



Statements and Speeches

No. 79/11

CANADIAN DIPLOMACY IN THE 1980s: LEADERSHIP AND SERVICE

A Public Lecture by the Under-Secretary of State for External Affairs, Mr. Allan Gotlieb, under the Joint Sponsorship of the Centre for International Studies, University of Toronto, and the Canadian Institute for International Affairs, Toronto, February 15, 1979

People say many things about diplomacy, most of them negative. Of the three main traditional activities — reporting, negotiation and representation — all are said to have been overtaken by twentieth-century technology. Despatches from the field describing recent events, we are told, have been made redundant by the communications revolution. Why, people ask, do we need diplomats when we can just as easily, and much more cheaply, read press reports and watch television? Similarly, modern transportation systems are thought to have rendered the diplomat obsolete as international negotiator. After all, isn't it more efficient to fly teams of experts from Canada to speak for us in international negotiations? As for representation — the presence on the spot of our trusted and well-beloved ambassador — his role is reported to have been eroded by the speed with which his words and actions can be directed from the home office as well as by the ever-increasing contacts, both in person and by telephone, among world leaders and their senior spokesmen.

These assertions have some validity but they do not tell the whole story. A press item submitted by an anonymous and often non-Canadian correspondent may complement but cannot replace the thoughtful advice of an experienced foreign service officer who can size up a situation and bring a Canadian perspective to bear. Major negotiations do not take place in a vacuum; they must be prepared for and followed up by our representatives abroad who often have an important contribution to make to the negotiations themselves. And telegrams and telephone calls, while playing a vital role in knitting the world together, are no substitute for the continuity, knowledge and judgement which is expected of an ambassador.

All that being said, it is clear that the nature of diplomacy has changed, and that External Affairs, and other foreign service departments, must adjust with imagination to new and changing circumstances.

Tonight, I would like to talk about this and tell you how the foreign service is seeking to meet the high expectations of the Government for leadership and service.

Canadian diplomacy today is primarily concerned with the formulation and execution of government policy. I do not mean just "foreign" policy, at least in the sense in which that term is usually understood. The traditional distinction between foreign policy and domestic policy implies a hard and fast line which no longer exists, if it ever did. In fact, domestic and foreign policy are often the same, or closely welded parts of a single national policy, or integrated elements of a broad set of policies. It is

the interaction between domestic and international affairs which provides the key to understanding the changing nature of Canadian diplomacy.

There are few areas of domestic affairs which do not have an international dimension. Almost every department of government today has to be concerned with international questions; and domestic issues are often linked to the international like coaches on a train. In fact, some of the newer departments have major international interests – for example, the Department of Communications and the Department of the Environment. In some areas of domestic policy, such as energy or fisheries, the international dimensions are obvious. But there are others where the links are not as apparent. *Regional economic expansion programs*, for example, appear to be of interest to Canadians alone. This is not the case. Financial incentives to locate in economically disadvantaged regions of Canada can, if the company exports its products, be regarded by some countries as export subsidies. These countries may try to stop what they regard as unfair competition through the imposition of countervailing duties. Thus the success of some regional economic programs depends directly on our efforts to explain and justify these programs to foreign governments. Similarly, a decision by a country to grant low rates of interest on loans to national manufacturers may violate an international agreement on exports. Other examples may be found in areas as diverse as agriculture, consumer protection, and transportation.

Equally, international affairs affect an increasingly wide range of domestic affairs. The Multilateral Trade Negotiations in Geneva influence and facilitate major readjustments of the industrial structure of the Canadian economy. The outcome of the Law of the Sea Conference will have a direct impact not only on the resource interests of our maritime provinces on both coasts but also, through the regulation of deep seabed mining, on nickel production in Ontario. Canada's economic well-being, including the rate of inflation, can be affected by oil cartels; and its social fabric by faraway political turbulence resulting in an influx of refugees.

The diplomat is often involved in providing advice to the government when it is faced with competing policy objectives. For example, issues such as peace and security require a long-term perspective which may conflict with objectives such as trade promotion. The same is true of human rights considerations; they may conflict with trade and even aid policies. Aid policies in turn may conflict with some of our economic objectives. Nuclear export programs have to be reconciled with our non-proliferation policy. In sum, few foreign policy objectives are free from potential conflict with other national objectives.

It is especially true that foreign policies can compete with regional and provincial policies. *Regional policies* can also be in conflict with each other and thus significantly impede the development and projection of a coherent foreign policy. And in Canada, growing decentralization will make the harmonization of foreign and domestic policies increasingly difficult in the 1980s.

