became increasingly active in identifying and detaining opponents. Meanwhile, as the leadership under Buhari became more isolated, defensive and divided, alternative development and diplomatic strategies were mooted, including courageous speeches by Olusegun Obasanjo and Marinho in mid-1985, just days before the coup. But as the coup broadcast revealed, "Any effort made to advise the leadership was met with stubborn resistance and was viewed as a challenge to authority or disloyalty. Thus the scene was being set for a systematic elimination of what was termed opposition." The technocratic and national faction dominant under Mohammed was anxious to reassert itself: deal with the IMF including devaluation, eliminate corruption, reform the petroleum and gas sector, phase out food and petrol subsidies and control the NSO and other security agencies.

Seeking influence

In short, Babangida is determined to transcend the web of Shagari's legacy in which Buhari seemed to have

become trapped, and to revive and restructure the political economy so that the bases of foreign policy could be re-established and strengthened: from a Newly Industrializing to Influential Country, not *vice versa*. The new leader's domestic and economic preoccupations will divert him from the diplomatic concerns at first, although so much of Nigeria's difficulty stems from its place in the world economy (the oil nexus) and its disregard of domestic resources, particularly agriculture. Thus sustained political and strategic revival must await internal and economic transformation. Foreign Minister Akinyemi will be powerless until the economy is righted. Nigeria's claim to being a Newly Influential Country — made prematurely in the mid-1970s, a brief "missionary" phase — will be determined by its ability to become a really Newly Industrializing Country. But the escape from the periphery will be hard, even in West Africa, and nuclear status will remain elusive.

However, the Babangida coup at least clarifies two issues, one political, the other theoretical. First, of particular relevance to the Nigerian debate, external "power" cannot be exerted, let alone maintained, without internal resources: the ultimate cause of Nigeria's setbacks in Chad

and Cameroon, not to mention the rest of the continent, is its disarticulated "rentier" economy. And second, Nigeria's quest to advance to the semi-periphery — the leading producer as well as consumer and trader in West Africa — is dependent on the particular constellation of social forces: whether more national and technocratic or more comprador and bureaucratic interests are in the ascendancy.

Babangida seems determined to follow Mohammed rather than either Gowon or Buhari. Whether his regime can yet turn around the runaway Nigerian rentier state depends on (1) the social basis of his leadership — whether it can attract technocrat, worker and peasant support, (2) the related performance of the national economy, and (3) the state of the global economy and the response of international economic organizations. Unless the latest regime gets this internal and external mix right — a challenging task even for a long-surviving military officer like Babangida — Nigeria may rapidly become, a decade after the apex of OPEC, a Newly *Insignificant* Country in African and global affairs. □

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Looking at ourselves through water

by Charles Caccia

This retrospective on Canadian-US relations is in the form of a script for an environmental bad — if not worst — case by the Liberal Member of Parliament for Davenport riding in Toronto, and former Minister of the Environment. Mr. Caccia considers himself a “left-of-center Liberal,” who believes, particularly in Canada’s case, that “the economy depends on the environment.”

TIME: *The year 2025*

PLACE: *Around the fireplace of a cottage on Meach Lake, near Ottawa.*

CHARACTERS: *An External Affairs official reminiscing to a junior colleague.*

..... yes, we have to recognize it, the climatic changes Environment Canada predicted then, the “Greenhouse Effect,” remember? Well, it did become a reality, temperatures in Canada did go up 3 degrees Celsius. That was nice. Now we grow more crops, and grow them farther north. And our winters must be less chilly than they were then.

But in the South deserts have spread. In addition, the “warming up” trend — along with a doubling of the population — led to greater demand for water. Contamination of ground water spread. The “leaching” of toxic chemicals from the dumpsites into the Niagara and St. Clair Rivers has made Lake Ontario water expensive, both for domestic and industrial use, because we had to install costly filtration systems. Air pollution and acid rain brought along further costs turning water into an expensive commodity. What is the point of having large quantities of water if you neglect the quality? But, lulled by quantity, we agreed first to exports and then to diversions. Actually, it started in a rather harmless way — a request by the United Arab Emirate to purchase water by tankers. To most it seemed good business, a drop in the ocean.

Then came another request, from Mexico, and again the prevailing thought was that we should export, it made good business sense, we had so much anyway, creating dependency or not, and as to the consequences of the “Greenhouse Effect,” few paid attention.

It was not until 2010, when negotiating trade in Washington, that the matter of water came up. Here we were,

listening to our immediate neighbor and powerful ally, asking for water. How could we say “no,” having said “yes” to others? They needed water in large quantities, to make up for increased demand, decreased supply due to mismanagement of their groundwater and widespread contamination. How could we say “no” to our largest trade partner?

The natives? Oh yes, we had to deal with them too because the Grand Canal scheme caused a lot of headaches. For instance, that dam built across the mouth of James Bay prevented fresh water from flowing into Hudson Bay, and over the years the salinity in Hudson Bay went up and up, destroying aquatic life that depended on the regular flow of fresh water.

Also, we had to pay the natives large sums to compensate for the changes to their lifestyle, thus — an old story — repeating past mistakes. We hit them again, on their ability to sustain themselves with hunting and fishing.

Actually, there were those who argued in favor of keeping water in Canada, using water to attract and keep investment at home. They said that water represented a great asset for future generations of Canadians rather than looking at it as just another commodity; value should be added in Canada rather than letting others use our water for their industrial activities and economic growth. But they were few.

In fact, we were in a bind: we had started with small exports; Ottawa never has had constitutional power to stop water exports, although it could prevent exports by applying pressure on the provinces. Once started on that slippery road, it became hard to apply the brakes. In addition, we did not seize early enough the importance of looking after water quality and realized only too late that all the quantity in the world was of little value if not matched by a scrupulous management of quality. To make things worse, there were those who laughed at the idea of “zero discharge,” used by some environmentalists and civil servants here in Ottawa. They spoke of the necessity of adopting ways of returning water clean once used by industry, as already being done at that time in Europe. Environmentalists also spoke of environmental damage both upstream and downstream when you allow water to be taken out by tankers, continuously. They pointed to the fact that tankers have to clean up the holds each time they fill with water, if the last load was other than water. They spoke of ecological

damage because of water withdrawal. They foresaw changes in evaporation and even rain patterns as the long-term consequence of diversions. They spoke of damage to fauna and flora because of changed levels of humidity. They predicted trouble because the flow of several rivers, once reversed, would stir sediments on the riverbeds containing toxic chemicals rendering water unusable for some time until the substance would settle again.

