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Address by the
Right Honourable Joe Clark,
Secretary of State for
External Affairs, to the
Empire Club of Canada

TORONTO

November 12, 1986.

I couldn't come to Toronto and not talk about trade, so let me begin there.

When roughly one-third of your gross national product (GNP) depends on trade, you cannot pretend that you live alone. The Common Agricultural Program of the European Community will not dissolve simply because Canada disapproves of it. Protectionism in the United States will not succumb to the condemnation of the Toronto Star. Yet if the Common Agricultural Program remains unchanged, our farms, or our Treasury, or both, go broke. And if there is no alternative to protectionism in the United States, more and more jobs will be lost in Canada, including in Ontario, particularly in Ontario. We face real challenges in trade. We have faced them before, and we met them by broadening our trade arrangements.

Indeed, there is an interesting parallel in history. Fifty years ago, the United States was gripped by protectionism. Smoot-Hawley was passed, and insular U.S. policy dragged the world deeper into depression. That destructive pattern was broken by a bilateral agreement between Mackenzie King and President Roosevelt, in 1938, that was the beginning of liberalized trade between our two countries. That agreement became the basis of the GATT, just as an agreement now, between Canada and the United States, could break the new tide of American insularity, and thereby open new opportunities for a more liberal world trading system. We must pursue our bilateral and multilateral trading interests together. The global trading system depends on a strong U.S. commitment to free and fair trade. Liberalization of the largest bilateral trading relationship in the world would also help to halt the drift of the global trading system toward protectionism.

Some critics argue that, in response to the latest burst of U.S. protectionism, we should scrap the trade initiative. That would be exactly the wrong step. We are going to stay in the field, and try to beat the protectionists, because to quit the field is to surely lose. To back away from a negotiation would give an easy victory to U.S. protectionists, and invite more of the measures that we are fighting now. To stay at the table gives us the chance to negotiate an alternative to protectionism, and at the same time, win our exporters access to the larger market we need.

The bilateral talks require political will on both sides if they are to succeed. The latest U.S. protectionist measures have raised doubts about the degree of U.S. commitment. But their elections are now behind them. The Administration has stated consistently its commitment to a freer trading system, between our two countries, and in the world.

They have authority from their Congress to put any Canada-U.S. agreement on a "fast track", which means an agreement concluded before January 1, 1988 would not be subject to amendment by the Congress. We are looking for that leadership on the American side, and will be providing it here.

There is more to foreign policy than trade, and I want to talk to you today about some of the broader initiatives we are taking. In many cases we are deliberately continuing policies that began under former governments. That is the case in our approach to Central America, the Middle East, and other questions.

However, we came to office believing that the former government had nurtured too narrow a view of the country and, in External Affairs, as in our economic and energy and other policies, we are pursuing initiatives that had not been priorities before.

As a start, we have opened up the processes of foreign policy - to the people, to Parliament, to the provinces. A joint Committee has just reported after the first full public enquiry about foreign policy in our history. We have reconstituted the Consultative Group on Arms Control, established a comprehensive system of advisory groups on trade and sought to involve private citizens and the private sector in the campaign against apartheid. For the first time in history, there is full participation of the provinces in trade negotiations, and provincial Ministers from every region were present, at my invitation, in the delegation to launch a new round of the GATT. Under David MacDonald, we helped the people of Canada contribute significantly to the relief of famine in Africa. The number of women serving as heads of mission overseas has increased. We are trying deliberately, to involve and reflect more of this diverse country in forming and carrying out our international policy.

Let me refer to two substantive questions where our emphasis has changed. One is the North.

Canada is an Arctic nation. Canada's Arctic lands are second in size only to those of the Soviet Union, and our Arctic coastline is the world's longest. Until recent decades, the North seemed to offer few implications for Canada's foreign policy. But the situation began to change as developments in military technology invested the Arctic with growing strategic significance for the superpowers, and later as prospects emerged for large-scale northern resource exploitation and as cooperation increased among residents of circumpolar nations.

The voyage of the Polar Sea in the summer of 1985 dramatically underlined the deep concerns of Canadians for Arctic sovereignty. It also revealed how little we had done to prepare ourselves to exercise control of our North. A year ago, I deliberately affirmed that Canadian sovereignty extended to all the waters of the Arctic archipelago and announced regulations establishing baselines around the perimeter of the archipelago. I declared our readiness to defend our jurisdiction before the International Court. We will construct a Polar Class 8 icebreaker and take other actions to substantially increase our capacity to exercise effective control over our Northern waters.

These commitments by the government, and their implementation, will be set into a broad policy context. An overall Northern foreign policy will have four dominant themes:

- affirming Canadian sovereignty;
- modernizing Canada's northern defences;
- preparing for commercial use of the Northwest Passage; and
- promoting cooperation with other Northern nations.

The North has always been a powerful symbol of Canadian sovereignty. We have important domestic challenges to resolve in our North, particularly regarding the rights of our native people.

We have strategic objectives to secure, first through the construction of a modern North Warning System. We have the obligation to put substance into the symbol, because sovereignty must be exercised to be sustained. It is not a sufficient national policy to protest the actions of others. We must act ourselves to advance our interests and to express our nature, and it is time for Canada to do that in our North.

The other change in emphasis I want to discuss concerns the two international families to which Canada belongs - the Commonwealth and La Francophonie.

The Commonwealth had been sliding towards the margins of Canadian policy, despite our roots, despite its reach into every corner and colour of the world. We have made it a central instrument of Canadian policy again, and through the leadership of Ted Scott and other members of the Eminent Persons Group on South Africa, helped it renew its relevance in world affairs. The Prime Minister has secured the agreement that eluded former governments, and helped launch the Summit of la Francophonie, which will again enlarge Canada's trade and political opportunities.

The Heads of Government of both organizations will meet in Canada next year - la Francophonie in Quebec City in September, the Commonwealth in Vancouver in October. These are more than alliances of language or tradition. They cut across the categories of wealth or colour or region which can divide the world. They allow us to exercise a status that is virtually unique to Canada - as a developed country, without colonial antecedents or ambitions, trusted by the developing world. That is important in diplomacy, as when we seek reform of agencies of the United Nations, or try to develop common policies to seek peaceful change in southern Africa. It is important in trade, as when we are able to get agreement on the inclusion of agriculture, or of services, in the GATT. It is significant in establishing joint ventures, or securing development projects, as Canadian entrepreneurs have discovered in Africa and the Caribbean.

We are accustomed to thinking of our French and English heritage in relation to the European cultures they reach back to. It is time for Canada to give more attention to the developing countries they reach out to. We are a unique country in the world, and ought to build on all our assets.

Allow me one concluding observation. This country is blessed not only by the resources we have here at home, but also by the reputation we have earned abroad. Canadians came from everywhere, to settle in this country. We reach out to everywhere, in our development activities, and our diplomacy, and our trade. We are welcome everywhere. In an age when no nation can stand alone, these are substantial assets.