All this leads to one inevitable conclusion: the management of foreign policy today, if it is to be done well, requires a mastery of an extraordinarily wide range of national

problems and policies cutting across many disciplines and streams of experience.

The Foreign
Service
environment

This conclusion becomes all the more evident in the light of the international environment, which has undergone rapid and fundamental transformation in recent years. I need cite only some of these changes:

- 1) a diffusion of power as reflected in the emergence of new leading states whose leverage may be of an economic, political or military character, and as reflected in the emergence of polycentric communism;
- 2) profound new stresses on Western economic and financial systems;
- 3) the articulation of demands by developing nations for a new international economic order;
- 4) an upswing in efforts to solve all kinds of problems by multilateral means;
- 5) a growth in the number and variety of international institutions to the point where they may have become too unwieldy and inflexible to meet the demands placed upon them;
- 6) the continued development of increasingly sophisticated arms technology and its wider diffusion.

There are new domestic stresses as well. Balancing the shifting interests and aspirations of different groups and regions within Canada, during a period of relative economic difficulty, is not easy.

In this type of international and domestic environment, the Secretary of State for External Affairs and his Department are expected to manage Canada's foreign relations on behalf of the Government.

It is right, therefore, to ask whether the Department can effectively meet the challenges it faces — at home, and in relation to other states and major international institutions. More to the point would be to ask whether the Department can cope at all.

To be frank, the magnitude and pace of change require an extraordinary effort.

The
Department:
1957 and 1977

When I joined External Affairs as a junior foreign service officer in 1957 there were, I think, no serious challenges to the Department's authority to manage the conduct of Canada's international relations. Throughout Canada, international relations were regarded as the proper responsibility of the federal government. Within the federal government the Department had a clear mandate to lead in the formulation of foreign policy and the management of Canada's bilateral and multilateral relations. As a young man interested in foreign policy and international affairs it was clear to me that I could satisfy my career interests only in External Affairs.

The country's confidence in the Department's ability to fulfil its role was reflected in the attitudes of foreign service officers towards their work. They had a clear idea of the role of the Department in Canada and the role of Canada in the world. Inevitably, the day-to-day business of bilateral and multilateral diplomacy consumed much of the energies of the Department. But beyond this, there existed a sense of purpose which informed all activities and gave them coherence. We had emerged from the Second World War strong and confident. We saw and embraced the opportunity to help build the peace. We showed a particular aptitude for the design and construction of international political and economic institutions.

Peace and security were the chief international priorities of the Government; its primary focus, notwithstanding the recognized need for NATO, was on the United Nations. The goal of peace and security, although it clearly served Canada's national interests, was not conceived in narrow terms. The Government saw itself as a viable intermediary in international disputes and Canada was able to make a major contribution to the peaceful resolution of situations threatening international stability. The correspondence of national objectives and international circumstances was unique.

When I returned to External Affairs in 1977 after an absence of eight and a half years, a very different situation prevailed. The sheer growth in the size and scale of operations had had an enormous impact on the Department. In 1957, the Department employed, in Ottawa and abroad, about 1,800 persons. In 1977, there were more than 5,000 – an increase of about 300 per cent. The 61 diplomatic and consular missions abroad of 1957 had increased to more than 115 by 1977.

The increase in the size of the Department was the response to the extraordinary increase in the complexity of both government operations in Canada and Canada's international relations. The first factor is important. Managing a foreign service in a vastly larger web of government financial and personnel regulations proved to be enormously demanding of time and resources. But the second factor, the changing international affairs environment, probably placed even greater demands on the Department.

The handling of some international issues was well done, particularly where this drew upon traditional departmental areas of expertise such as in our participation in the United Nations and in maritime resource conferences and negotiations. The Department also made great efforts to respond to the emphasis in the late 1960s and 1970s on achieving national objectives reflecting the national interest and succeeded admirably in some areas. I can cite the skills with which the Department responded to the growing challenge of national unity and the need to act abroad as a bilingual country reflecting our cultural heritage and provincial interests. New offices and embassies were opened, new headquarters units created, new aid programs rapidly developed and personnel trained. The Department pioneered in multilateral institution building in the francophone world.

But problems developed in some areas. As economic programs and the number of

government agencies and departments increased, External Affairs continued to play a strong role in the international economic field. Nevertheless maintenance of this role became increasingly difficult in recent years. The growth of CIDA, the expansion of international financial institutions, the energy crisis, growing economic interdependence, the North-South dialogue – these are but a few developments that made the Department's co-ordinating role more and more difficult, often challenged, and increasingly put in doubt.

