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# International Perspectives

THE CANADIAN JOURNAL ON WORLD AFFAIRS

## Norman case re-examined

## Peace in Afghanistan?

## Mulroney and the Americans

## Plebiscite in Pinochet's Chile

## Ideas for arms control

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***Editor's Note:***

*Herbert Norman has been dead for over thirty-one years. But the former Canadian ambassador and adviser to General Douglas MacArthur in postwar Japan continues to intrigue investigators, both scholarly and unscholarly. That has been going on for nearly forty years, and the fascination remains. In this issue of* ***International Perspectives,*** *a distinguished scholar of contemporary international relations comes up with some of his own findings — findings which do not support the suspicions of treason contained in the latest book on Norman. Michael Fry of the University of Southern California develops his thoughts in our lead article.*

*Two concerned students of arms control treaties have been studying the progress of the disarmament talks in Geneva, especially the ones relating to chemical weapons. They find some progress being made, but they have their own ideas about how to strengthen the compliance measures in such treaties. Douglas Scott and Walter Dorn of Hamilton, Ontario, offer some proposals.*

*Now that the Free Trade Agreement with the United States is in place, some new elements are introduced into the ancient, complex and — for Canadians — vital relationship between two neighbors. That relationship will be less "special" and more formal as the institutions of the FTA are developed. Michael Hawes of Queen's University in Kingston finds that success with FTA alone does not mean a foreign policy success.*

*Afghanistan has rarely had in the past 150 years the peaceful removal of a leader or a peaceful transition to the next. Why should it be different this time? Sanjay Singh Yadav, an Indian scholar with a Canadian education, can't find any reason. In Chile another transition is looming, already decided by the 1988 plebiscite. It determined that General Pinochet could not continue as he had, whatever that means. Two specialists from the University of Guelph in Ontario review that referendum, and examine its consequences.*

*The map shown on page 17 of the November/December issue of* ***International Perspectives*** *in the article by Ashok Kapur entitled "India-Pakistan normalization" contained an unhappy error. Kashmir, which is in part claimed by both India and Pakistan, and of which about two-thirds is administered by India and one-third by Pakistan, was represented incorrectly in that the portion administered by India was shown as being attached to China. Neither part was identified by name. We regret this unfortunate slip.*

# On the track of treachery — the assault on Norman

by Michael G. Fry

*Two fairly recent books have dealt with Herbert Norman, the Canadian diplomat who took his own life in Cairo in 1957. The books are both concerned with the attacks on Norman's loyalty made both during his lifetime and since. They take opposite views, and the more recent one is the subject of this article by Michael Fry. That is the volume by James Barros entitled* ***No Sense of Evil: The Espionage Case of E. Herbert Norman****, published in Mississauga, Ontario, by Random House of Canada (1988 paper edition, 330 pages, $5.50).*

*Michael Fry, onetime Director of the Paterson School of International Affairs at Carleton University in Ottawa, is Professor of International Relations at the University of Southern California in Los Angeles. He is engaged in a project on the Suez crisis of 1956, and in that pursuit has been researching under Freedom of Information provisions into the papers of General Douglas MacArthur and the newly opened portions of the papers of President Eisenhower and Secretary of State John Foster Dulles. Those documents provide some fresh material on the world in which Herbert Norman served.*

Long before the state of affairs that Raymond Aron called "guerre impossible, paix improbable" prevailed, and was labeled the Cold War, for centuries before we faced the relationship between and the consequences of the emergence of bipolarity and the development of nuclear weapons, the great powers, in their external affairs, behaved in ways that blurred the distinction between war and peace, organized armed conflict and diplomacy, friends and enemies. Whether formally at war or enjoying peace, dealing with allies or antagonists, acting unilaterally or in alliances, great powers, persistently, systematically, often justifiably, and always out of perceived necessity, practised what one might call quasi-war and diplomacy. The presence of terrorism, non-state actors and international organizations merely adds fresh dimensions of complexity.

Pushing towards the frontiers of war, governments, legally and illegally, and with varying degrees of constraint and success, involve themselves in plots, assassinations, kidnapping, coups d'états, revolts, uprisings, arms supplies, the provision of weapons training and advisers, sabotage, demolition, subversion, guerrilla warfare, resistance movements, and in support of the enemies of their enemies be they revolutionary governments or revolutionaries. These activities are the darkside of government, the agenda, for example, of the SOE, and then the CIA, special and covert operations wrapped in the imperative of "plausible denial." As the critical National Security Council directive of 1948 pointed out, "United States actions in support of the aforementioned anti-communist groups were to be so planned and executed that any United States government responsibility for them is not evident to unauthorized persons and that if uncovered then the United States government can disclaim any responsibility for them." These activities are a form of policy implementation. Straddling the boundaries of diplomacy and the more conventional work of embassies, governments seek information, called intelligence, that is military, political and economic. They do so, more opaquely in war, more translucently in peace, from friends and enemies. They seek to deny intelligence to friends and enemies, if not equally so, at home and abroad. These are the agendas of the intelligence and counter-intelligence communities of the state, of the CIA, MI5 and MI6, the KGB, and the intelligence branches of various government departments. It is a world of moles and spies and their recruiters, masters, controllers, catchers and interrogators, of agents, double and triple, of espionage and counter-espionage, of defectors and couriers, of surveillance, intercepts, cryptology, code-breaking and deciphering, of disinformation, propaganda and their uses. It is a technology-sensitive world, on the ground with bugs, wiretaps, listening devices and filmed documents, in space with satellites, and under the oceans, tapping the cable traffic. Its various activities, in peacetime, are subject to conventions, rules and restraints, even shared values, to the extent that one might speak of an intelligence regime. Intelligence operations are an essential part of policy formulation; intelligence gathering and assessment are an integral part of decision-making processes, an aid to logical debate and rational choice. The world of intelligence and counter-intelligence has its compelling moral themes affecting individuals, groups and society as a whole — disloyalty, treachery and treason. They impose a stern moral obligation on those who write about it.

**Evidence**

Military history, in its various forms, and diplomatic history now reinvigorated and called international history, are established, venerable, clearly definable parts of the discipline of history, and components of the field of inquiry that is international relations. The study of intelligence, and covert operations, are, by comparison, still in their academic infancy. At the root of this situation lies neither the absence of problems and puzzles

nor of interest, but of evidence. Historical evidence, in any case, is like wildlife; it is an endangered species. It is always partial. Scholars interested in intelligence, aided now by the opening of government archives and private papers after thirty years, by the Freedom of Information Act in the United States, and its equivalents in, for example, Canada and Australia, still face significant constraints — records never being kept, files remaining closed (for example on intelligence operations in peacetime in Britain since 1919), files sanitized, opened selectively, dispersed and gutted by stamp-happy officials and zealous governments. The British Foreign Office files on Herbert Norman, the subject of an inquiry, are empty. Soviet, Eastern Bloc and Chinese archives remain closed and, one hopes, will never become a windfall to historians because of being captured in war. This fact bedevils inquiry into the most routine subjects; it handcuffs research on intelligence. As Gorbachev releases Soviet historians from one of their more difficult tasks, forecasting the past, Soviet archives are being opened selectively. Western scholars of the holocaust are, because of *glasnost*, securing access to the estimated 30 percent to 40 percent of total material on the subject held in Soviet archives. But intelligence files are another matter.