SIMON ALVES



Cartier claims Canada 1534

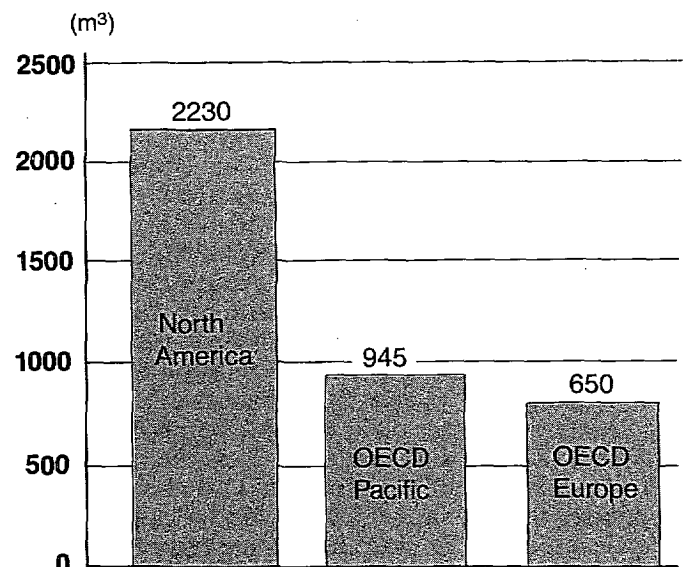
The politicians? They were divided; most were in favor right from the start, they thought it was a great idea to sell and divert water. If we sell timber, why can we not sell water? We have lots of it, how can we deny it to those who are thirsty? Besides, we should maintain good will, show the Americans our generous spirit. There were those — a few — who spoke of protecting the long-term needs of Canadians, of the implications flowing from the predicted climatic changes, of the ecological consequences of diversions and native rights, of the economic and political implications. They cautioned and said that we should not export or divert until we had a better idea, at least, of Canadian needs for future generations; they used figures like the per capita consumptions of industrial nations (see Table), arguing that we and the US were the most wasteful consumers on earth; they also argued that there would be enough water north and south of the border without having

to turn to diversions if we were only to manage better existing watersheds, our agricultural uses, our toxic waste dumps.

But what they said fell on deaf ears, did not seem practical at the time. Add those provinces which put on pressure because they wanted to get into the act by way of exporting; British Columbia, Quebec by tanker, Alberta, Ontario and Quebec by way of diversions. So the feds were divided, some provinces were in favor, and the public — no wonder — was confused.

What did you say? Political control? Yes, political control of the tap once the "Grand" system came into place. There was some discussion about that, but the question as to who would have ultimate control of the tap — Canada? the US? both? — was left hanging for a later decision. They tiptoed around it, found it perhaps awkward, a bit embarrassing, even unpleasant . . . You don't want to appear to be mean to your neighbor, once he becomes dependent on your water, do you? □

Water withdrawal per capita 1980



	m³		m³
Australia	1,281	Netherlands	997
Austria	298	New Zealand	383
Belgium	917	Norway	489
Canada	1,509	Portugal	1,062
Denmark	239	Spain	1,016
Finland	775	Sweden	479
France	633	Switzerland	108
Germany	686	Turkey	669
Greece	720	United Kingdom	226
Italy	985	United States	2,306
Japan	923	Yugoslavia	392

OECD Observer, July 1985

International regulation of foreign investment

by Christopher J. Maule and Andrew Vanderwal

Pressure for the development of international investment codes grew in the early 1970s. Initiatives were taken by developing countries individually and through the United Nations and regional organizations, as well as by labor and business organizations. Two related antecedent events were the US government's voluntary balance of payments guidelines in the 1960s, which affected outward investment flows and the repatriation of earnings and capital, followed by the passage of the Canadian government's *Principles of Good Corporate Behavior for Foreign Investors*.

Revelations that multinational enterprises (MNE) were engaging at times in conduct that was clearly detrimental to the interests of some of the countries in which they operated led to mounting pressure for the international regulation of MNEs. An investigation of transfer pricing in the sale of drugs led to Hoffman-La Roche paying \$30 million to the British National Health Service. During their Watergate investigations the US Securities and Exchange Commission (SEC) found that corporations frequently used funds set up outside corporate financial accountability to bribe foreign governments or officials, and to make legal and illegal political contributions in host countries. The resulting US pressure to regulate US corporations led these firms to attempt to internationalize any debate on regulation, in the hope that an international forum would be less discriminatory by including all MNEs.

During the mid-1970s numerous cases of high ranking public officials accepting bribes offered by US corporations severely embarrassed governments around the world. Implicated for taking a series of bribes from the US Lockheed Aircraft Corporation, Prince Bernhard of The Netherlands abdicated all public posts in 1977, and escaped prosecution only by virtue of being the husband of the country's Queen. A major bribery scandal also emerged in Canada concerning the efforts of a crown corporation, Atomic Energy of Canada Ltd. (AECL), to sell a CANDU reactor to Argentina. AECL deposited \$ US2.5 million into a Swiss

bank account in 1974, to act as a payment to an undisclosed agent who would facilitate the Argentine sale. These incidents underlined the need for guidelines for the international commercial activities of both private and government-controlled corporations.

Multinationals on the loose

A number of further considerations served to increase the momentum for developing a regulatory framework. The currency exchange instability in the early 1970s, at a time when attempts were being made to maintain the fixed exchange regime, raised the issue of the damaging role MNEs can play in currency speculation. Additionally, US labor organizations protested what they saw as an export of jobs through the foreign investments of US MNEs, while European labor organizations were growing increasingly concerned over the effectiveness of collective bargaining on a national scale with firms that operated globally. At the same time, developing countries were discussing the need for a new international economic order (NIEO) that would redress economic disparities in the world. Developing countries exerted pressure through the UN for the international regulation of MNEs as part of their greater efforts to bring about a NIEO. Provided that their actions could be regulated, MNEs were to play an important role in this new order by becoming a vehicle to transfer resources to the Third World.

An early initiative for the international regulation of MNEs was the 1970 request by the International Confederation of Free Trade Unions (ICFTU) to the UN to develop a code of conduct for MNEs. In 1972 the UN responded by establishing a Group of Eminent Persons (GEP) — including John J. Deutsch from Canada — to prepare a report on MNEs. Impetus to UN initiatives was given by a debate in the UN's Economic and Social Council (ECOSOC), brought about by charges that the US-owned International Telephone and Telegraph (ITT) had interfered in Chile's domestic political process. At the same time, the business-based International Chamber of Commerce (ICC) issued guidelines for international investment, and the UN-related International Labor Organization (ILO) convened a tripartite meeting of experts on MNEs with representation from labor, business and governments.