Moreover, some new and critical international issues were approached cautiously and there was a hesitancy about taking new initiatives in some areas. There was too much reliance on describing events and not enough emphasis on analyzing them, particularly with a view to providing the Government with timely policy guidance. But the Department also seemed to lack a clear and distinct idea of its role within the burgeoning international affairs community in Ottawa and elsewhere in the country. Equally, that community was uncertain in its perception of the Department. There was a feeling – general and diffuse to be sure – within and outside the Department that External Affairs had not yet decided on its role in the wake of substantial changes in the international and domestic environments which had occurred in the 1970s.

A "taking stock" of these changes and the determination of the appropriate departmental response, both in organizational and substantive terms, was my highest priority on my return to External Affairs.

The Government, both at the political level and in the Privy Council Office, wanted this stock-taking and supported it. There was a growing realization in government that a strong foreign affairs role was needed and was an essential element in the process of handling and resolving many of the country's most pressing challenges. A sharp focal point was missing for the resolution of competing policies relating to international issues.

With the strong support and endorsement of the Secretary of State for External Affairs, we approached this challenge by asking ourselves the following questions:

- 1) What does the Government expect of the Department?
- 2) What authority does the Department have and need to meet its responsibilities?
- 3) What changes, including structural changes, must be made at headquarters and our posts if the Department is to achieve the Government's objectives?
- 4) What personnel policies are required if the foreign service is to meet contemporary challenges?

In addressing these questions, I was convinced that the Department, if it were to meet its responsibilities for the management of Canada's international relations, must become a modern central policy agency.

**The
Department
as a central
agency**

Within the government there are a few departments and agencies which have traditionally been regarded as central agencies; these include the Privy Council Office, the Treasury Board Secretariat and the Department of Finance. Perhaps less appreciated is the fact that External Affairs falls into this category. It is part of my purpose to ensure that this is understood and that the Department acts accordingly.

The central agencies are regarded as sources of advice to the government on the broad range of its national policies and programs. Each central agency approaches its task from a unique perspective. It is expected to bring the work of individual departments into harmony with government-wide programs and policies. Each central agency has a responsibility to advise not only its own Minister but also, under his authority, the collectivity of Ministers. Central agencies not only co-ordinate and consult, they lead on key issues of national policy. Central agency activity is thus crucial to the process of interdepartmental policy development and fundamental to the coherence of government policies.

The Government considers the Department of External Affairs to be a central agency because it has a responsibility to provide other departments with coherent policy and priority guidance covering the full range of Canada's international relations. It is expected to ensure that the international dimensions of all Government programs are integrated, consistent with, and served by, the Government's policies and priorities at home and abroad. To do this effectively the Department must exercise both day-to-day and long-term influence over the balance and direction of other departments' international activities.

If domestic policies with foreign dimensions are improperly co-ordinated with external policies, or are inconsistent with Canada's international goals and objectives, we in the Department are obliged to intervene. We must understand, analyze and advise other departments of trends in the international environment which may affect the substance or timing of proposed initiatives. We must relate the expertise and sectoral policy objectives of other departments to our own expertise and the Government's foreign policy. Although we have certain program responsibilities, such as consular services or information programs, we are essentially a central foreign policy management agency.

Our primary objective should be to exercise creative leadership on issues and programs with important international dimensions. The Secretary of State for External Affairs and his ministerial colleagues, and indeed the Prime Minister, must receive sound and timely advice from the Department on the formulation and management of Government policies from both the national and international perspectives. The Department should contribute to the definition of Canada's national interests and goals; it should also establish and maintain a positive sense of direction towards them. We in the Department must work to achieve maximum coherence and good sense in the system as a whole based on our reading of Canada's aggregate national interest.

A major aspect of this leadership role revolves around the question of establishing

priorities to reflect the needs of the government. The priorities of the Department, both at headquarters and in our missions abroad, must be the priorities of the government as a whole. Without priorities, a foreign office can become haphazardly and indiscriminately involved in all aspects of international relations. We must select or recommend issues for priority attention, and allocate and manage our resources accordingly. What is required is a thorough knowledge of government and of the international environment which gives us a sense of what is important and what is not. The international economy, national unity, certain bilateral relationships, human rights and energy diplomacy are clearly of major concern. At the same time we must ensure that less prominent issues are not lost from sight under the pressures of the current agenda.