This fundamental problem of the availability of evidence has left intelligence studies largely to writers whose diet of information was the thin but belching gruel of leaks, investigatory commissions, public hearings and hunting expeditions, press stories, scoops and speculations, revelations (was Bill Casey Bob Woodward's "Deep Throat?"), confessions, anecdotes, and of memoirs, apologia, and exposés by agents and defectors, exiles and emigrés of plural motives (Kim Philby, Peter Wright, Philip Agee and Ilya Dzhirkvelov), by the disillusioned and the disaffected, by converts and true believers, writing for their own audiences, largely free from the challenge of corroboration, unlikely ever to be put to searching tests of reliability and thus able to weave fact and fiction, history and novel. There are luridly fascinating and sensational cross currents — money, sexual deviation and behavior modification techniques. These sources and publications in turn produce biographies of dubious value: Anthony Cave Brown on Sir Stewart Menzies, chief of the Secret Intelligence Services (SIS), "C," from 1939 to 1952; H. Montgomery Hyde on George Blake, Clair Sterling's famous but embarrassing *The Terror Network;* and the derivative, quite trivial work of Chapman Pincher (*Their Trade in Treachery* and *Too Secret Too Long*). It remains a growth industry; the appetite for it seems insatiable. There is now a *Spyclopedia*, a comprehensive handbook of espionage, a compendium of spy jargon; there will shortly be an *Encyclopedia of Intelligence*, authoritative and vast.

### Some of the good writing

At the same time, and gathering pace, official histories of great quality (e.g., M.D.R. Foot's *SOE in France* and Sir Harry Hinsley's three volumes on *British Intelligence in the Second World War*) are now being complemented by serious, impressive, scholarly work. A body of literature is emerging that makes intelligence studies academically respectable, identifies intelligence as a discrete sub-field for research and teaching, and demonstrates its indispensability for the study of politics and strategy, to policy formulation and execution (e.g., Richard Langhorne's *Diplomacy and Intelligence During the Second World War*; Ernest May's *Knowing One's Enemies*; Christopher Andrews's *Her Majesty's Secret Service*; Wesley Wark's *The Ultimate Enemy: British Intelligence and Nazi Germany*; Christopher Andrews's and David Dilks's *The Missing Dimension*, R.C. Williams's *Klaus Fuchs, Atom Spy*, and Robert Manne's *The Petrov Affair*).

Yet, without certain forms of evidence, even the most scrupulous of researchers must leave large questions unanswered (beyond the identification of spies and agents). What precisely is the impact of spying? Even though we know in some detail that Fuchs passed vital, secret scientific information to the Soviet Union, what was the historical significance of his actions, for example, for the development of Soviet and United States nuclear policies? What is the significance of inter-allied intelligence cooperation and its breakdown? What is the value of covert operations (to Ernest May they vary inversely with the need for secrecy)? What is tolerable and what is indefensible in the conduct of state business? And what should the relationship be between executive and legislative branches on these matters? The point is that there are questions not even adequately raised let alone answered. The implication for scholarship and its ethics are obvious and never more compelling when one is dealing with individuals and their reputations, whether alive or deceased, with or without surviving families.

### Dissent and treachery

Dissent about policy is necessary, valuable and honorable. Even if the dissent be misguided and controversial, demanding peace in wartime, preferring socialist, progressive, Christian, humanitarian solutions for the excesses of the free market economies, seeing value in socialism in the face of depression and fascism, that fact is not altered. Treachery, through duplicity, subversion and betrayal, is condemnable. The motives for it are plural — money, advancement, power, moral conviction, idealism and ideology. Those who practise it offer a fascinating mixture of drama and emotion — pathos, risk, tragedy, courage, emotional and moral schizophrenia, arrogance, ego, relief when unmasked, perhaps wanting to be caught, and knowing the inhibitions constraining their prosecutors, even when the practitioners are broken by interrogation and confess. The line between dissent and treachery is clear; the path from dissent to treachery is difficult to trace. Those who publicly and in calculated fashion indict a person, a servant of government, with the charge of treachery, must be sure of their case. Speculation, supposition, inference, educated guessing from circumstantial evidence and innuendo are not enough. This is clear regardless of the social and political atmosphere, and the social/psychological dimensions of the matter. Societies try to explain away national debacles. They look for scapegoats and villains. They long to ferret out mediocrity, arrogance, incompetence, irresponsibility and worse, all the more so among ruling elites and privileged classes, among oligarchies, protected by insidious social and political networks — the likes of Roger Hollis, Menzies and Anthony Blunt — and Canada is not free of this phenomenon. Some of this is necessary, perhaps even healthy, and certainly unavoidable. But it should not provide hunting licences; it is not open season on individuals and institutions.

### Barros book and that of Roger Bowen *(Innocence is not Enough)*

James Barros's book has been reviewed in detail by J.L. Granatstein (*Saturday Night*, November 1986) and Reg

Whitaker (*The Canadian Forum*, November 1986), and no doubt others. There is no need to retrace their steps and repeat their themes. Barros had the advantage of Bowen's work and both agree on the basic biographical facts. Bowen made more of an attempt to write a biography, a balanced treatment of all phases of Herbert Norman's life and career, but was haunted by the central issue of innocence or treason. As a biography it is impressive if not authoritative; in addressing the central question he is generous, understanding to a fault, even perhaps somewhat naive. Barros could not write a biography; he lacks the fundamental ingredients — a degree of sympathy with his subject, an open mind, and the willingness to read the extant documents of the person's career and service. He has written an indictment, a dossier of guilt, a scenario of suspicion, and ends by calling for an official inquiry. Norman, in his view, was a communist, a liar, and, in all probability, a spy, an informal agent and a conduit of damaging misinformation. It was a short, logical and indeed necessary step, however desperate, for Barros also to incriminate Lester Pearson and other colleagues in the Department of External Affairs. Indeed, such is the indictment that one may begin to conclude that Pearson, the DEA and a "Liberal Establishment" are the issue, and that Herbert Norman is merely an incident, an exemplar of deeper things. The difference, in a word, between Bowen and Barros on Norman is that the former sees the path of Christianity, progressivism and then communism leading to disavowal, to a return to the political mainstream and loyal public service, while Barros sees a track from those intellectual roots to espionage and treason.