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UN involvement

The UN GEP reported in 1974 and proposed that a Commission on (not *for*) Transnational Corporations (TNCs) and a Center on TNCs be established, and a non-compulsory code of conduct on TNCs (the new name to be used for MNEs, but it has never caught on outside the UN) be developed. Since its creation by ECOSOC in December 1974 the Commission on TNCs has given priority to the development of a comprehensive international code of conduct for TNCs. The Center on TNCs was established in November 1975, and has served both to gather and to generate data on international business and to provide technical advice to member countries in their relations with TNCs.

In 1975 revelations of illicit payments by MNEs led the UN General Assembly to condemn corrupt practices and to request the ECOSOC to develop guidelines on corrupt payments. By 1977 the ILO had adopted a Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy. Although the US had terminated its membership in the ILO earlier in the same year, their representatives had taken part in discussions leading to the Declaration and appeared to be in agreement with most of the provisions. UN activity picked up in 1978 with ECOSOC publishing a draft Code of Conduct on TNCs, and with the United Nations Conference on Trade and Development (UNCTAD) publishing a Code of Conduct on the Transfer of Technology. UNCTAD also organized discussions on a UN code dealing with restrictive business practices.

Regional action

Throughout this period the ICC remained active as did the Organization for Economic Cooperation and Development (OECD), the latter representing the developed country viewpoint on regulation of international investment. Partly as a reaction to UN-related activity, the OECD in 1976 passed a Declaration which included Guidelines for MNEs, as well as statements on the national treatment of foreign investment, and on incentives and disincentives for international investment. This has become the most influential initiative in effect, although it is neither mandatory nor agreed to by developing countries.

Other regional organizations which have been actively engaged in debate on international investment issues are the European Economic Community (EEC), the Council of Europe, the Organization of American States (OAS), the Andean Common Market (ANCOM) and the Pacific Basin Economic Council (PBEC). A chronological listing of these developments is shown in List 1. The role of the UN should be recognized both in terms of the initiatives taken by its own bodies, and by the impact which their discussions have had in other governmental, business and labor organizations. Often many of the same issues were being discussed more or less simultaneously in different settings, at times even with the same persons involved.

Codes today

There are presently two categories of codes: those agreed to and those still under discussion. The main codes and their current status are shown in List 2, with the UN-related international codes separated from other codes of a more regional focus. This does not mean that the UN codes

are necessarily more effective. In fact the actions of the OECD and the ICC probably have the greatest influence on foreign investors and capital exporting countries, in much the same way that the arbitration facilities of the ICC are used far more extensively than those of the World Bank's associated International Centre for the Settlement of Investment Disputes (ICSID). The latter has greater official government status but few users, while the procedures of the ICC have gained the respect of both host governments and investors.

The main issues addressed by these eleven existing and proposed codes are shown in List 3. The UN Code of Conduct on TNCs is the most comprehensive and the wording of the issues reflects the interests of the developing countries which have the majority voting representation in most UN bodies. The OECD Guidelines, reflecting the viewpoint of the Western industrialized and capital-exporting countries, stress the obligations of both corporations and host governments in dealing with foreign investment. At the insistence of developed countries, the proposed UN Code also contains a section on the treatment of MNEs by host countries, but this has been a source of considerable controversy due to opposition by developing and socialist countries.

UN initiatives

There are in addition a number of other UN initiatives which tend to be more specialized but which are of importance to corporations and to government policy makers. The most prominent of these initiatives are shown in List 4. The renegotiation of the Paris Convention on Industrial Property under the auspices of the World Intellectual Property Organization (WIPO) was undertaken at the suggestion of developing countries. The initiative represents part of a greater effort by developing countries to facilitate the transfer of the control of technology to their countries, in this case through the ultimate reduction in the monopoly rights of patent protection. In another specialized initiative, the World Health Assembly (WHA) negotiated and adopted the Code on Marketing Breast-milk Substitutes due to allegations that Nestlé, in particular, was promoting the use of inappropriate and hazardous infant formula in developing countries.

Although not elaborated upon in this article, specific investment issues are also addressed by the policies of individual governments, such as the Canadian government's Code for companies operating in South Africa. Some of these country initiatives are dealt with in the comprehensive UN Code on TNCs. Additionally, many bilateral treaties relating to international investment issues, such as double taxation and the applicable law in dispute settlement, find expression in both regional and international codes.

Voluntary versus mandatory

An important consideration in the eleven major codes mentioned in Lists 2 and 3 is the effectiveness of voluntary as opposed to mandatory codes. Developing countries argue in favor of implementing codes of conduct in the form of a legally binding multilateral agreement such as a convention or treaty. Signatories would then be obliged to enforce the codes domestically and an international enforcement arm could be established, under the auspices of

Lassoing the outlaws

an existing institution, to reinforce national regulation and to deal with those aspects of MNE global activity that any one state would have difficulty controlling. Developed countries are strongly opposed to the creation of instant international law on this issue and argue for voluntary codes of conduct.

Ultimately the distinction between mandatory and voluntary forms of implementing codes of conduct may not be as important as has been presumed. Treaties and international conventions are an important but not sole means by which binding international law is created. The four main sources of international law listed in Article 38(1) of

List 1

Chronology of selected events concerning Codes of Conduct for foreign investment and multinational enterprises, 1960-1980