The exercise of leadership is complemented by the provision of service to the Canadian foreign policy community inside and outside the federal government. We must try to ensure that all those who contribute to policy formulation — e.g. parliamentarians, provincial officials, journalists, academics, business or labour leaders — receive foreign affairs information and services tailored to their individual needs. Thus, under the authority of the Secretary of State for External Affairs, we provide briefings on foreign policy issues to parliamentarians. We have also made special efforts recently to improve the quality and timeliness of the foreign-policy information flow to other departments, and of this and other services to those outside the federal government. In whatever we do to provide service, we are conscious of the fact that, in an open society like ours, the interests and concerns of the public as a whole must be reflected in foreign policy.

The Department's authority to act as a central agency is supported by a combination of formal credentials and informal arrangements. The formal credentials include legislation, Orders-in-Council pursuant to legislation and in exercise of the Royal Prerogative, an array of Cabinet decisions and directives, and an extensive body of custom and precedents. I regard as of prime importance the authority of the Secretary of State for External Affairs to sign all submissions to Council concerning international agreements of a binding nature, and to approve and make recommendations to Cabinet on the size and composition of delegations to international conferences.

Although there is no doubt that the Government regards the Department as a central agency, our efforts to exercise this authority run into problems which differentiate External Affairs from other central agencies. A comparison with the Treasury Board demonstrates this difference. Treasury Board oversees and controls the budget expenditures for all government departments and agencies, and establishes the administrative policies of the government as an employer. Government departments and agencies do not have a choice whether to go through Treasury Board. All budget estimates must go through the Board, which co-ordinates the estimates and exerts considerable control on their final form before they are passed on to Parliament.

Given the relative lack of formal levers of mandatory control over the international activities of other departments and agencies, the Department must, if it is to fulfil its

Formal
credentials and
informal
arrangements

responsibilities, rely largely on informal arrangements. Accordingly, in an effort to consolidate and enhance the Department's role as a central agency, we have sought to augment these arrangements. We have concentrated on four distinct but inseparable areas of international relations activity:

- 1) supporting the Minister in Cabinet and Parliament;
- 2) providing leadership in the interdepartmental community in Ottawa;
- 3) strengthening the Department's organization at headquarters;
- 4) strengthening Canada's posts abroad.

**Supporting
the Minister
in Cabinet and
Parliament**

The Government of Canada is responsible to Parliament which in turn is accountable to the people. The Government decides the way in which it organizes itself to formulate policy; the Department, in turn, must organize itself to serve the needs of the Government. Cabinet is subdivided into a system of committees, each with a specific co-ordinating or operational responsibility. The different Ministers in a committee bring their own perspectives to issues before the committee. Through discussion a consensus is forged and the committee then makes a recommendation to the Cabinet as a whole. Although it is in Cabinet that final decisions are taken, the committees provide the key to understanding the current process of Government policy formulation. The Secretary of State for External Affairs defines and proposes the foreign policy framework within which recommendations of his Cabinet colleagues are considered. Our Minister's responsibility is reflected in his functions within the Cabinet committee system. He chairs the Cabinet Committee on External Affairs and National Defence and participates in the key Committee on Priorities and Planning among others.

The Department must determine how it can improve its support to the Minister and through him, the Prime Minister and the Government. Recent international and domestic developments place greater emphasis on anticipation and timeliness. The Department must be aware of the concerns and objectives of other departments and agencies. I have strongly encouraged members of the Department to expand and strengthen their interdepartmental contacts, especially with other central agencies. The Minister must be kept informed on a continuing basis of issues as they develop. I believe we are getting better, but there is still room for improvement.

**Providing
leadership at
the inter-
departmental
level in
Ottawa**

The Department's central agency responsibility requires it to provide foreign policy leadership at the interdepartmental level in Ottawa. It exercises this responsibility in part through its chairmanship and membership in various interdepartmental committees and agency boards established to maintain and promote coherence in the management of Canada's international relations. I would cite three committees as particularly important.

In recent months, at the request of the Prime Minister, a Committee of Deputy Ministers on Foreign Policy has been formed under my chairmanship. It addresses

broad policy issues and current hard questions of interest to other central agencies, key domestic departments, and domestic departments with substantial interests abroad. Examples are preparations for economic summit meetings, defence issues, and relations with key industrial countries.

The Under-Secretary chairs the Interdepartmental Committee on Economic Relations with Developing Countries which has a broadening mandate to preside over the development of Canada's economic relations with the Third World. It shapes instruments of policy such as our program of development assistance. It also deals with a broad range of Canadian trade and financial issues as they affect our relations with developing countries. Also important in dealing with Canadian relations with the developing world is the membership of the Under-Secretary on the governing or advisory boards of the Export Development Corporation, the International Development Research Centre and CIDA.