**Scholarship**

Barros claims on at least two occasions to be guided by the canons of scholarship, and Granatstein came to the conclusion that Barros had written a scholarly book. This judgment can only be reached, in my view, if one thinks that a scholar is a bloodhound, hot on the trail of a quarry, and that scholarship consists of relentlessly sniffing out data. That is an essential part of scholarship, quarrying the archives, squeezing them till the pips squeak, and made all the more necessary given the data-gathering problems noted above, but that is only part of it. A scholar must distinguish between types of evidence in discriminating fashion and not regard sources as equal, gauge their quality, be careful about what data is elevated to the level of evidence, attempt to corroborate, be cautious if one cannot be authoritative let alone definitive, be concerned where the mind comes to rest and where the search for data ends, weigh competitive interpretations carefully, judge soberly and judiciously, and ensure that the evidence marshaled can bear the weight of the conclusions placed upon it.

By these tests of scholarship, Barros fails. It has not always been so; he has written effectively enough on other subjects. But here, in a poorly organized, repetitive, and contrived argument his prose betrays him. His repertoire of revealing phrases includes "it can be suggested that," "it would not be unfair to say that," "it can safely be said that," "it is also safe to assume that," "it would be fair to assume that," "it can now be said with reasonable certainty," "it is not outside the realm of possibility that," "it would not be unfair to suggest that," "it can be inferred that," "it takes no vivid imagination," "nor would it be unreasonable to speculate that," "it can well be imagined that," and so on, *ad nauseam*, from evidence that is circumstantial or worse; this example from page 139:

> ...how did Blunt know that Norman was a member of the Russian intelligence operation? The answer is reasonably simple: Guy Burgess and Anthony Blunt were lovers, and Burgess, as we have seen, knew Norman. Doubtlessly, "pillow talk" is not the monopoly of heterosexual relationships.

Barros resorts to scenario-building, grasps at rumor and speculation, and gives credence to dubious testimony. Norman is not to be given the benefit of any doubt. When he consorts with leftists it is because he is one of them; when he shuns them it is because he is one of them. When he seeks a position in the Department of External Affairs it is for purposes of subversion; he is a mole burrowing into government. Barros has not read the records of Norman's tenure of the Cairo Embassy from 1956-57, which spanned the Suez Crisis, but "There is, however, one oddity that cannot go unrecorded" (p. 120), on the severing of diplomatic relations with Egypt. Australia asked Canada to act for her in Cairo, but Britain turned to the Swiss. Why? "One plausible, but speculative answer, is that MI5, sensitized to Norman, may have warned the Foreign Office. The Australians, lacking similar intelligence information, picked the Canadians." There is no evidence for this mischievous speculation in the British files; a senior and centrally placed official of the Foreign Office at the time, Sir Harold Beeley, dismissed the idea as ludicrous; and a perfectly sound explanation can be found in the abject state of Anglo-Canadian relations over the Suez affair. Similarly, Barros has not read the records of Norman's service to General MacArthur and to Canada in Japan between 1945 and 1950. But he devotes considerable attention to the suspicions and accusations of General Charles Willoughby, "Charles the Terrible," MacArthur's Chief of Intelligence, while utterly ignoring the remarkably frank, supportive, mutually respectful relationship that existed and developed between MacArthur and Norman, itself a tribute to Norman's patience as listener. In sum, Barros's methods would be deplorable on the most innocent of subjects; they are thoroughly contemptible as a means to prove treachery. The fact is that Barros cannot either demonstrate or explain Norman's supposed path from dissent to treason. He cannot identify a single act of treachery. None of the conventional ways by which spies are unmasked — confessions under interrogation, fingered by a defector, "shopped" (turned in) by an accomplice, identified by a fellow-agent, caught in the act — applies to Norman. And suicide is not enough.

**Always new information**

It is too early to propose exorcising the phrase Cold War from the political vocabulary, as we have isolationism, but, as the archives slowly, annually disgorge the post-1945 period, problems continue to emerge with it as a governing concept. When did the Cold War begin, in Europe, in Asia, in the Middle East, in Africa and Latin America? When did France see "the Russian problem" taking precedence over "the German problem?" When did Australia see "the Russian problem" ousting "the Japan problem?" And why could Presidents harbor possibilities of Soviet-American cooperation in the Middle East as late as 1955, and even 1956? Zealots among American civilian and military leaders may, with regard to East Asia, have seen things clearly, but that did not help them understand different viewpoints, for example, on the future course for Korea, as well as for Japan. And dissent they all too easily saw as subversion. On February 27, 1948, General John Hodge, the Commander of United States forces in Korea, reported to the Joint Chiefs of Staff

## *Two opposed books*

United States forces in Korea, reported to the Joint Chiefs of Staff (from the *MacArthur Papers*):

> This is a brief report of personal conferences with Jackson of Australia and Patterson of Canada, delegates on UNTCOK [United Nations Temporary Commission on Korea].
>
> Patterson and Mrs. Patterson were the only guests at dinner at my quarters and talk was more informal with less official flavor than with Jackson. However, several interesting things came out that were worthy of note, mostly in the measure of the man himself:
>
> A. Patterson is the number 1 outspoken apologist for Soviet Russia and for communism that I have encountered in many months. He has said we have not studied and approached communism sympathetically; that there is much good in the ideology or it would lose its following; that capitalistic nations must adjust themselves to it and adopt many portions of it, particularly in the economic field and in the social reforms expressed in the creed; that all his contacts with communists and Russians have been pleasant and favorable; that Russia's attitude toward the US is due to a real fear of American expansionism and imperialism (which he himself apparently believes exists in fact and is a bad influence in the world).
>
> B. He is an all-out idealistic socialist who apparently believes the world will break up unless there is some radical change in the capitalistic system.
>
> C. He, personally, is against elections in South Korea because "They will result in reactionary Rightists getting in and they will maintain themselves in power for years to come." This and other similar expressions explain his great concern over the views expressed by the spokesman of the Leftist-fringe communist infiltrated parties (all of whom are now openly demanding immediate withdrawal of both forces).
>
> D. He states that UN cannot afford to "side with the US against Soviet Russia on the Korean question" and like Jackson ignores the factual situation in Korea and shows a belief that the Russians will give in.
>
> E. He openly admits that his and Jackson's maneuvering in UNTCOK are definite appeasement of Russia tactics and that he is in favor of appeasement "so the Russians will lose their fear and will cooperate."
>
> F. He brushed off the "Canada Spy Ring" as merely a normal quest for war info.
>
> Jackson and Patterson have been teamed up since arrival here to talk UNTCOK in furthering US Mission. Apparently both have read all the Mark Gayn (*Chicago Sun, PM*), Gordon Walker (*Christian Science Monitor*) and Hugh Dean (*Telepress, ALN, Daily Worker, New Masses*) line and, upon arrival, set out to prove that it is true. Jackson has been most active and based on statements made to me I believe he will stay here and make all the difficulties he can, in case Little Assembly backs up US position. However, Jackson has not openly followed and talked the "Fellow Traveler" attitude displayed by Patterson. Patterson has dropped hints that he has advised Canada to have no part in UNTCOK if any of its actions might offend Russia. He is leaving Seoul for Tokyo on Friday. Although he told me he will return in about 1 week, I doubt if he will do so in case UN decision is against his ideas.