- | | |
|-------------|---|
| 1960 | US government introduces voluntary and then mandatory controls on capital outflow and repatriation of earnings.
Canadian government introduces "Some Guiding Principles of Good Corporate Behavior for Subsidiaries in Canada of Foreign Companies" (known as the Winters guidelines).
ICFTU adopts resolution on MNCs and conglomerates. |
| 1970 | ICFTU requests UN to adopt a Code for MNCs.
ANCOM adopts Decision 24 relating to the treatment of foreign capital. |
| 1971 | ICFTU hosts a major conference on MNCs. |
| 1972 | Chile charges International Telephone and Telegraph with interference in domestic political processes.
UN appoints Group of Eminent Persons to report on MNCs.
ILO convenes a Tripartite Meeting of Experts on MNCs.
ICC issues Guidelines for International Investment. |
| 1973 | EEC Commission submits a communication to the Council of the Community on the subject of MNCs. |
| 1974 | UN-ECOSOC Report of the GEP proposes a Commission on TNCs and a center on TNCs be established, and a non-compulsory code of conduct for TNCs be developed.
UNCTAD initiates discussion of a UN Code for Restrictive Business Practices. |
| 1975 | UN General Assembly condemns corrupt practices and asks for Guidelines on this issue.
OAS adopts three guidelines on MNCs and fails to reach agreement on seven others.
ICFTU issues a Charter of Trade Union Demands for the Control of MNCs which is adopted at a convention. |
| 1975 | US Senate Committee on Foreign Relations' Subcommittee on Multinational Corporations (Church Committee) issues a report on <i>Multinational Oil Corporations and US Foreign Policy</i> (one of the reports on MNCs resulting from hearings conducted over several months). |
| 1976 | EEC Parliament approves a fifty-four section Draft Code of Principles on MNEs and governments.
OECD adopts five instruments including Guidelines for MNEs, national treatment of foreign investment, and international incentive and disincentives for investment.
UNCTAD issues proposals for a UN code on the transfer of technology. |
| 1977 | ILO adopts the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy.
EEC approves a Code for Companies with Interests in South Africa.
ICC proposes stringent national laws proscribing bribery and corruption.
UN ECOSOC's Commission on TNCs establishes an intergovernmental working group to develop a code of conduct.
UN ECOSOC adopts a resolution requesting research into institutional and legal arrangements in national consumer protection. |
| 1978 | PBEC adopts the second issue of the Pacific Basin Charter on International Investments. |
| 1980 | UNCTAD's Restrictive Business Practices Code is unanimously adopted by the General Assembly. |

the Statute of the International Court are treaties, custom, general principles of law and judicial decisions and teachings. Treaties and international custom as evidenced by the practice of states have proven to be the most important sources in practice.

Even when specifying their own voluntary nature, codes may over time become binding. This can occur as the practice of states in encouraging compliance to the codes, and engaging in follow-up procedures to the codes, can give rise to the status of customary international law. However, just as state practice in applying the codes became an international custom, so can state practice in not applying the codes. The evolution from a voluntary to a binding code may result from circumstances wherein state practice causes certain provisions of a particular code to become binding, while other provisions remain voluntary.

There are a number of major outstanding issues common to both the ongoing negotiations of the UN-ECOSOC's Code of Conduct on TNCs and UNCTAD's Transfer of Technology Code. These issues include the extent to which principles of international law prescribe standards for the treatment of MNEs. This is a fundamental question that cuts across many disputed provisions in the proposed codes. Many developing countries deny the validity of using principles of law, as these principles were developed prior to their independence, and thus are biased in favor of the developed industrialized countries.

Your law or mine?

A related outstanding issue concerns which country's laws will apply in the settlement of disputes. Competing and often conflicting claims to jurisdiction have frequently

List 2

Principal international and regional Codes of Conduct for foreign investment and multinational enterprises.

UN-related Codes		Date Initiated	Current Status
UN-ECOSOC	Code of Conduct on TNCs	1977	Under negotiation
UN-ECOSOC	Corrupt Practices Code	1976	Not implemented
UNCTAD	Restrictive business practices	1974	Adopted Dec. 5, 1980
UNCTAD	Technology transfer	1976	Under negotiation
ILO	Tripartite Declaration	1972	Adopted Nov. 1977
Other Codes			
OECD	Declaration, including Guidelines for MNEs	1975	Adopted June 21, 1976
EEC	Draft Code of Principles	1974	Not implemented
EEC	South Africa Code	1977	Adopted Sept. 20, 1977
OAS	Guidelines for Foreign Investment	1974	Adopted Jan. 1975
ANCOM	Common Treatment of Foreign Capital Code	1969	Adopted Dec. 1970
PBEC	Pacific Basin Charter on International Investments	1972	Adopted (Second Issue) May 7, 1978

List 3

Issues treated by principal international and regional Codes of Conduct

		Illicit payments	Restrictive business practices	Technology transfer	Corporate information South Africa and Namibia	Disclosure of industrial relations	Ownership and control	Balance of payments and financing	Consumer Protection	Adherence to host country policies	Taxation and transfer pricing	Applicable law in dispute settlement
UN Related Codes												
UN-ECOSOC	Code of Conduct	█	█	█	█	█	█	█	█	█	█	█
UN-ECOSOC	Corrupt Practices	█				█						
UNCTAD	Restrictive business practices		█			█					█	█
UNCTAD	Technology transfer		█	█							█	
ILO	Tripartite Declaration			█		█	█				█	
Other Codes												
OECD	Guidelines for MNEs	█	█	█	█	█	█				█	█
EEC	Draft Code of Principles	█	█	█	█	█	█	█	█		█	█
EEC	South Africa Code				█							
OAS	Guidelines for Foreign Investment			█							█	
ANCOM	Foreign Capital Code		█	█		█	█	█			█	
PBEC	Charter on International Investments		█	█	█	█	█	█	█		█	█

List 4

Specialized UN initiatives relating to international corporate activity

Organization	Code	Current Status
UN-ECOSOC	International Guidelines for Consumer Protection	Under Negotiation
WHA	Code on Marketing Breast-Milk Substitutes	Adopted May 21, 1981
UN General Assembly	Resolution on Use of Harmful Products	Adopted Dec. 1982
UN Environment Program	Exchange of Information on International Trade in Potentially Harmful Chemicals	Implemented 1985
WIPO	Renegotiation of Paris Convention on Industrial Property	Under Negotiation
UN-ECOSOC	International Standards of Accounting and Reporting	Under Negotiation
ILO	Convention on Termination of Employment at the Initiative of the Employer	Approved by ILO in 1982
UNCTAD	Convention on a Code of Conduct for Liner Conferences	Adopted 1983

been advanced by home and host governments. Developing countries maintain that disputes concerning MNE activity within their borders be subject to their exclusive jurisdiction, and be settled in the national courts of the host country. Proposals to refer disputes involving MNEs to an international forum are resisted by developing countries, as it removes the settlement of the dispute from their jurisdiction, and implies a lack of confidence and credibility in the laws and courts of developing countries.

The attempt to implement the UN-ECOSOC Code on Corrupt Practices appears to have been abandoned due to a lack of real interest in the code outside the US. During the 1970s the US had implemented national legislation restricting the use of illicit payments abroad, and was eager to have MNCs from other countries operate under the same set of constraints. Realizing the importance of this code to the US, developing countries used the code as a bargaining tool in attempts to obtain concessions on issues of importance to themselves. Many developing countries have also been reluctant to pursue a binding code on illicit payments. As countries with inadequate public revenue to pay for their own bureaucracies, they have often tacitly condoned illicit payments as a means by which to remunerate civil servants. With US MNEs operating under the constraint of US national legislation on illicit payments, other developed home countries to MNCs had little incentive to remove the advantage this provided their own firms. For all these reasons, vigorous US efforts to have the code implemented have failed.