The most important committee for the management of Canada's international operations is the Interdepartmental Committee on External Relations, commonly referred to by its initials, ICER. The fact that there are three departments operating a foreign service is often overlooked: in addition to External Affairs there is the Trade Commissioner Service of the Department of Industry, Trade and Commerce, and the Immigration Service of the Canada Employment and Immigration Commission. There are also several departments and agencies, such as CIDA, National Defence, RCMP, National Revenue, and National Health and Welfare which maintain program officers in Canadian posts abroad. Indeed of the 1,130 program officers abroad about 60 percent are from departments other than External affairs.

Given the variety of sources from which Canadian representation abroad is drawn, the Government, in 1970, created ICER. Its purpose is to promote the integration and coherence of our operations abroad. Membership is at the deputy minister level and includes representatives from the foreign service departments, other departments with significant operations abroad, the Secretary to the Cabinet and the Secretary to the Treasury Board. The Under-Secretary of State for External Affairs is Chairman of ICER in recognition of the Department's leading role in the area of international relations.

After an initial period of success in the early 1970s ICER began to stagnate somewhat. The momentum towards foreign service integration gradually dissipated. Hard-headed resource allocation in accordance with changing priorities was largely unnecessary because of the continuing availability of additional resources. This meant that ICER working groups could take existing program levels for granted and concentrate instead on allocating new resources.

My return to the Department coincided with major changes in the environment in which ICER had been operating for some years; the era of expanding resources was over and the period of government restraint had begun. As a consequence, the need for coherent resource allocation for the foreign service as a whole became the major priority of ICER. The Government decided to renew the original goals of integration and operational coherence.

It was also clear that ICER had to place greater emphasis on co-ordination of our operations abroad in accordance with the priorities of the Government — including restraint. In the past year my ICER colleagues and I have agreed to procedures designed to improve the operations of our posts. These include:

- 1) instructions clarifying the role, and reaffirming the authority, of the Head of Post, including his line authority over all operations at the post within the scope of the approved programs;
- 2) agreement to establish a new, strengthened interdepartmental inspection service covering the operations of all posts on a regular basis;
- 3) agreement to create a system for the appraisal of the performance of all Heads of Post according to interdepartmentally-agreed criteria and standards;
- 4) ensuring that all posts are brought under a uniform regime of administrative procedures.

These ICER decisions have brought us closer to achieving the goals of coherence and co-ordination of Canada's operations abroad.

I'll return later to why I think strengthening the role of Head of Post is so important for the achievement of Canada's national objectives.

**Strengthening
headquarters
organization**

The central agency concept is the basis for the organizational reforms at headquarters introduced in the summer of 1977. A new level of authority was established — that of Deputy Under-Secretary. Five Deputy Under-Secretary positions were created corresponding to the five major sectors of departmental operations — political, economic, administrative, security and intelligence, co-ordination and public affairs.

Within each of these very broad sectors there now exists a clear focus for both day-to-day operations and policy formulation and implementation. Senior and visible centres of authority within the Department enable officials of other departments, as well as other governments and the public, to obtain quick and comprehensive answers, information and advice from identifiable and responsible individuals. A Deputy Under-Secretary's seniority gives him the authority to participate in or chair meetings involving other high-ranking officials and to attend as senior advisor to the Minister in Cabinet committees.

For the first time in, I suspect, many many years, virtually all political questions fall under the authority of one political officer. The Department has now, following the European model, a political director.

Each Deputy Under-Secretary has line authority. He has the power as well as the responsibility to resolve conflicts among the various bureaux. In the immediately preceding organization, the senior level, the Assistant Under-Secretaries, did not have line authority as they had had in earlier years: the Directors General of the bureaux

reported direct to the Under-Secretary. This caused problems. There were so many officers reporting direct to the Under-Secretary that effective management was extremely difficult to achieve. There was no one in the organization other than the Under-Secretary who could resolve disputes among the bureaux. This led to long delays flowing from a reluctance by bureaux to seek a solution at the highest official level. As an alternative they would sometimes pursue and eventually achieve a lowest common denominator kind of decision. This was not necessarily the wisest or best decision.

One level below the Deputy Under-Secretary level there are now four Assistant Under-Secretary positions. Unlike the Deputy Under-Secretaries, the Assistant Under-Secretaries do not carry line responsibilities for specific areas of departmental operations.

