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Address by the Right
Honourable Joe Clark,
Secretary of State for
External Affairs
Taj Mahal Hotel, New Delhi
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CANADIAN FOREIGN POLICY AND INDIA

AN ADDRESS BY THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS

Ladies and Gentlemen:

This is my third visit to New Delhi as Canada's Foreign Minister. I have returned to New Delhi only 14 months after my last visit for three simple reasons: the growing importance of India in the world; the growing importance of India to Canada; and the growing importance of Canada to India.

Many of you are aware of the burgeoning of the Canada-India relationship in recent years. That relationship really began at the turn of the century, when immigrants from India first settled in the Canadian west. The official partnership had its origins in the earliest days of Indian independence and in the emergence of the modern, post-war Commonwealth. Since then, many thousands of people of Indian extraction have settled in Canada. Through their hard work and distinctive cultures, these Canadians-by-choice have made a major contribution to the diversity, the identity and the economic strength of our nation.

Our economic relations have expanded enormously. Our two-way trade reached \$660 million in 1985, and we are laying the base for greater growth. For example, Canada has opened a new trade office in Bombay; nearly 50 Canadian firms are exhibiting here this week as Canada is "partner country" in the Seventh Indian Engineering Trade Fair; we have signed a Memorandum of Understanding on Industrial and Technological Collaboration; ratified a double taxation agreement; and convened yesterday the first annual ministerial consultations.

All of this took hard work on both sides. It was not a matter of course, and it has not taken place in a foreign policy vacuum. These developments occurred because they make sense in broader economic and political terms.

I want to set our relationship in a Canadian foreign policy context. That will reveal something of our common cause as diplomatically activist nations and give you a fuller appreciation of why India is particularly important in our global foreign policy.

The initial point to be made is that Canadian foreign policy is, indeed, global. We can understand its global character -- I should say rather its global imperative -- by examining its domestic foundations. Canada is a parliamentary democracy which holds together across its vast expanse a remarkably small population. That population is, culturally, highly diverse. We are a bilingual and multicultural people, and we live in regions whose economic structures are strikingly

different. Depending on the region, our economy runs the full gamut of sectors: agriculture and fisheries, resource extraction and processing, heavy industries, services, and the newest high technologies. Given the tremendous diversity within Canada -- cultural, linguistic, regional and economic -- it has been absolutely critical for us to pull together as a nation. That has shaped our foreign policy in a number of ways.

First, the political tolerance and flexibility we have had to apply at home translates abroad into diplomatic pragmatism and a strong commitment to human rights. Second, our long experience with nation-building at home has made us very sensitive both to the demands and opportunities of coalition-building abroad. Canada is itself a kind of cultural and regional coalition, and coalition-building has become a hallmark of Canadian foreign policy.

Third, the structural complexity and export orientation of our economy makes Canada a world trader. We are heavily dependent on our exports for national prosperity, and this means that we are very vulnerable to dislocations in the global trade and payments system.

I believe you can see in this some parallels between Canada and India. India has achieved nationhood out of a dramatic diversity. India, like Canada, understands the critical importance of key multilateral institutions, and the imperative of coalition diplomacy. Canada has developed a range of affiliations remarkable for a country our size -- the Economic Summit, the G-7 and Trade Quadrilateral mechanisms of the leading industrial and financial countries, the OECD, the broad range of UN agencies, NATO, the Commonwealth, La Francophonie, regional development banks, and support of several regional associations. Among these latter, I would mention the Association of South East Asian Nations and reiterate that Canada looks forward to establishing a productive dialogue with the South Asia Association for Regional Cooperation and to identify ways in which we can support the objectives of that Association.

India, for your part, has emerged as a leading spokesman for the Third World, and more broadly as a major political entity and trading nation in your own right. You have played a highly significant role in the Non-Aligned Movement. Vigorous Indian participation in the UN system and the Commonwealth has led to intensive Indo-Canadian diplomatic work across a range of issues. At times we have sought to hammer out a consensus on issues where our perspectives may differ. At other times, we have worked in the closest cooperation toward a common goal. In either case, we have

recognized the absolute necessity of close diplomatic engagement in tackling complex, multilateral issues.

In the economic sphere, India like Canada has witnessed the increasing integration of its economy into a global economic structure. Both our countries have an enormous stake in workable international economic institutions. Both our countries are threatened by looming protectionism in major export markets.