On April 22, 1948, Hodge informed the State Department that:

> Learned this morning that Jackson, Patterson and Milner of UNTCOK called on Kimm Kiusic shortly before his departure and urged him to go to Pyongyang, saying that if Kimm's or other reasonable terms were accepted, UNTCOK might postpone election scheduled for May 10. This might have been deciding factor in persuading Kimm Kiusic to depart as he had previously, while wavering, been leaning toward not going to Pyongyang and was even attempting to find excuses why he should not go.
>
> As far as can be ascertained at present, Jackson, Patterson and Milner took this action without consulting other delegates. Some delegates were not even in Seoul as they were in provinces on observation. Hence, we have Australia and Canada still attempting sabotage the election in South Korea. I use word "sabotage" advisedly because anyone possessing (1) a little knowledge of Soviet Policy and tactics, and (2) good common sense, must realize that nothing can come of Pyongyang Conference for Koreans or non-Soviet nations except fools paradise.

### How agents behave

Barros assumes that the higher an official rises in the bureaucracy, the greater is his value to his real masters, in this case the Soviet Union, because of his more ready access to vital secret information and, presumably, more ample ability to pass on intelligence by safe means. This is a questionable, even facile, assumption. Some of the most effective spies were productive precisely because they were in very modest positions — embassy servants (Signot Constantini in the British Embassy in Rome), archivists, registry and filing clerks, dispatchers in communications centers and offices (Clyde Lee Conrad, the Walker family, Pollard and Richards). This issue of rank and status is an open question and can be left as such, but Barros, having no evidence whatsoever of Norman's passing any information of any type to the Soviet Union (compare the case of Klaus Fuchs), uses it as the entrée to what he seems to feel is a profound theme: agents of influence and disinformation.

> The worth of agents of influence and of disinformation is that they are more elusive than those who merely provide secret and privy information. Their activities can be low keyed, less intrusive, and thus harder to spot. Contacts with control officers are rare, but their actions are capable of affecting the policy decisions and choices their immediate political supervisors will make. Consequently, to advance the cause of their true political masters they can go further than the secret or privy information they might convey (p.143).

Agents of influence, able to undermine policy, may or may not be formally recruited or controlled. Those who are not are "unwitting but manipulated individuals; Norman would clearly fall into that category" (p. 144). Agents of disinformation undermine sound policy processes by planting false, incomplete or misleading information. The efforts of both types of agents are, Barros assures us, linked with "special operational undertakings" (p. 144). Perhaps, but an agent passing state secrets would more likely want to protect that valuable activity and to avoid suspicion, by not seeking to influence and undermine the policy processes of the government he served in ways that demonstrably benefited his real masters. Conversely, would an official, high enough in government to be able to influence policy in decisive ways, risk detection, compromise that activity, by passing vital intelligence and government secrets? This is also an open question, but not one that allows Barros, having found no evidence of espionage by Herbert Norman, to launch into a further series of charges.

Barros has no evidence whatsoever about Norman's behavior in a decision session of any kind — within the Department of External Affairs or in inter-departmental committees — and leaves the subject untouched. But he speculates on the damage Norman did or could have done in Japan and as ambassador to Egypt and the Lebanon, again completely unencumbered by work in the relevant files. He dismisses as naive a Department of External Affairs analysis, by the Middle East Division, of his record in Cairo, and concludes:

> No agent of influence would have been foolish enough to reveal anything in a telegram or dispatch. Of value to his true masters would have been the type of advice he might have tendered to his government and perhaps to others who could have been influenced by it. What Norman had supposedly said to Egyptians and other Arabs is virtually non-verifiable. Therefore, the Middle East Division's contribution would have been far more significant if his advice to Ottawa on how to handle Middle East events had been juxtaposed with Russian objectives in the region, particularly in Egypt (p.185-186).

I find Barros's reasoning difficult to follow here, but he, presumably, sees it as reinforcing his case against Norman, built as it is on the absence of evidence, and buttressed by conventional wisdom about Soviet intentions. In fact, Norman's assessment of Nasser's policies and intentions in the Suez affair was remarkably astute, his analysis of the emerging Middle Eastern crisis and Soviet preferences insightful, and his assessment of how the Western democracies should respond was both sound and responsible, especially in view of the fact that he did not reach Cairo until September 1956. In my view, one of the clue's to Herbert Norman is his somewhat romantic view of Asia, his empathy with Third World aspirations, his sense of the anti-colonial, pro-nationalist historical trends that were hurried along by the Second World War and both constrained the behavior and limited the options available to great powers. Some of these views were evident in his attitude toward the issue of Indian independence. In that sense, and perhaps others, he was close to Lester Pearson.

**Assault on Lester Pearson**

Barros's description of Lester Pearson — a liar, a motivated protector of Norman, a threat to the integrity of parliament, the pivot of an incompetent, oligarchical Department of External Affairs, the prime mover in a cover-up of Norman, a possible candidate for Soviet recruiters, and "...could one even dare to think the unthinkable, that Pearson was Moscow's ultimate mole?" (p. 201.) Certainly such a record makes what Barros sees as Pearson's low standing with Foster and Allen Dulles, Eisenhower and Eden, their lack of trust in him, perfectly predictable and entirely understandable. Pearson was clearly unfit, in Eden's opinion, to be Secretary-General of NATO. Presidents Kennedy, Johnson and Nixon were surely well informed about Pearson and no doubt shared the deep suspicions of him harbored in Washington. Thus the United States withheld information from or failed to consult the Canadian government, some United States officials may have regarded Pearson as "An ideological sympathizer and possibly a conscious agent of the communist opposition, even though he was not under its control...as an agent of influence. Nor would it be unreasonable to speculate that, by the spring of 1957, at the latest, misleading information might have been passed on to him by the Americans...done deliberately in the hope that he would convey it to Moscow. The ploy would have been to misinform the Russians about American plans and policies. Regrettably, the theory cannot be tested at present, as documentation for the period in question cannot be examined at this time." Quite.

I conclude from Barros's treatment of Lester Pearson that he is simply out of his depth. He does not understand the nature of Canada's postwar relations with the United States, their shared assumptions, their essential harmony of interests, but Canada's need for effective distance, and the presence of certain soundly based differences over policy, demonstrated by the European Security plan, the off-shore islands issue and the recognition of Communist China and her admission to the UN. He does not understand Pearson's form and style of multilateral diplomacy. He knows little of the working relationship between Foster Dulles and Pearson, of their regard and respect, and basic trust. He has no idea of Eden's lack of understanding of the new Commonwealth, and its Third World leaders, of his contempt for it and for them. The harmony of United States and Canadian views toward the Suez crisis and their close cooperation are alien territory to him. He seems to have no understanding of the significance of the thoroughly laudable and entirely justifiable position taken by Dulles, Eisenhower and Pearson in the act of aggression by Israel, Britain and France against Egypt. It is a matter of scholarly research.