By pressuring for codes of conduct in the UN, de-

veloping countries are hastening and shaping the evolutionary process of change in international law. The adoption and implementation of codes are an important source of customary international law, and can take precedence over more than a hundred years of case law on the rights of foreign investors. Developed countries strive to ensure that the codes result in a source of customary international law that will not accidentally restrict many potential global benefits of MNE activity. Such a development could occur if the practice of states in implementing restrictive codes resulted in a harsh investment climate and a reduction of beneficial MNE investment.

Canadian concerns

Canada's interest in these codes has recently broadened because its role as a host country to foreign investment has become complemented by its role as a capital exporting country. Our traditional concern as a host country to direct foreign investment is rapidly being superseded by the concerns of being a home country to such investment. Canadian direct investment abroad increased from 1981 to 1984 by about one-third to \$41.4 billion. Investment abroad is now about half the value of the investment in Canada compared with about one-fifth a decade earlier. Not only will Canada have to take a consistent stand on its policy to inward and outward investment, but future multilateral trade negotiations will need to recognize the role played by investment as a substitute to trade, and the ways in which investment codes can influence the interrelationship between trade and investment. □

Book Reviews

Learning strategy on the job

by Courtney Gilliat

Deadly Gambits by Strobe Talbott. New York: Alfred A. Knopf, 1985, 380 pages, US\$17.95.

Deadly Gambits is a sequel to *Endgame*, the story of SALT II by the same author. The book, written between 1980 and early 1984, deals with two sets of Soviet-US arms control negotiations: INF (the Intermediate Range Nuclear Forces Talks) and START (the Strategic Arms Reduction Talks).

In the Prologue, the author describes both the decisions and the background to these decisions on arms negotiations inherited by the Reagan administration from the Carter regime. Reagan and the new group around him were not very interested or very knowledgeable in foreign affairs. They believed in general terms that the Russians were stronger militarily, especially in large ICBMs, and wanted to redress this balance by a major US military buildup. They also wished to make a clean break with the past as far as arms control was concerned, both with the people involved, in so far as possible, and with the concepts behind SALT I and SALT II. They believed that unnecessary concessions had been made in the cause of détente and compromise.

The result was a new team with new players. They rejected the past and criticized both SALT II and the dual-track NATO decision to negotiate while preparing to deploy Cruise and Pershing II missiles in Europe. However, Reagan was persuaded to reaffirm US adherence to the NATO decision, fearing a disruption of allied unity should the US withdraw its support.

The book is divided into two parts, covering first the IMF negotiations, then the START talks.

Talbott describes in detail the development of the US zero-option position in the IMF talks. He follows it all the way through its troubled history within the US government. The infighting between the State Department and the Department of Defense and the various other players such as the National Security Council (NSC), the Joint Chiefs, the Arms Control and Disarmament Agency and the White House are all clearly described. The various protagonists are identified by name, especially the two Richards: Richard Burt of the State Department and Richard Pearle of the Department of Defense. The influ-

ence of these third echelon players on policy was unusually pervasive because of their intelligence and expertise.

The final act was the "Walk in the park" (and its sequels) between the US IMF negotiator Nitze, and Kvit-sinsky. Since there was ultimately no agreement on the reduction of Soviet missiles, the final result was the deployment of a total of 572 US Cruise missiles and Pershing IIs in Europe and the walkout of the Soviets at the Geneva talks.

The second part, dealing with the START talks, is more complex and more difficult to follow. There was, if anything, more infighting within the Reagan administration in these talks and much less certainty on just what final outcome was desired. There was a great division of opinion on the units of measurement, i.e., how important was "throwweight," or were launchers and numbers of missiles only, the best units of account? What about aircraft and other forward-based systems?

The attitude of General Rowney, the chief US negotiator for START, is heavily criticized by Talbott. Rowney seemed to take delight in being unnecessarily difficult during the negotiations and did not have the respect that Nitze enjoyed in the IMF talks.

To try to resolve the internal impasse, President Reagan established the President's Commission on Strategic Forces at the beginning of January 1983, headed by Lieutenant-General Brian Scowcroft, a former Kissinger assistant on the NSC. The report supported deployment of the MX missile and suggested a more flexible approach to the 850 launcher ceiling on both sides, with sub-ceilings for smaller missiles. It also placed emphasis on de-mirving of missiles and the development of single warhead missiles. This could lead to less vulnerability, less inducement for preemptive strikes, and so greater strategic stability.

START talks were complicated by ongoing events such as President Reagan's speech of March 1983 suggesting the Strategic Defense Initiative, by the development of new ICBMs by the Soviets, and by accusations of breaches of the unratified SALT II treaty by both sides, as well as by leadership changes in the USSR and by events in Poland.

A number of negotiating approaches were developed, including the "build-down" proposal, but none was really satisfactory to the Reagan administration, and all were rejected by the Soviets prior to their walkout from the START talks in December 1983.

The INF and START talks were almost doomed to fail from the start because of a number of factors which all came together. There was the new Reagan administration — which had little interest in or knowledge of foreign affairs — the massive Soviet arms buildup, the US desire to rearm and modernize its forces, the need for “extended deterrence” to be reinforced in Europe, the shifting of personalities within the administration, e.g., a change in Secretary of State, in National Security Director and in the Director of the Arms Control and Disarmament Agency. This was partly balanced by the pressure from the US allies and from Congress to make progress in arms control negotiations and in the reduction in tension between the two superpowers.

This is a disturbing book because it highlights the fact that the objectives of some form of arms control, fair and equitable to the superpowers, is probably unattainable, given the US desire to place US national security, as defined by the US, above all other considerations. It is also an important contribution to understanding one of the most important issues of our time, the avoidance of a nuclear holocaust.

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An important bibliography

by John Greer Nicholson

Soviet-Canadian Relations, 1917-1985. A Bibliography compiled by J.L. Black, Institute of Soviet and East European Studies, Carleton University. Ottawa: Balmuir Book Publishing, 1985, 142 pages, \$10.95.

Well-compiled scholarly bibliographies long retain their interest. Professor Black and Carleton have filled an important gap. It is divided into two main parts or “perspectives” — Soviet and Canadian, according to the sources of the writings. A central (and successful) aim of the Soviet segment is to provide users with a “clear taste of the type and tone of information about Canada which permeates the top echelon of Soviet policy-makers.”