The lesson to be drawn from these realities is, I think, quite clear. The word "partnership", which has been almost drained of meaning through its overuse, must be injected with real content. I refer not only to the Canada-India bilateral partnership, but also to partnership in addressing major multilateral questions. I am not talking about talk -- but rather the issue-specific cooperation that serves to build coalitions in an increasingly complex world.

A major case in point is our preparation for the New Round of Multilateral Trade Negotiations. We were pleased that, at Punta del Este, participating nations were able to achieve compromises on major issues. This will permit us to move forward on the most comprehensive set of multilateral trade negotiations ever attempted.

We are now entering serious bargaining in Geneva. On some issues, Canada and India have differing outlooks. For example, India questions the inclusion of services and other new areas for negotiation such as investment and intellectual properties. It is our view that we must make the GATT fully relevant to current economic realities. We can no longer ignore sectors such as services, at a time when the distinction between goods and services is becoming increasingly blurred.

I have every confidence that these differences will be resolved. Agriculture is one sector, for example, where Canada and India have a clear common interest in trying to correct dramatic price distortions. In commercial life we speak inevitably of the "bottom line". But the real bottom line, for both Canada and India, is the survival and strengthening of the multilateral trading system, and its further liberalization to help stimulate world economic growth that will benefit all countries.

Let me refer briefly to two areas in which we all have a vital interest: East-West relations, and arms control. I know you will agree that these areas cannot be left to the Superpowers as their exclusive domains.

Canada is committed to collective security. We helped create the North Atlantic Treaty Organization and our active membership is a cornerstone of our foreign policy. We believe strongly that collective security and arms control are mutually reinforcing concepts. Our aim is the reduction of nuclear as well as conventional arsenals to the lowest possible level.

The critical problem in achieving this aim today is the lack of East-West confidence, particularly between the Superpowers themselves. Building confidence is the fundamental prerequisite for reducing tensions, both generally and in specific regional conflicts. And increased confidence is the essential underpinning for progress on arms control and disarmament.

For confidence to be increased, compliance with existing agreements is critical. We are concerned over Soviet lack of compliance with the Helsinki Final Act and the Madrid Concluding Document. By lack of compliance -- let me be specific -- I am referring to Soviet violations of human rights, and the continuing Soviet occupation of Afghanistan. Besides wishing to see progress in the security field, Canada's aims at the present CSCE in Vienna will be to insist on greater compliance with the existing agreements and additional safeguards for human rights.

More generally, we are working to broaden the basis of East-West relations by developing our own ties with the Soviet Union and Eastern Europe. What does this mean in practice? We have a regular exchange of ministerial visits, notably with the Soviet Union, but also with Eastern Europe. I myself visited the Soviet Union in 1985. In October of 1986, Foreign Minister Shevardnadze came to Ottawa. Our discussions were open, direct and constructive.

In addition, Canada and the Soviet Union have several exchange agreements on culture, in science and the humanities, agriculture, and the Arctic. The USSR remains the major market for Canadian grains. These various strands of our relationship with the Soviet Union are not only of mutual benefit but I believe they contribute to better East-West relations as a whole.

It is not going to be an easy year for arms control negotiators. Keeping the Geneva process going is critical, as is the eventual holding of another Summit. The message for both Canada and India is that multilateral consultations on arms control are absolutely essential, both to encourage the continuing Superpower talks and to tackle the range of issues that must be addressed by more than the Superpowers.

An area of special focus for Canada is verification, without which effective arms control agreements are impossible. We have worked hard on this question in several forums, including the UN First Committee, where our verification resolution was strongly supported by India. We hope that all nations participating in the Conference on Disarmament will move forward on the necessary work in areas such as seismic testing.

India's commitment to arms control has been evident in your key role in the Six-Nations' Initiative. You have also made a major contribution to the multilateral process through your chairmanship of the Preparatory Committees of the UN Disarmament and Development Conference.

I cannot speak to the subject of arms control without making one final, unavoidable point. Nuclear proliferation presents the world with unparalleled dangers, and those dangers must be guarded against collectively. The signing of the Nuclear Non-Proliferation Treaty by all nuclear weapons and weapons-capable states is, quite simply, essential.