They provide senior level capacity to take on the management of individual major issues when they are assuming crisis proportions, require undivided attention at a senior level or are bogged down in intra- or inter-departmental policy conflict. The task force established to monitor the situation in Iran, institute and oversee plans for the protection and, as it turned out, effective evacuation of Canadian citizens, is, for example, headed by an Assistant Under-Secretary. The assignment of specific problems like this to designated senior officers improves the timeliness and effectiveness of our service to the government. Our capacity for service has also been improved by recent reorganizations of some bureaux and the establishment of special co-ordinators for certain areas such as disarmament and development policy which cut across several sectors of departmental operations.

Organizational changes in isolation cannot, of course, guarantee that the Department will meet its central agency obligations. As in other central agencies, our primary assets in exercising leadership and serving the needs of government are the information we have at our disposal, the quality of our judgement, and the vigour and effectiveness with which we deal with a wide range of inter-related policy issues usually handled by more than one department. In meetings with managers of bureaux and divisions and other officers, senior management has stressed the importance of initiative and imagination to the successful attainment of central agency goals. Every officer of the Department must strive to identify and come to grips with emerging issues before they are presented as a *fait accompli*.

So far, my description of the efforts to build a modern central agency may have created the impression that all our efforts at renewal and strengthening have been concentrated in Ottawa. Clearly, this was the place to start. But any suggestion that our posts abroad are, as a consequence, marginal to the successful operations of a central agency would be totally unjustified. A foreign office without a strong foreign service in the field would be deprived of the information, advice, analysis and guidance that is essential if it is going to play a full central agency role in Ottawa. Even more important, it would be deprived of the leadership that can be provided by a strong Head of Post capable of promoting Canada's interests in the country of accreditation.

There are certain aspects of the central agency role abroad that should be highlighted.

The Embassy abroad is a microcosm not of the Department of External Affairs, but of the whole Government of Canada. Ambassadors represent all government departments, indeed all ministers, the Prime Minister, the Crown and the provinces and the public — not necessarily in that order. Under their direct supervisory authority are, in all probability, officers of other government departments implementing programs of trade, aid, defence, security and immigration among others. Thus ambassadors must have an outlook as broad as their responsibilities. Their skills cannot simply be diplomatic ones; they must be programmatic as well. Ambassadors must be very knowledgeable, both of Canada and the country of accreditation. He or she must be a good manager, not just of finances but of people. And more than this. He or she must be creative and committed — a leader, capable of leading on a variety of questions at the same time. This is a big responsibility. Knowing what we do about the interdependence of countries in the contemporary world, of our own dependence on others, of the importance of our economic and political objectives, of the multiplicity of Canada's interests, of the interests and well-being of individual Canadians, we must recognize that the ambassador has a task that is today more important than at any time in the past.

I must emphasize again that the central agency concept places responsibility and accountability for all post programs with the Head of Post. This means that Canada's Heads of Post — our ambassadors, high commissioners, consuls general and consuls — must have the recognized authority to take the action necessary to meet this requirement. In the past, there has, regrettably, been confusion over the question of authority. In some posts the head of a program, such as public affairs or trade, may be an officer of the same seniority as the Head of Post. Jurisdictional disputes at the post sometimes arise. This is no longer acceptable if we are to achieve our goals as a central agency.

I have already mentioned the document recently issued by ICER setting out in clear terms the authority and responsibility of the Head of Post. The document states that the Head of Post represents not one department but the Government in general and, under the authority of the Secretary of State for External Affairs, assumes direct responsibility for all post programs. It makes the point that individual program managers must consult their Head of Post for approval of the planning and implementation of all program objectives. It establishes unequivocally that the Head of Post is accountable both to the Secretary of State for External Affairs, and to the relevant deputy ministers, for the conduct of program activities in their respective jurisdictions. This last point is, I think, an important innovation because it clarifies the direct responsibility of the Head of Post to all deputy ministers, within the context of a coherent foreign policy management system, for their departments' program interests abroad.

The selection of persons to fill Head of Post positions proceeds with great care. Although External Affairs officers fill the majority of Head of Post positions, persons from other foreign service departments, other departments in Ottawa, and from

outside the Public Service are also appointed. As the international affairs environment becomes more complex and important to Canadian interests, great care must be taken when appointing Heads of Post to put the right person in the right place. Some of our Head of Post positions are among the most important and demanding positions in the Public Service today. Those representing Canada in key industrial states and major international organizations have responsibilities equal, in my view, to those of a deputy minister.