The initial 520 Soviet entries are however marred by at least sixty errors or omissions. Most are trivial, but “vnutrennei” means “of internal” not “external” (Item 351), and “Mirovogo okeana” (Item 360) refers to the oceans of the world, not just the “Pacific.” Further, two Canadians publishing in Russian in Toronto — M.I. Mogiljansky (the correct spelling) and G. Okulevich — should not be included in the *Soviet* listing. On the other hand, the listing is not overly rigid. Thus, under Item 148 it succeeds in capturing a Soviet accusation that Canada is a land of “religious intolerance, harbouring Nazi war criminals and of widespread anti-semitism.”

The “taste” of the Canadian works listed in the second part is naturally much more varied. They include unpublished research theses such as Item 139 on “The CBC’s International Service as a Psychological Instrument of Foreign Policy in the Cold War.” While the titles in the Canadian section are not so monotonously predictable, some do reveal the naiveté of the postwar years.

Relevant cartoons from both sides enliven the listings, although the caption to page 77 wrongly has “Canada” speaking, when it is “Uncle Sam.” The six appendixes, each a useful microcosm in its own right, are just too many and will puzzle the first-time user. The four indexes should be reduced to two, and all names in the appendixes added to them. A second and revised edition of this useful bibliography is clearly needed.

John Greer Nicholson was Professor of Russian Studies at McGill University in Montreal from 1962-79.

Soviet leaders speak

by Carl Reid

Speeches and Writings of Konstantin Chernenko Second enlarged edition, edited by Robert Maxwell. Elmsford, N.Y.: Pergamon Press, 1984, 256 pages, US\$25.00.

Selected Speeches and Writings of Victor Grishin translated by Y.S. Shirkov. Elmsford, N.Y.: Pergamon Press, 1984, 300 pages, US\$40.00.

Peace Now, Peace for the Future by Andrei Gromyko Second edition, translated by Y.S. Shirkov. Elmsford, N.Y.: Pergamon Press, 1984, 306 pages, US\$35.00.

Konstantin Chernenko’s brief and colorless tenure as General Secretary of the CPSU was the culmination of a career devoted to the maintenance and prosperity of the Soviet regime. He was a capable administrator under Leonid Brezhnev and the CPSU’s chief ideologist for Yuri Andropov. The thirteen articles added to this revised edition span the years from 1975 to 1984 and are heavy on ideological instruction. Like many Soviet texts of this kind, this makes for dry reading and primarily is aimed at the party apparat.

Chernenko is adamant that theory and propaganda take a “realistic account” of Soviet needs. Successes should not be exaggerated and in this respect journalists should be “more biting” in their appraisal of economic affairs. Appropriately, the contradictions of socialism must not be given a negative meaning but should be viewed in a positive light so that error will be diminished once actual policies are formulated and applied.

On the subject of foreign affairs Chernenko is predictable. The United States adheres to a policy of brinkman-

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ship by preparing for a preemptive first strike or limited nuclear war. Détente, on the other hand, offers "broad scope for a democratization of international life" and has facilitated socio-political change in states such as Vietnam, Portugal, Spain, Greece and Nicaragua.

Chernenko was Andropov's political rival in the bid to succeed Leonid Brezhnev, and so in the name of CPSU unanimity Chernenko was obliged to nominate Andropov as General Secretary and President of the Supreme Soviet. Both speeches are published here, as well as Chernenko's acceptance speech when he was nominated General Secretary after Andropov's death.

Among the three Soviet authors reviewed here, Victor Grishin is the least known to the Western public, but his prominence in Soviet political affairs is considerable. He is the longest serving member on the ruling Politburo and is the CPSU First Secretary of Moscow. The twenty-five speeches and articles selected for this publication are presented chronologically from 1972 to 1982 and reflect the diversity of Grishin's credentials.

The lead article is a tribute to the city and the people of Moscow and its role as a model Communist city. Grishin is unabashedly proud of his city, and in most articles refers to it as an example of achievement. An article entitled "The Splendid Traditions of a Great Beginning" is a speech dedicated to Communist Subbotniks, a unique feature of Soviet society in which workers occasionally labor on Saturday without salary. Grishin gives a brief history of Subbotniks, duly citing Lenin as discerning "the actual beginning of communism" in this labor tradition.

Three speeches from Moscow city committee plenaries over which Grishin presided are more business like. Grishin is specific about the shortcomings and the achievements of his economic administrators, emphasizing the need for intensified use of labor, an ongoing theme throughout the book. These are bread and butter examples of how a senior Soviet official runs his shop.

Grishin visited Poland in July 1981 and addressed Polish Communists on behalf of the Kremlin and, perhaps ominously, informed them that the CPSU could not be "indifferent when the destiny of socialism" was at stake in Poland. He also reminded Poles that the cheap Soviet resources which flowed to them without interruption were not "superfluous" to the Soviet economy.

Other articles cover Komsomol activities, trade unions, dedications, the fiftieth anniversary of the USSR, and the 1977 Constitution of the USSR.

The title of Gromyko's book seems inappropriate, considering the themes of his articles and speeches. Perhaps it should be called *The United States, a Target of Soviet Complaints*. The fourteen articles and speeches of the USSR's venerable foreign minister were made between 1978 and 1983. Some speeches were made before UN General Assemblies and the USSR Supreme Soviet, while the articles are reprints from Soviet journals.

Throughout the entire book, Gromyko lambastes every major aspect of US foreign policy. He is highly critical of US affiliation with Israel and South Africa and chastizes Beijing's "great power ambitions" by virtue of the current trend in Chinese-American relations. He advocates political and military détente, but describes those who shrink from the word as having "a wrinkled face

... like that of a hungry cat tasting a cucumber in a kitchen garden." (Who says Andrei Gromyko doesn't have a sense of humor?)

In an article called "The Main Features of Export of US Capital Today," Gromyko draws on western scholarly sources to make an argument against US corporate direct investment abroad, which he describes as the means for building "dependable military-strategic bridgeheads" in Western Europe and Japan. Canada, he says, plays the role of the "exploited party" in the US-Canadian relationship.

The speeches are significant because they contain some of the formal proposals made by the Soviets on prohibiting nuclear weapons tests, space defence systems, chemical weapons, a reduction in Euro-missiles, and a proposal to disband NATO and the Warsaw Pact.

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Manipulating the Unions

by James Warnock

Labor in Soviet Global Strategy by Roy Godson. New York: Crane, Russak, 1984, 93 pages, US\$6.95.