**Pearson and the Americans**

Pearson stood firm on various issues, rarely lost sight of the political damage that excessive conformity to American preferences could bring, but recognized the quintessential significance of Canada's relations with the United States. As Livingston Merchant, the United States ambassador to Canada, reported to Dulles in July 1956, "He is intellectually persuaded that on balance the free world's interests would be better served by recognizing Communist China, but in the last analysis he would be controlled in the position he adopts by his assessment of the effect that recognition would have on Canadian relations with the United States. I am satisfied that he is convinced that for the foreseeable future, i.e., until the end of 1956, recognition by Canada is too costly a policy to be borne in terms of what our reaction would be" (Merchant to Dulles, July 20, 1956, *Dulles Papers*).

While Dulles liked and admired him, he was irritated by what he saw as Pearson's desire to be both loyal to the United States and NATO and to be the West's problem-solver at the UN and in issues involving the Third World. Pearson could be indiscreet. On March 27, 1956, Dulles complained to Pearson about Britain's hurried, preemptive and ill-conceived policies in the Middle East. Dulles recorded that Pearson "said that he was concerned and particularly worried about Sir Anthony Eden....He felt that he was not reacting very well to the strains and pressures of the present situation. He referred to the fact that his father had been quite eccentric....Up to the present time Eden had not had to bear the brunt of political attack and major responsibility as this had been carried principally by Churchill and that he (Pearson) had very real concern about the present

situation" (Dulles memorandum of conversation, March 27, 1956, *Dulles Papers*).

In October 1956, Dulles and Eisenhower agreed that Pearson was the best man to replace Lord Ismay as Secretary-General of NATO. Pearson, however, now that St. Laurent was back with vim and vigor, and was ready for the election campaign, felt he must support the Prime Minister, and, if he were re-elected, stay on at External Affairs (Dulles to Eisenhower, October 23, 1956, *Dulles Papers*). In their different ways, Pearson and Dulles attempted to convince Eden not to resort to force against Nasser, and both were shut out by the Anglo-French-Israeli collusion and decision of October 1956 to attack Egypt. Then they worked in concert to rescue Egypt from its aggressors, the aggressors from the consequences of their own folly, and the UN and world peace from Soviet mischief. Finally, they cooperated to bring about a cease-fire, to create the UNEF, secure the evacuation of Egyptian territory, clear the Suez Canal, and seek new arrangements in the Middle East (Dulles to Merchant, October 25, 1956, Dulles/Pearson telephone conversation, October 30, 1956, Dulles to Pearson, November 14, 1956, Merchant to Dulles, December 7, 1956, *Dulles Papers*).

This is not a question of hagiography. Revisionism about Lester Pearson is underway and will gather steam. But it will not end with subversion, disloyalty and treachery.

**Conclusion**

It is inconceivable that the Soviet Union did not try to recruit traitors of promise from Commonwealth countries, along with young Englishmen. There are blemishes on Norman's record. He was investigated in Britain and the United States, as well as in Canada. Perhaps it was deemed unwise to leave him in Tokyo after the outbreak of the Korean War in June 1950. But is it reasonable and responsible to construct an indictment of him on the evidence available? I think not. One must conclude that Barros's book will not find a place in the literature about intelligence that is scholarly, sound and lasting. No amount of publisher's hype will alter that fact. The book is, in the final reading, a self-indulgence. It is, in fact, a conceit. □

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# Mulroney and the Americans: a new era?

by Michael K. Hawes

The Canadian federal elections of 1984 and 1988 have a special place in Canadian political history. Taken together, they account for the first back-to-back majority government since 1953 and the first back-to-back Conservative majority governments in this century. In 1984 the successful theme of the Mulroney Tories was "out with the old and in with the new" — promising major changes in the direction of both domestic and foreign policy. The abhorrence of big government, private sector solutions to Canada's economic malaise, tax reform, deregulation, a commitment to pulling our weight within the Western alliance, and a pledge to revive the long-dead special relationship with the United States were to become the defining characteristics of the new government and the foundation for its policies. In his enthusiasm, Mr. Mulroney had promised nothing less than a new era in Canadian politics and in particular a new era in Canadian-American relations. In 1988 the Prime Minister went to the polls looking for a mandate to pursue the centerpiece of this new era — the Free Trade Agreement with the United States.

With respect to foreign policy, the priorities of the Mulroney government were established early on. One of the new Prime Minister's first official acts in 1984 — a scant eight days after he had been sworn into office — was to fly to Washington to meet with US President Ronald Reagan. His first throne speech waxed eloquently about the desirability of closer cooperation with the Americans. He was quick to announce the creation of annual summits between the two leaders. In its first November the government released a mini-budget (*An Agenda for Economic Renewal*) which was predicated on a sizable influx of investment capital from the United States and on an increase in exports to the United States. By the end of that first year of 1984 the government had replaced the much-maligned Foreign Investment Review Agency (FIRA) with the new and upbeat Investment Canada. And, at the same time, the Prime Minister had taken great pains to assure the American business community that he planned to dismantle the National Energy Program (NEP), especially the troublesome "back-in" provision. Speaking in New York, Mr. Mulroney proudly announced that "Canada was open for business." In short, Mr. Mulroney made it abundantly clear that he intended to make good his promise that "super relations with the United States [would] be the cornerstone of [his government's] foreign policy."

### First four years

As Mr. Mulroney's second term begins, with his second majority government, this seems a propitious time to assess his record on Canadian-American relations. Has his personal commitment to improving relations with the United States had the desired effect? Were there other factors that contributed to the warming of relations? Have the Tories succeeded in returning the "specialness" to the special relationship? Can the Free Trade Agreement (FTA) and closer economic integration guarantee the persistence of more amicable and more productive relations? Has there been real progress on other issues, such as defence cooperation and the environment? Finally, are we really witnessing a new era in Canadian-American relations — replacing the ad hocery and quiet diplomacy of the 1950s and 1960s and the acrimony and discontent of the 1970s and early 1980s with a more formal, more institutional, relationship? Has the broad commitment to multilateralism in Canadian foreign policy been replaced with a narrower, more mercantile preoccupation with bilateralism? And, if so, at what cost?

### "Special relationship"

For many years politicians and students of Canadian foreign policy have regarded the foreign policy relationship with the United States as something unique and *special*. During the two decades immediately following the Second World War relations between the two countries could legitimately be characterized as extensive, friendly and open. For its part, Ottawa recognized the importance of US leadership in the postwar international system and conceded that American interests were largely coincident with Canadian interests. In return, Washington allowed that Canada was a *special* ally and a *special* trading partner — offering privileged access to the United States market and providing exemptions to US measures which might adversely affect Canadian economic interests. All this was managed through what John Holmes and others have called "quiet diplomacy."

In order to understand this relationship — and, more importantly, to comprehend what has become of it — we need to come to terms with the concept of *specialness*. In the context of postwar Canadian-American relations, "special" refers both to the structure of the relationship and to the process used to manage it. With respect to the structure, the relationship has been regarded as special in at least five distinct senses. First, there were clear ideological and philosophical similarities between Canada and the United States, which manifested themselves through a commitment to common principles and membership in common international organizations. Second, the relationship was viewed as unique in both scope and depth; such that social, commercial and diplomatic interactions between the two

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societies were both quantitatively and qualitatively extraordinary. Third, the relationship has been unusually peaceful, harmonious and cooperative. Fourth, the extensiveness of both bureaucratic and private sector activities was unparalleled. And, finally, there has been substantial bilateral cooperation in areas of special concern.

