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POWER AND INFLUENCE: THE
MAKING OF AN ACTIVE
FOREIGN POLICY

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Speech by the Right
Honourable Joe Clark,
Secretary of State for
External Affairs, to HEC

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I would first like to express my pleasure at being able to come and speak to you in this prestigious institution. Our government is deeply committed to the defence of Canada's foreign trade. I am here to address you who are out doing battle in the trenches in Quebec and in the rest of the world.

I have come to talk to you specifically about the field of foreign policy. It is complex. It requires constant attention, accurate appraisal and careful judgment. These are some of the things you learn here at HEC. But it is also what makes Canada's foreign policy an active one. It must constantly adapt to the changing requirements of the outside world.

We are a part of the world community, and we wish to help build a better world. There are things that we must do, and there are things that we wish to do. It must be clearly understood that Canada's interests are protected and promoted and our future is shaped largely by our activities on the international scene.

Power and influence are the two poles of a country's activities. The exercise of one depends on the presence of the other. In fact, a country's influence reflects its power more than its preferences.

Canada is without question an influential country. To clearly explain how this influence should be exercised is essential. This is where the concept of interest enters in. Here I am talking about the national interests - political, economic, strategic, cultural and moral - that underlie our foreign policy and determine the conditions of our participation in the international community.

One of the first responsibilities of a government is to establish the proper balance between the various interests of the country. This is what the government began to do when it was elected, when it started an overall review of Canada's foreign policy.

How is Canada's influence expressed and what interests does it coincide with?

Let us take the example of Canada's reaction to the outbreak of famine in Africa that we see on our television screens. The government and the people of Canada have combined their efforts to make a contribution and to alleviate the suffering of the African people. This expression of human solidarity was generated by a deep sense of justice. I have no hesitation in saying that the government was morally obligated to respond to the expectations of its own citizens and of the famine victims.

In the United Nations, Canada's interest - political in this case - has always been to strengthen our bilateral relations by multilateral initiatives. We exert an influence on the operation of institutions and on the questions that they discuss. Our reputation in the peacekeeping operations gives proof of this. Even today our experience is being sought after in the Sinai and in Central America. We have a common interest in contributing toward solving the Third World conflicts and working toward regional stability.

We are respected on the international scene for our faithfulness to moral principles, such as the right of peoples to independence and the defence of human rights and of individual and religious freedoms. Our influence is a result of our tolerance, our diversity and our traditions.

This is all part of our heritage, but for sixteen months we have striven to make this tradition a reality.

Canada's power stems from its political stability and its economic strength. We have never been an imperial power, and we do not seek to impose domination on any part of the world. We are well thought of in the Third World. Our presence in many international organizations reinforces our ability to influence the course of events.

But our economic power is not what it was fifteen years ago. The new industrialized states are taking up considerable economic space. Japan has continued its ascent toward a post-industrial society, and the European economies have copped a growing part of the world economy.

Canada has lost some of its feathers in recent years. The growth rate of our productivity has declined.

Canada cannot afford to lose the economic war, especially the trade battle. 30% of our gross national product is tied to external trade, compared to 15% of Japan's and 10% of America's. Among the industrialized

nations, only the Federal Republic of Germany depends more heavily on foreign trade. For a country like Canada there is no alternative. There can be no "splendid isolation" for us. In the context of the global economy, Canada must face up to foreign competition.

Unfortunately, at the very time when Canada needed all its power to retain its position among the major industrialized nations, its economy went adrift.

The government that I represent is aware of this situation and was elected to correct it. We decided to take the bull by the horns. Our feeling was that a twofold thrust was needed to rebuild the country's power and to restore the confidence of the Canadian public in itself. This would consist of strengthening the economy and reaffirming Canadian sovereignty on the international scene. In our mind, the two were inseparable. Only a prosperous economy can restore our sovereignty to its full significance. In like manner nationalism can affirm itself only when economic security exists.

The Canadian economy has been doing better for some time than most of the other industrialized countries, despite the heavy pressure on our dollar. A recent OECD report shows that we are on the right track. More than 580,000 new jobs have been created over the past 16 months, and the unemployment rate is below ten per cent for the first time in the past four or five years.

The abundance of long-term capital, used to finance the majority of business investments, continues to work in Canada's favour.

Our sovereignty will be exercised fully once our economic health is restored. I am not referring to sovereignty in a limited sense, however important that may be, but to all of the foreign policy activities that can influence the Canadian identity. Of course, this can also include decisions that we have made to affirm our sovereignty in the Arctic.

This sovereignty has been expressed in many ways. The the Prime Minister's involvement in the latest Commonwealth Conference against the South African apartheid policy typifies the Canadian way of helping to resolve conflicts and promote human rights.

The Francophone Summit is an excellent example of Canada's new-found confidence. In the past, the difficulties between Paris, Ottawa and Quebec over Quebec participation in a Francophone Summit could not be resolved. Today this is no longer so, and Quebec now occupies its rightful place.

In Canada sovereignty is too often talked about in terms of insecurity vis-à-vis the United States. We are different and we act differently because our roots and our history differ. Our identity stems as much from the development of our British and French heritage as from the different perspectives that we have.

On the other hand, when we engage in free trade negotiations with the United States, we exercise our full sovereignty and acquire means of strengthening our economy. In short, we help to restore our power as a nation.

As the green paper that has been published indicates, we must realize that our traditionally strong economic sectors - raw materials, base products and energy - can no longer, owing to the declining prices and demand, serve as locomotives and ensure us in the future of the standard of living that we have become used to. We require boldness and large-scale initiatives to restore the competitiveness of Canadian business and the vitality of our industrial base. The government would be neglecting its basic responsibilities if it failed to examine in depth one of the most obvious possibilities that lie open to us, namely free trade with the United States.

Like the other provinces of Canada, Quebec has much to fear from American protectionism. I don't think anyone would argue with this. But this is not the main reason for our decision to begin negotiations. The immunity against American protectionism that would come from a free trade agreement is one of the benefits. But it cannot be the primary motive.

The trade negotiations with the United States are part of a global trade strategy that fits in with our plans for national development. It is not a matter of obtaining national or regional benefits from free trade with the United States only, but with the rest of the world. This is more than a series of continental negotiations. It is a worldwide affair that goes by the names of GATT and multilateral trade negotiations, of which the Canada-US negotiations are part.

It must be clearly understood that Canada is not looking for an agreement with the United States made by riding on the coattails of the multilateral system. Canada's competitiveness has been focussed on our compliance with international trade obligations. We have committed ourselves to contributing toward any multilateral solution to the problem of Third World

indebtedness. We have borne in mind the necessity of striking a just balance between international aid and the interests of Canadian producers. All our efforts to support Canadian trade hinge on new markets being opened up for Canadian exports, and on attracting foreign investors and their technology. As a trading nation we are working continuously toward safeguarding and expanding the trade system. We are resisting the forces of protectionism and striving to eliminate the tariff and non-tariff barriers that are hurting international trade.

This is a difficult area and it will become more so in the coming months. We are entering a decisive phase. I realize that these are questions that extend far beyond the realm of trade alone. They affect the deepest emotions of Canadians in their political, social and cultural implications. This is why we have begun a great debate on Canadian foreign policy. The mandate of this government is to restore to Canada a sense of national destiny and a sense of direction in the world. This brings us face to face with some choices. Canada can no longer afford to just mark time.