The question of the extent to which the Soviet Union plays an influential role in the international labor movement has become all the more topical with the news that England's National Union of Miners, and in particular its leader, Arthur Scargill, has, for a number of years, maintained close relations with official Soviet trade union organizations. Roy Godson provides an interesting, if somewhat skimpy, overview of the means by which the Soviet Union seeks to influence and direct labor movements on both the national and international level.

The book is divided into two sections. In the first, the traditional Soviet perspective of workers and trade unions as a revolutionary force is outlined. While Godson does not cover this question in great detail, he does provide a concise and accurate survey of the development of the official Soviet view of the international labor movement.

In the second section, the various Party and government organizations through which the Soviet leadership formulates and implements its policy in this area are described. Professor Godson then goes on to recount the various regions of the world in which the USSR has attempted to influence, and thereby win the support of, the local union movements. His assessment of Soviet attempts to penetrate foreign labor organizations, particularly in developing countries, is interesting, but because of the small size of the book, tends to be limited in scope. As a result, much of the historical background which would add to an understanding of the development of relations with foreign trade unions is overlooked.

Godson's book is a good general study of the Soviet approach to the international labor movement and as such it is useful to those seeking to acquire a basic understanding of Soviet policy and practice in this area.

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Remember the "Contractual Link?"

by Donald Barry

The Canada-European Communities Framework Agreement: A Canadian Perspective by Robert Boardman, Hans J. Michelmann, Charles C. Pentland and Panayotis Soldatos. Saskatoon: Canadian Council for European Affairs, Policy Series No. 1, 1984, 122 pages (half English, half French), \$8.00.

The 1976 Canada-European Community Framework Agreement on Commercial and Economic Cooperation (the so-called Contractual Link) can hardly be termed a resounding success. Despite the optimistic predictions of expanding economic cooperation that accompanied the signing of the agreement, only marginal changes in Canada-EC trade and investment patterns have resulted and they have been overshadowed by well publicized disputes between the two sides over uranium, agricultural products, fish, seals and newsprint. The authors of this study, the first comprehensive report on the Contractual Link, do not succumb to the currently fashionable pessimism about the Framework Agreement, but they agree that the accord is in need of revitalization. Written from a Canadian perspective, their study examines the reasons for the Framework Agreement's somewhat mixed record of accomplishment and puts forward a series of recommendations to enhance its future effectiveness.

The report argues that Canada-EC cooperation has been continuously plagued by widely held, if simplistic, Canadian perceptions of the Community as a market for manufactured exports and European views of Canada as a source of raw materials and energy. It has also been eroded by global economic trends which have fueled European protectionism and prompted Canada to align itself more closely with the US. Moreover, the narrow scope of the Framework Agreement has left it as only one of a number of instruments for Canada-EC collaboration. The study points out that Canadian policy toward the Community has been hampered by varying levels of knowledge of, and commitment to, the Contractual Link within government, bureaucratic and business circles and the failure to accommodate the priorities of the Atlantic and western provincial governments in the Framework Agreement's committee and working group structures.

Still, the authors are persuaded that the Contractual Link is worth preserving and strengthening. Their nineteen recommendations aimed at improving the Framework Agreement's effectiveness range from measures to broaden Canadian knowledge of the Community, to the expansion of the accord's consultative structures and the adoption of an early warning system through which Canada and the EC could alert each other to developing trends in their policies. Readers may lament the author's failure to ground their proposals in a convincing overall rationale for cooperation between Canada and the Community. Nevertheless, the study and its recommendations constitute an impressive attempt to come to grips with current problems in Canada-EC relations.

Donald Barry teaches political science at the University of Calgary.

Diplomatic Catchup

by Bruce M. Williams

Third-World Diplomats in Dialogue with the First World by Robert J. Moore. Agincourt, Ont.: Gage Publishing Limited, 1985, 179 pages, \$23.85.

This is a slim volume but full of wisdom and good sense. This is not surprising since its author is both an academic and a former very successful High Commissioner to Canada from Guyana. Dr. Moore has brought to his study a wealth of experience and has presented it in an interesting and absorbing fashion.

The role of a Third World diplomat in a First World country is complicated, often difficult and perhaps always full of uncertainties. Dr. Moore sets out in clear terms the problems which both young and older inexperienced Third World diplomats encounter when they embark on their careers in the developed countries. He carefully analyzes the historical problems facing the Third World diplomats and offers much sage advice on how to come to terms with the more classical mold of diplomacy found in the First World. He makes an elegant plea for understanding by the developed countries of the hopes and aspirations of the developing countries. He sets the conflicting objectives of the two worlds in clear terms. The developed countries, he writes, want, over and above a peaceful world, an orderly rate of economic growth, full or near-full employment, uninterrupted supplies of vital raw materials and expanding markets for their outputs. In contrast, the developing countries emphasize the need for the abolition of mass poverty in the shortest time possible, accelerated and equitable world economic development, equality of opportunity nationally and internationally and the right to take part in decisions on the future of a world in which their citizens form an increasing majority. These differing world

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views are ably interwoven by Dr. Moore as he describes the work and life of a Third World diplomat.

Dr. Moore has wise words to offer all diplomats on how to do their jobs effectively and efficiently. He is an able communicator and not surprisingly lays considerable emphasis on the need for all diplomats, particularly Third World diplomats, to pursue and persuade imaginatively all segments of society in their country of posting. He writes knowingly of the importance and role of the universities, church groups and voluntary agencies in developing sympathetic and understanding attitudes to the needs of the Third World.

With respect to the training of young diplomats from the Third World, Dr. Moore offers many perceptive and shrewd proposals on how to achieve the development of a rounded and mature foreign service officer. His many useful recommendations could be accepted by many countries including those of the developed world.

In sum Dr. Moore's study could well serve as a standard text for many foreign services because it contains so very many sound and profound observations.

Bruce M. Williams is a retired Canadian diplomat living in Ottawa.

Good-looking Germany

by Hans Sinn

Questions on German History: ideas, forces, decisions from 1800 to the present. Bonn: German Bundestag, 1984, 468 pages, free.

To review a government publication is hazardous at best. To review a government publication which touches upon the disputed origins of its own State is bound to be contentious. Nevertheless, the Bundestag (Parliament) of the Federal Republic of Germany (FRG) must have felt sure of its footing when it opened in 1971 a continuous exhibition on German history, and recently translated the catalogue into English. The resultant catalogue of 468 pages, almost equally divided between text and illustrations, is attractive, well organized and easy to read. Unfortunately it is poorly bound and its pages tend to dislodge upon first reading.