The International Joint Commission (IJC) and the North American Air Defence Agreement (NORAD) are excellent examples of the willingness to establish specific institutional arrangements when the need arises. The relationship has also been unique on the process side. First, this extensive relationship has traditionally been managed through very few formal mechanisms. For the longest time, harmonization of policies and coordination of policy expectations were achieved primarily through the exercise of personal contacts or quiet diplomacy. Ad hoc, low key, non-adversarial consultation was a critical feature of Canada-US relations. Second, and perhaps most important, conflict and confrontation was avoided by the simple fact that each side accorded to the other a special status. In return for access to its domestic market and a secure supply of natural resources to feed the expanding US industrial economy, Canada repeatedly sought and was granted exemptions to key US economic legislation.

While all of these considerations are important in understanding the relationship, each country has tended to view specialness in slightly different terms. In Washington, the Canadian-American relationship was regarded as unique in the sense that it allowed two sovereign states to effectively maintain a single open market. In Ottawa, exemptionalism was clearly the key feature of the relationship. Trade and investment grew substantially during the "long decade of the 1950s," with Washington consistently giving Canada the benefit of the doubt on NATO and GATT issues and consistently exempting Canada from potentially harmful US economic measures. Under these conditions, Canada successfully managed to avoid the fallout from the Interest Equalization Tax of 1963, the Voluntary Cooperation Program of 1965 and the Mandatory Direct Investment Guidelines of 1968.

### Growing strange

During the 1970s, however, the special relationship fell upon hard times. Weighed down by the burden of maintaining global security arrangements and overcome by increasing balance of payments problems, the US government moved in 1971 to end the Bretton Woods system. The implications for Canada were made clear when Treasury Secretary Connally refused to listen to appeals for Canadian exemptions to the 10 percent import surcharge and the rules of the newly created Domestic International Sales Corporation (DISC). At the same time, the US government proceeded with uncharacteristic bluntness — to press Canada to raise the value of its dollar. And, if the message was not clear at this point, it became crystal clear when President Nixon addressed a joint session of Parliament in April of 1972. In that speech, he reinforced the Nixon doctrine and expressed his view that each state must define its own interest, provide its own security, and be responsible for its own progress.

The US position softened somewhat after Mr. Nixon left office, but the damage was done. Ottawa had no choice but to respond. And, encouraged by the so-called new nationalism that emerged from the 1970 White Paper on foreign policy (*Foreign Policy for Canadians*), the Trudeau government crafted a response based on trade diversification and limitations on foreign (read American) ownership. The two most important "policy statements" were the "Third Option" paper of autumn 1972 and the legislation creating the FIRA in 1974. In a paper authored by Mitchell Sharp, then Secretary of State for External Affairs, the government made the case for "lessen[ing] the vulnerability of the Canadian economy to external factors, in particular the impact of the United States, and in the process, to strengthen our capacity to develop a more confident sense of national identity" ("Canada-US relations: Options for the Future" in *International Perspectives*, Special Issue, Autumn 1972).

What followed the confusion of the early 1970s was a period of relative calm characterized by uneasy and uncertain behavior in both capitals. What this led to, however, was a full-blown crisis in the relationship in 1981 and 1982. As Stephen Clarkson has argued, the coming to power of a conservative administration under Ronald Reagan in the United States, coupled with the return to power in 1980 of a newly energized and nationalist Trudeau government in Canada, had disastrous results for the relationship. In Canada, the Trudeau government pushed forward with the creation of the National Energy Program. It made constant references to a "beefed up" FIRA, and it supported the notion of greater "Canadianization" (though it was not very clear about what that might entail). In the United States, protectionism in the Congress threatened to cut off or cut back access to the US market. Reagan's new economic policy (combining tight money, high interest rates and exchange rate pressures) was the source of much concern and confusion in Ottawa. And, more broadly, the private sector/deregulation thrust of the Reagan administration was out of synch with current thinking in Ottawa.

### Close, but not so "special"

By all indications, the "specialness" had gone out of the special relationship — if not in the early 1970s, then surely by the fall of 1981. On each of the dimensions used to identify and clarify the special character of the Canada-US relationship significant changes were evident. With respect to ideological and philosophical similarities the relationship had clearly changed. And, while much of the divergent philosophies phenomenon derived from calculations about the extent of the differences in the two countries, the atmosphere of the relationship had definitely soured. With reference to interaction, there is little doubt that productive contacts were fewer after 1971. On the trade front, which is much easier to measure, a significant slowdown can be discerned. For example, exports to the United States, which had grown from a little over 50 percent of total exports in the late 1950s to nearly 70 percent in 1971, stagnated during the 1970s and dropped off in the early 1980s. Exports to the United States accounted for only 66 percent of total exports in 1981.

The relationship ceased to be harmonious and cooperative. Irritants which had occupied prominent positions on the bilateral agenda for years (such as energy exports, investment, the environment and defence spending) suddenly became the source of acrimony. Extensive bureaucratic and private sector activities persisted, but they did so in a decidedly less cooperative environment. Bilateral institutional arrangements, such as the IJC, fell on especially hard times. And even more striking was the failure of the process of management. The coordination of policies and

policy expectations virtually ground to a halt as Canada failed to garner exemptions from key US economic measures. Personal, ad hoc methods seemed less well suited to this more complex and more uncertain environment which existed after 1971.

**Mulroney and the Americans**

While in opposition, the Tories had expressed considerable disapproval over the manner in which the Trudeau government handled the United States. There was some improvement in the relationship in 1983, prompting *Maclean's* magazine to print a cover story entitled "Friends Again." However, controversy over cruise missile testing, acid rain and other potentially divisive issues rocked the relationship again in early 1984. During the 1984 election campaign Mr. Mulroney vowed to bring a new civility to the way in which Ottawa dealt with the United States. And, once in office, the Prime Minister made no bones about the fact that he was predisposed towards pleasing Washington.

On the surface, the relationship between Canada and the United States improved considerably in the few short months following the September 1984 federal election. Mr. Mulroney managed to establish a good rapport with his like-minded counterpart in Washington early on and worked hard at erasing the image that Canada and the United States were growing apart. In order to further this feeling, Mr. Mulroney undertook a number of initiatives which gave the impression that both Canada and the United States were in pursuit of the same fundamental goals. Inter alia, the Prime Minister promised to end the national energy program, his government passed legislation which replaced FIRA with Investment Canada, and he made some important symbolic endorsements of US foreign policy, such as support for the Strategic Defense Initiative (SDI). Mr. Mulroney even reversed his 1983 position on free trade, maintaining that Canada's entire economic strategy had to reflect new continental realities. The message, which was being promoted vocally in both capitals, was that the two governments (and, indeed, the two societies) did have similar philosophical and ideological priorities. And, to the great surprise of some observers, this new-found compatibility was, in itself, sufficient to jump-start the relationship.