This is why I believe that of all the responsibilities that are placed on the Under-Secretary of State for External Affairs, the most important is that of making recommendations to the Secretary of State for External Affairs and the Prime Minister for appointments by Order-in-Council to the post of Ambassador. There are procedures laid down within ICER, recently revised and strengthened, for soliciting suggestions from other foreign service departments for persons qualified to be considered, among others, for particular positions of Head of Post. These procedures must be followed carefully and fairly. But the responsibility falls on the Under-Secretary to ensure that the persons he alone recommends are of outstanding quality and worthy of the special trust and responsibility to be conferred upon them by their high appointment.

I cannot overemphasize that the central agency concept ultimately stands or falls on the quality of foreign service personnel. As government and international affairs become more specialized and technical, the Department runs the risk of being left behind if it is unable to adapt. It is essential that departmental personnel deepen their knowledge of government and acquire special skills which are not at present fully developed within the foreign service. The efforts the Department is now making in personnel management are, in my opinion, perhaps the most important steps towards achieving the central agency concept.

Before discussing these efforts, however, I would like to underline the difficulties of personnel management in the foreign service. We are always faced with the possibility of entirely new, and often unforeseen, demands on the collective talents and expertise of the foreign service; and these demands can play havoc with attempts at rational career planning.

I can illustrate this point by recalling our participation in the Indochina Commissions. In July, 1954 we had no one serving in Indochina, very little knowledge of Indochina, no plans to send anyone there, and no direct interests. By July, 1955 the political staff of the Canadian delegation to one of the three Commissions was roughly as large as the equivalent staff of the Embassy in Washington. After a few years, the Department had more officers with experience in Indochina and knowledge about that part of the world than it had in any other single area of political work. And all this where, just a few years before, we had neither interests nor knowledge!

It is to the great credit of departmental managers and personnel that the foreign service coped with this kind of situation as well as it did. Although the unexpected could happen again, it seems more likely now that we can envisage a period of relative

stability in both the size and shape of our efforts. We thus have a particular opportunity to develop sensible long-term planning, designed to stabilize the careers and deepen the experience of personnel in the areas which are essential to them and to the Department if we are to function effectively as a central agency.

Historically, nothing has excited discussions of foreign service personnel management more than the generalist-specialist debate. Personally, I think that neither the pure generalist nor the pure specialist, if there were such people, would be very useful in a contemporary foreign office. The good foreign service officer must be both.

It is just not possible to co-ordinate or lead a policy review, let alone participate in one, in such areas as fisheries, outer space, maritime boundaries, technological transfer, commodity funding, energy planning, to name a few, and not be very knowledgeable in the area. It is also not possible for a foreign office to function if it lacks flexibility to assign personnel to take on all sorts of tasks in any number of places. So we are pushing several approaches which I believe can help.

**Mid-career
streaming**

First is the concept of mid-career streaming which has just been introduced. Officers are being encouraged, after approximately five years in the Department, to focus on one or two broad areas or sectors of departmental operations. Headquarters assignments are being co-ordinated with postings abroad to enable officers to deepen their knowledge of these areas by working in them for a period of a decade or more. The goal is the creation of an officer group retaining a generally well-rounded background but with a greater depth of knowledge in selected fields. Areas of streaming are fairly broadly defined and an officer can pretty well choose his or her own mix.

**Temporary
transfers of
officers**

An important part of the streaming process is the expanded use of temporary transfers of officers to other departments for periods of two, three or more years. This is our second approach. An officer working on energy matters will, for example, be given the opportunity to acquire increased experience and expertise through a secondment to the Department of Energy, Mines and Resources. Secondments into External Affairs from other departments are also being encouraged because they provide a means of bringing into the Department specialized skills which may be lacking or in short supply. The Department is setting a target of the number officers seconded in and out: it is more than one hundred. I hope that every foreign service officer will, as a part of his or her normal career, have at least one secondment to another government department, or provincial department or university or business institution.

Lateral entry

Also worth mentioning, and this is a third approach, is lateral entry into the foreign service. In the past, it has been very difficult to enter the Department at other than the most junior level. While there were good reasons for this, it deprived the Department of the opportunity to recruit into its permanent ranks more senior personnel from the public service, private sector or academic community. A new lateral entry policy is being examined which, if it works, will enable the Department to recruit such persons on a highly selective basis.