The stated purpose of the exhibition is to trace Germany's "movement towards a liberal parliamentary democracy" from 1800 to the present. It is the evident wish of the organizers to assure their audience that democracy, after some serious setbacks, has finally arrived in Germany and is here to stay. The Bundestag in its eagerness to make its

point virtually ignores the eighteen million Germans now living in the German Democratic Republic (GDR). It also asks its audience to concentrate on the *process* by which decisions have been made since 1945 in West Germany, not their *content*. Thus, provided the viewer accepts Dr. Gall's advice and does not look too closely at German history, especially as it pertains to the origins of GDR and FRG, he or she will be left with the comforting impression of having been presented with a well-rounded historical review. The catalogue is filled with enough facts and figures to befog more recent German history.

The exhibit and catalogue make a conscious appeal to western political bias. Unfortunately it is a bias we can ill afford. Today's Germans are tied so closely to the military and socio-economic systems of East and West that mistaken assumptions about the origin and purpose of the two German states could prove costly. This is not to suggest that Canada's new allies are not as democratic as the exhibition and its catalogue portray it to be. Instead I am suggesting that ancient dreams and ambitions die hard, and will, when frustrated, assume new forms of expression. We have therefore a legitimate interest to look behind the exterior which the German Bundestag is presenting to the world.

As a start we may wish to consider some of the many facts not mentioned in the catalogue: A.J. and R.I. Merritt in their *Public opinion in occupied Germany* noted that "Opinion polls compiled by the American army's Information Control Division in November of 1945 showed that 50 percent of those (Germans) polled believed that 'National Socialism was a good idea badly carried out.' Only 40 percent thought National Socialism a 'bad idea,' and while 20 percent accepted that Germany was responsible for the war, a massive 70 percent rejected any responsibility. To allied surprise, the same pollster discovered that in January of 1948, the percentage had barely changed."

In the summer of 1947 Dr. Konrad Adenauer, first West German Chancellor and acclaimed architect of postwar West German politics, explained his political strategy to August Haussleiter, the then Deputy Chairman of the Christian Socialist Union (CSU): "The war between America and Russia is unavoidable. We have to see to it that we take part on the right side. For the first time in German history we will have the strongest world power as an ally. Though we will have to cede some land to the West, we will get for it large territories in the East."

Today's West German Chancellor Helmut Kohl in proclaiming himself "heir to Dr. Adenauer" is obviously proud of a heritage he does not understand. Unfortunately even for the Germans themselves, the Berlin exhibition and its attractive catalogue shed no light on the ever-present darker side of German politics, but tend to hide more than they reveal. For that reason the catalogue can be of no more than superficial interest to the discerning reader.

Hans Sinn operates the Social Defense Project from Perth, Ontario.

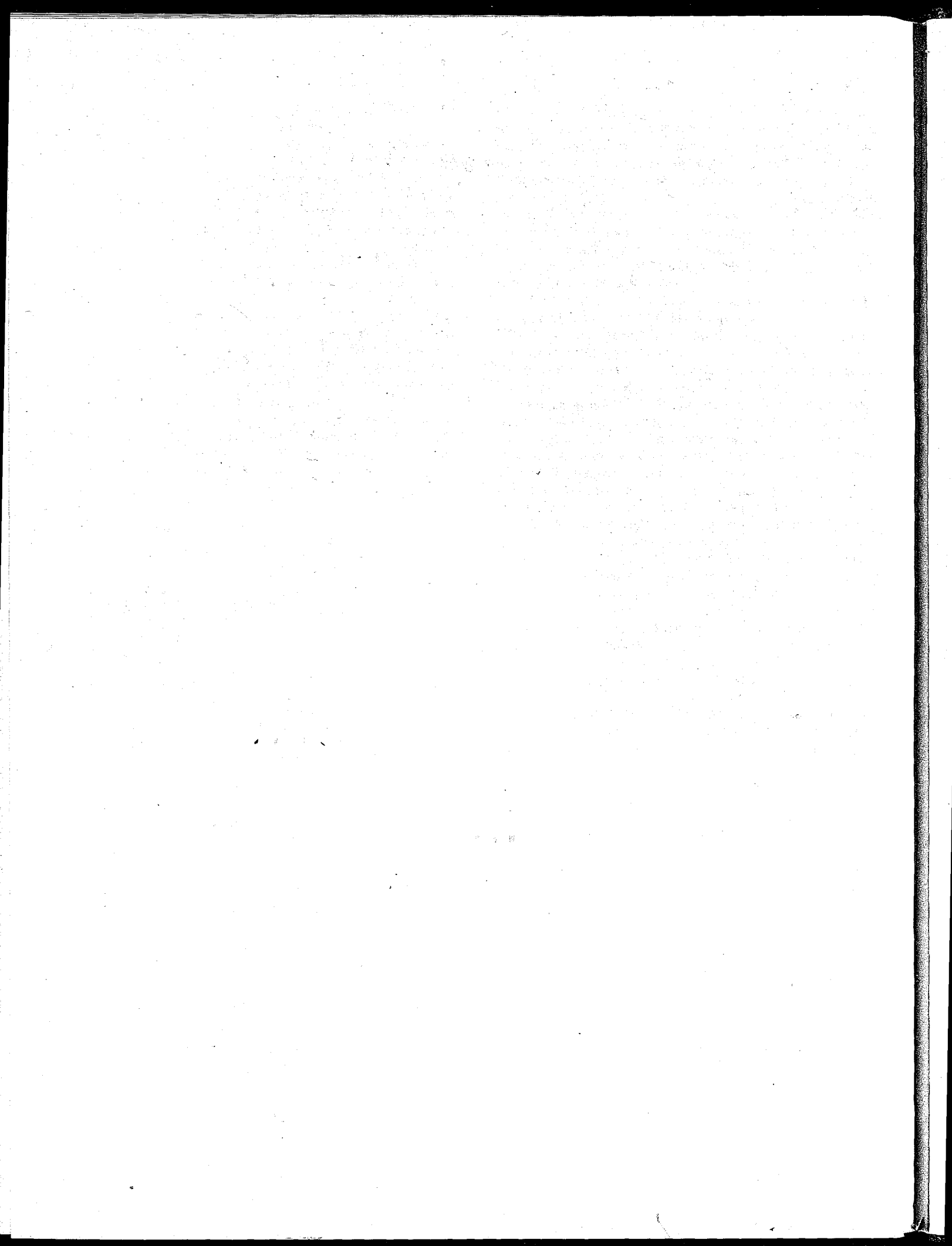
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