**Trade more bilateral**

With respect to scope and depth, all types of transborder contacts increased. On the commercial side, though much of this has to be understood in terms of the pattern of recession and recovery and on the strength of consumer demand in the United States, trade between Canada and the United States picked up considerably after 1984. Exports to the United States, which accounted for roughly 72 percent of total Canadian exports in 1983, exceeded 80 percent of the total by 1986. Trade between the two countries, which had leveled off between 1978 and 1983, grew by leaps and bounds in 1984, 1985 and 1986. On the diplomatic side, the replacement of brash political appointee Paul Robinson with career diplomat Thomas Niles as US ambassador to Canada in July of 1985 suggested that Washington viewed the relationship with greater seriousness.

The scope of the relationship was also enhanced by the regularization of an annual summit process between the two leaders and the establishment of ongoing consultative meetings between the US Secretary of State and the Canadian Secretary of State for External Affairs. While the Shultz-Clark meetings were designed to re-establish strong and productive government-to-government relations, it was the Reagan-Mulroney summit meetings which gave this new-found friendship a strong and positive public image. The so-called Shamrock Summit, which took place in March of 1985, was an extravagant public demonstration of friendship which was meant specifically to advertise the fact that a more harmonious and more cooperative era was upon us.

However, by the time of the April 1987 summit it was clear that the optimism and the hype of the earlier summits was not translating into a greater level of cooperation on specific issues. Acid rain is a good illustration of this phenomenon. It has consistently ranked high on the Canadian agenda. In the beginning Canada agreed not to push it for fear it might derail the engine of cooperation. The next year the Reagan administration acknowledged its importance to Canada but made no concrete promises. In the third year promises were made but not kept. In sum, though even more promises have been offered, no real progress has been made.

The most dramatic change in Canadian-American relations, however, had to do with the institutional arrangements that govern the relationship. Specifically, at the behest of the Mulroney government, Canada and the United States successfully negotiated the Free Trade Agreement which took effect in January 1989. The negotiations themselves touched off a national debate in Canada over the desirability of formal economic integration with the United States which became the key — almost the only — election issue in the 1988 campaign. The Tories can legitimately take credit for seeing the negotiations through to an agreement — especially given the skepticism and opposition on both sides of the border. They have argued that the agreement represents a positive historic change in Canada's foreign economic policy and a considerable achievement for a first-term government.

**More structured relationship**

What all of this suggests is that despite Mr. Mulroney's predisposition toward the United States and his specific promise to revive the special relationship, we have not returned to a situation characterized by quiet diplomacy, access based on special status, and exemptionalism. In fact, quite the reverse is true. What has happened is that while the relationship is more cooperative and more civil on the one level, it has become both more formal and more structured on another.

The very existence of a Free Trade Agreement provides a strong case for the argument that the special relationship has not returned. The need for an explicit framework to provide access to the US market and the need to settle disagreements through a binational dispute settlement mechanism both attest to the fact the "special" arrangements no longer work. More specifically, exemptions to key US foreign economic policies are rare, while conflicts over both markets and policies are becoming an even more common feature in Canadian-American relations. For example, at the precise moment when the two governments were in the midst of negotiations leading to the FTA, there was a major dispute over softwood lumber exports to the United States (with Canada eventually imposing a 15 percent export tax on softwood lumber in an effort to head off the imposition of a punitive US duty); there was a significant widening of measures introduced in 1983 aimed at restricting the sale of certain types of fish in the United States; and there was a successful GATT complaint against Canadian west coast salmon and herring which had been initiated by the United States.

More importantly, perhaps, was the passage in 1987 of the Omnibus Trade Bill in the US Congress. It effectively broadened the definition of illegal subsidies, it required retaliation against countries with unfair trade practices, and it altered anti-dumping regulations in a way which would make them more effective instruments of US protection. Not only did this bill not exempt Canada, but Canadian steel, pork and potash were targets of the legislation.

**FTA's mechanisms**

Proponents of the agreement have taken great pains to argue that it is not only the symbol but the substance of a new era in Canadian-American relations. This is undoubtedly true. However, the logic behind such an agreement and the simple fact that it is a necessary part of Canada-American relations in the late 1980s, confirms that the relationship is no longer *special*. Moreover, it is not clear whether the FTA can provide the foundation for a predictable and positive relationship. These concerns arise from the reality that we do not know at this point exactly how each side will interpret its commitments. We do know that the agreement achieved far less than the more ardent proponents in Canada had hoped for. First, access to the US market is not fully guaranteed. Not only could new US laws emerge that would restrict access, but the agreement can be unilaterally abrogated on six months notice. Second, the bilateral dispute settlement mechanism is weak. Its role is largely procedural, making sure that each country applies its laws fairly. It has little or no control over the content of those laws. The United States is no more eager to give up some of its sovereignty than we are. There is the argument that the mere existence of such a panel will provide a sense of certainty and stability. This remains to be seen.

Finally, there is the possibility that the political side effects of the deal may prove quite divisive for the relationship. On the one hand, there has been less opposition in Congress than most observers expected and many provinces have come on line. On the other hand, Canada's largest and most populous province remains strongly opposed — arguing not only that the deal will have adverse economic effects and disastrous consequences for social welfare programs, but that it will significantly affect the ability of the provinces to shape their own economic and social policies.

**Is it a better relationship?**

At first blush it would appear as though there have been fundamental changes in the Canadian-American relationship. On the surface, there is more civility and a greater commitment to cooperation than we have seen for some time. However, even with the most liberal interpretation of specialness, the Mulroney government has failed in its bid to re-establish a relationship with the United States based on exemptionalism and on a mutual (implicit) agreement to accord one another some special status. One explanation is that the policy of renewal was the personal initiative of a Prime Minister who was plagued by scandals and weakened by personal unpopularity. Another, more compelling, explanation is that the there are certain features of the government's policy toward the United States which are inherently very difficult to achieve. A final explanation, which has been argued at some length above, is that the government has not had a policy towards the United States so much as it has had an inclination towards an ideal type of relationship.

To put it in simpler terms, if Mr. Mulroney's government has been unsuccessful in its bid to restore certainty and clarity to the relationship, it is not because it lacked the political will. Rather, the fact is that despite a clear predisposition toward closer, more harmonious intercourse with the United States, the government has not had an organized and coherent strategy with which to pursue that goal. Improving the tone of the relationship and providing for additional structure is not enough. A coherent strategy must directly deal with a host of issues — such as the environment, Arctic sovereignty, the conflict between bilateral priorities and a multilateral tradition, Central America, South Africa, and defence spending — which have remained largely unresolved in the last four years.