Slower
rotation
process

Fourth, we are trying to slow down the process of rotation, of alternating assignments at headquarters with postings. This will enable officers to increase their specialist expertise and knowledge of government operations. Foreign service officers are often at a disadvantage in the "interdepartmental game" because they usually serve in a particular job in headquarters for just a few years and then they are posted. It is difficult for them to develop essential contacts in domestic departments — contacts they need to alert them to emerging issues. While I recognize the serious consequences of a change in rotational personnel policies, the Department must, at a minimum, slow up significantly the rotational process if our officers are to achieve the necessary level of effectiveness in Ottawa.

The professionalism of the foreign service will not, I believe, be threatened but will be enhanced by these measures, which are the logical and essential extension of a central agency role.

I am also becoming increasingly conscious of the difficult personnel problems which now face the foreign service. In any year over 25 percent of our rotational employees are reassigned to a new headquarters position or sent to a new post. Trying to find the most suitable person for a given job has always posed problems for the Department. In recent years, however, the problems have deepened, and not only as a result of the rapid growth of the foreign service.

In many countries where we now have posts, local conditions have become quite difficult. Aside from increased dangers to health, there now exist, in a number of places, serious risks to personal security. Also, schooling in many countries is below Canadian standards. Families must often leave their children in Canada either in boarding schools or with family or friends for periods of up to three or four years. While the government does pay for schooling and periodic trips for children to visit their parents at their posts, this is not sufficient compensation for many people. The Department has always been deeply concerned with these problems, and always will be.

Another serious problem, and one over which the Department has very little control, concerns the careers of persons married to foreign service personnel. This problem primarily affects male employees with working wives, although female employees are increasingly experiencing the same problems with working husbands. When an employee is posted, his or her spouse must, in almost all cases, interrupt or give up a career to accompany the employee to the post. In recent years the problem has become acute as more and more wives pursue careers. While this is a laudable social phenomenon, it places great pressure on many of our personnel. The loss of a second income can cause difficulties; even more important, however, is the sense of loss felt by a spouse obliged to abandon a personal career because the Department of External Affairs needs a First Secretary in a faraway place. In many countries the spouses of diplomatic personnel are forbidden by law to work, or local conditions make employment very difficult. Every year, the number of personnel caught in this situation grows. I have given much thought to this problem and I have sought proposals for mitigating the difficulties. I am glad to say that we have been able to

conclude reciprocal agreements with more than ten countries enabling spouses of foreign service personnel to work and are actively seeking to make similar agreements with several other countries. This step will not resolve the problem completely for all those affected but it is in the right direction.

It is against this background that we must examine the old charge that the Department is a closed shop, an elite which does not admit outsiders. People have often suggested to me that we should recruit many more persons from outside the Department on a "one-time-only" special assignment basis. I understand this attitude and, indeed, we assign people on this basis, consistent with our open attitude towards secondments. At best, however, this policy has its limits.

Our personnel take up difficult postings for different reasons, including professional pride, interest in the particular country or region, and a spirit of adventure. But they also do so because they view the foreign service as a career in which difficult postings will be alternated with physically easier ones. Many people from outside the Department who volunteer their services are happy to go to London or Paris or New York; when some of our other posts are mentioned, their enthusiasm quickly evaporates. If a large number were sent on a single-assignment basis to our easier posts, these posts would become closed to our own personnel. This is unacceptable. It would make our own professionals second-class citizens. A policy of large-scale recruitment of people from outside — even if exceptionally well-qualified — for postings to attractive and easy posts would destroy the morale and, ultimately, the quality of Canada's foreign service. It is thus especially important that those recruited through lateral entry fully accept the conditions and range of postings long accepted by those already in the service.

Despite the difficulties, we still manage every year, after terrible struggles and agonizing decisions, to fill all positions at headquarters and abroad. For one brief glorious hour or day, seldom longer, everyone is in place and the system is in equilibrium. We all take a deep, collective breath and then the whole process of reassignment and posting begins again.

The Department's effectiveness as a central agency will be severely tested in the years ahead. How well we do will depend first of all on the quality and timeliness of our collective judgement, expression, expertise and leadership. One constant remains: the foreign service provides an unparalleled opportunity for the development of excellence. The management innovations I have described are all designed to exploit and develop to the fullest the talent of all our personnel and to encourage excellence.

The fragile interdependence of domestic and international realities and policies requires astute management if Canada is to meet its national objectives in the 1980s. A professional foreign service, for its part, must be seen as an essential vehicle of statecraft. The Government recognizes this and has demanded the very best from the Department of External Affairs; we must ensure that we offer to Government the leadership and service which are expected of us.