I have been speaking on broad global issues, of our shared interest in those issues, and of our shared responsibility for managing them. Now I want to be somewhat more specific, and talk about Asia.

The Asia-Pacific region as a whole has gained enormously in economic and political importance in recent years. The significance of Asia is now reflected very sharply in Canadian foreign policy. The National Trade Strategy of 1984 designated Asia as the most important region of focus, with the United States, for Canadian export promotion. More broadly still, a Special Parliamentary Committee on Canada's International Relations placed great emphasis, in its 1986 Report, on the economic and geopolitical importance of Asia. The Government made it clear, in our response to that Report, that Asia will figure more prominently than ever in Canadian foreign policy.

A good part of the reason for this emphasis is of course economic. In 1982 Canada's trans-Pacific trade exceeded our trade across the Atlantic and Canada's economic involvement in the Asia-Pacific region continues to grow.

Our interests in Asia are much broader than trade. We have become increasingly aware of the region's significance in geopolitical terms. Simply put, Canada has very important interests in Asia -- in Asia's stability, in its prosperity and openness, in its positive disposition toward the West. We view Asian states not simply as markets, not even solely as economic

partners, but as significant political actors with major security concerns of their own. We are determined to play a more active diplomatic role in Asia, through increased consultation on regional political and security issues.

This increased Asian emphasis is not a sidelight of Canadian foreign policy. We perceive Asian diplomacy as our avocation and, indeed, our obligation, as a Pacific Rim nation.

India has a central place in our Asia policy. You are a highly valued economic partner across an increasingly broad range of sectors. Canada is the eighth largest industrial economy in the world, and India is the tenth largest, intent upon a highly imaginative and far-reaching development program. You are one of the largest recipients of Canadian development assistance, and use that assistance with impressive efficiency. But more than this, India is the largest country in South Asia and a diplomatic actor of increasingly global significance. What India says, and what India does, counts enormously in the security and economic prospects of this part of the world.

Canada has a particular stake in the stability of South Asia. All the countries of South Asia trade with Canada and receive Canadian development assistance. More pointedly, Canada has received many thousands of immigrants not only from India but from Pakistan and Sri Lanka and Bangladesh. Given the multicultural underpinnings of Canadian foreign relations, it is natural that this Government should view developments in South Asia with genuine interest.

I know that India will continue to exercise restraint and apply its formidable diplomatic skills to managing tensions with Pakistan. The consequences of direct, large-scale hostilities would be extremely serious. Should nuclear weapons be developed and employed, the consequences would be calamitous. I must tell you frankly that the international community views with the deepest concern the potential in this region for nuclear proliferation.

The continuation of the conflict in Sri Lanka is a matter of grave concern and Canada looks forward to an early resumption of the negotiating process which India has done so much to foster.

From a Canadian perspective, the major threat to the security of the Asia-Pacific region as a whole is the Soviet military build-up. This Soviet threat, particularly the naval threat, extends through and beyond the region and is indeed an element of a global pattern. If tensions are to be reduced in Asia, the Soviet Union must acknowledge that its military

investment contributes to those tensions. It must also take responsibility to disengage from regional conflicts.

The Canadian Government welcomed the very positive formulations contained in General-Secretary Gorbachev's Vladivostok speech on Pacific Security. That positive tone was also a conspicuous and encouraging feature of the New Delhi Declaration. But a distinction must be made between expressions of intent on the one hand and constructive action on the other. That, basically, is the message I conveyed to Mr. Sheverdnadze in Ottawa last October. We welcomed the new Soviet interest in constructive Asian diplomacy; we will endorse any concrete initiatives that make sense; but such initiatives must be taken. When Canada agreed to observer status for the Soviet Union at the recent Fifth Pacific Economic Cooperation Conference meeting in Vancouver, it was on the understanding that the USSR should be given a chance to play a more constructive role. They must now demonstrate their capacity to act as well as promise.

Nothing would more dramatically illustrate Mr. Gorbachev's determination to follow through on his Vladivostok speech than a withdrawal from Afghanistan. The brutal occupation of that country, should it continue, will give the lie to any Soviet protestations of good intent in Southwest Asia. It would be my wish that all nations which share our commitment to democracy and human rights could join us in urging a Soviet disengagement from Afghanistan and self-determination for the Afghan people.

We are concerned also with the seemingly endless conflict in Indochina, which is in large part a result of the Vietnamese occupation of Cambodia. That military occupation has been condemned by a vast majority of the member states of the United Nations. The material support which the Soviet Union provides Vietnam contributes to the intractability of that situation. I would hope that India would join us in trying to impress upon the Soviet Union and Vietnam that a peaceful settlement, which allows the Cambodian people to determine their own future, is in everyone's long-term interest.

I would like to turn briefly to regional conflicts in two other areas of the world: Central America and Southern Africa. The root of the conflicts in Central America is local poverty, not international politics. Canada maintains an active aid program in Nicaragua, El Salvador and elsewhere, aimed at basic economic development, and direct help to people. We support the Contadora process and have sent experts to provide advice on the best mechanisms of peace-keeping. The Canadian approach to regional conflicts is not ideological but

pragmatic; we try to isolate basic causes and respond to them, in the knowledge that regional problems must have regional solutions.

In Southern Africa, we have made use of the Commonwealth as a key diplomatic instrument and have joined with India on a major diplomatic offensive to end apartheid. We all know that this task is fraught with great difficulties, both in terms of the recalcitrance of the Pretoria government and the differing approaches of nations opposing apartheid. But the challenge has served to draw Canada and India closer together diplomatically, and represents one example of a new vitality in the Commonwealth. It is with great anticipation that Canada looks forward to hosting the Commonwealth Heads of Government Meeting in Vancouver in October.

Canada has watched with great interest the development of the Africa Fund under the chairmanship of Prime Minister Gandhi. We are playing a major role with the Southern African Development Coordination Conference, and in bilateral aid to the Frontline States. We expect to maintain close contact with the fund's activities, and to co-ordinate our activities in Southern Africa. Over the next five years, we anticipate spending over \$400 million in bilateral programmes with countries in the area as well as more than \$120 million through SADCC channels. Only last week Prime Minister Mulroney met in Botswana with the Prime Ministers of Zimbabwe, Zambia and Botswana where he pledged Canada's continued support to the anti-apartheid struggle in South Africa and announced a \$50 million contribution to assist hydro power generation in the Frontline States.

Everything I have said today regarding foreign policy has been couched in terms of contacts between governments. But foreign relations are also supported by public diplomacy, by informed media, and by people-to-people contacts. In the case of Canada and India, this involves the excellent work of the Shastri Indo-Canadian Institute. It will involve the opening soon of a South Asian Bureau in New Delhi by the Toronto-based Globe and Mail newspaper.

But the involvement of private citizens in foreign relations can have a darker aspect. Tensions in an area such as South Asia can be directly reflected into Canadian life and this can lead to both suspicion and violence. Here the link between regional security and Canadian domestic concerns is particularly stark. My Government is absolutely determined that Canada shall not be used as a haven for terrorists. The number of newcomers from India intent on using violence to achieve political aims in their country of origin is small indeed. Nonetheless we take those people very seriously, and

the threat they represent has become one of our major security priorities. The Extradition Treaty which External Affairs Minister Tiwari and I signed yesterday exemplifies joint Indo-Canadian determination to fight terrorism.

People who commit serious crimes should not be able to escape punishment through gaps in the law. Canada has extradition treaties and arrangements in place with more than 40 countries, and we are negotiating others. India became an exception by accident. The Canadian Fugitive Offenders Act established extradition arrangements with countries when the Queen is head of state, and no longer applied to India when she became a republic. That created the anomaly that India could become a haven for criminals from Canada, and Canada a haven for criminals from India. Particularly, in an age marred by terrorism, that was a gap we wanted to close. As with all extradition arrangements, there are rights of appeal to our supreme court, protections under our charter of rights, and the provisions that extradition can only occur respecting actions that are serious crimes in both countries. This treaty tightens the rule and reach of the law.

I hope my comments to you today have provided some notion of how much we really have in common, and how much we jointly have at stake, as diplomatic partners. Part of this commonality flows from our dependence on multilateral institutions and on coalitions. Part of it flows from Canada's increasing interests and involvement in the Asia-Pacific region. "Partnership", if we are serious about it, means an across-the-board relationship. It means strengthened economic links, but also political and security consultations.

I think this makes eminent good sense for our two countries. There is a singular opportunity here in the intersecting of our interests and capacities. I want us to make the most of that opportunity.