**New era**

The central thrust of Mr. Mulroney's new policy toward the United States — a reconsideration of the trading relationship — has in itself been a success, if one measures success simply in terms of concluding a difficult set of negotiations. However, there is some reason to believe that a reconsideration of the trading relationship had already begun by the time Mr. Mulroney took office and, in any event, was inevitable. While it is always difficult to trace the origins of a particular policy initiative, the need to seriously improve bilateral trading relations was the main aim of the Trudeau government's White Paper on trade policy released in August of 1983. On a more practical note, the Trudeau government had actually begun sectoral trade negotiations with the United States. This reflected, inter alia, the failure of the Third Option strategy of the 1970s, the recession of 1981-82, the subsequent US consumer-led recovery, and the dramatic rise of protectionism in the United States.

The policy change, then, was not so much a function of Mr. Mulroney's electoral success as it was reflection of changing global and regional economic realities. The challenge for the Mulroney government is to square this continentalist necessity with other foreign policy considerations and to balance economic vulnerability with economic growth.

Have we arrived at a new era in Canadian-American relations, where economic priorities have outweighed political priorities and bilateralism has replaced multilateralism? And, if not, what are we to expect in the years ahead? These are complex questions which do not lend themselves to simple single explanations. There is a new era of sorts in Canadian foreign policy. However, it is neither a return to the golden age of Canadian foreign policy nor a return to the special relationship. What happens on the Canadian-American front will depend on a number of factors, including the ability of the government to achieve some kind of reconciliation among the competing interests in the debate, the success of the Bush administration in reducing the merchandise trade deficit, the evolution of the world economy, the success or failure of the current GATT round, and the willingness of the second Mulroney government to face up to foreign policy contradictions. If the Tories are to translate their specific success in negotiating a trade deal into a more general foreign policy success they are going to need an overall strategy towards the United States. The realization of fundamental change — the drawing of a new era in Canadian-American relations — will have to be based on something more substantial than rhetorical accommodation. □

# Making arms control treaties stronger

by Douglas S. Scott and A. Walter Dorn

*Promising new developments appear to be in the making at the Conference on Disarmament in Geneva. This 40-nation forum is currently negotiating a new international treaty to ban chemical weapons. The intention is to expand the scope and to eliminate the weaknesses of the 1925 Geneva Protocol on Chemical Weapons. The weakest part of the Geneva Protocol is its lack of a verification system. Under the new treaty, the proposed verification system is to be administered by an international agency that will be created specifically for that purpose.*

*The authors have been following the "rolling text" of the new treaty. These documents are issued periodically by the Conference on Disarmament (CD), and set forth the clauses that have been agreed upon so far — at least provisionally.*

*The authors are members of The Markland Group, which describes itself as a citizens' organization for the protection and strengthening of arms control treaties. Douglas Scott, after practising law for thirty-two years in Hamilton, retired in 1985 to devote his energies to arms control treaties and their verification regimes. Walter Dorn is a doctoral student at the University of Toronto contributing to the development of chemical sensors for the verification of chemical disarmament.*

*The Markland Group, although not a research institute, has assembled a collection of documents and other material relating to the institutional aspects of verification. This material is available to students and others with a special interest in the topic.*

The biggest unsolved problem in the field of verification of arms control treaties has nothing to do with how to detect violations. It has to do with what comes after — with evaluation and response. This is not to say that the techniques and procedures for detection have no need for further development. The technology of inspection and surveillance is a vast topic. Much work remains to be done in this area, and there will be fresh work to be done as each new proposed item for the arms control treaty lands on the negotiating table.

But these technical problems of inspection and surveillance have been receiving a disproportionate share of attention. The recent arms control treaties already contain long and detailed clauses stipulating various types of inspection procedures and reporting obligations. The ongoing negotiations for new treaties are already devoting the major portion of their time to clauses dealing inspection and surveillance. But these functions cover only half of the verification process. The other half — evaluation and response — remains an unsolved problem. Essentially, inspection and surveillance clauses deal with the collection of data — data relating to compliance. After this data has been collected, there remains the problem of evaluating it in order to determine whether it indicates a violation. Clauses providing for evaluation are absent from most arms control treaties. After the evaluation process has been completed, if a violation is indicated, there arises the further question of determining what should be the appropriate response in order to achieve compliance. This type of clause, too, is absent from most arms control treaties.

**Full-scope verification**

This article draws attention to the fact that little effort has been put into constructing a verification system that covers both halves of the process. We shall argue that the need for this full-scope type of verification system is already upon us. We shall point to the new Chemical Weapons Convention, and argue that this much needed system has not already been developed because of the adamant opposition of the superpowers — an opposition which was substantially relaxed in early 1988. That resulted in some important developments in Geneva — developments that involve a start on the construction of a full-scope verification system. In this process it will be argued that it is important for Canada and the other middle powers to make a greater contribution towards the process of designing this new system, and not to allow the superpowers to monopolize the process.

Although most arms control treaties omit any reference to the second half of the verification process, important exceptions are to be found in three treaties, all of which deal with evaluation and response. Two of these treaties are regional: the Treaty for the Prohibition of Nuclear Weapons in Latin American and the South Pacific Nuclear Free Zone Treaty. The most important of the three is the Nuclear Non-Proliferation Treaty (NPT), which was signed in 1968 and now has 136 signatories. This Treaty gives certain responsibilities to an international agency — the International Atomic Energy Agency (IAEA). This agency, under powers conferred by the Treaty, is now administering a full-scope verification system. It functions in all three fields of the verification process.

**NPT/IAEA system**

In the field of data collection (inspection and surveillance), the IAEA has teams of inspectors which it sends out from its headquarters in Vienna to perform such operations as counting the fuel rods in the nuclear power plants. If any nuclear material

is unaccounted for, the presumption is that it may have been diverted for military use, which is prohibited by the Treaty.

In the field of evaluation, the IAEA Board of Governors is given the right to determine, on the basis of data submitted by the inspectors, whether any party has failed to account for all of the nuclear material in its possession.

In the field of response, there is provision for the Board of Governors to impose sanctions, albeit rather mild ones, and to refer certain cases to the International Court of Justice.

It will be noted that there is an important difference between the objectives of the two halves of the verification process. The first is directed primarily towards prevention or deterrence and it relies mainly on the fear of detection. The second seeks to deal with situations where a violation has actually occurred, and is directed towards securing a rectification. The second half of the process no doubt also functions as a deterrent: the mere presence of clauses of this type in the Treaty constitutes a type of threat to the would-be violator.

**Stalemate prior to 1988**

No matter how the response problem may be categorized, the fact remains that it, along with the evaluation problem, has yet to be satisfactorily resolved. The absence of clauses in other treaties dealing with these problems is not very surprising in the case of the bilateral treaties. Since there are only two parties involved, they are likely to prefer handling the matter of evaluation and response themselves — outside the framework of the treaty. Among the various bilateral treaties between the superpowers, the only clauses that provide a method for dealing with violations — suspected or actual — are those that require the parties to refer the problem to a special negotiating process where they can attempt to resolve the problem by agreement. If they fail, there are no further provisions in those treaties for dealing with the problem. (In the ABM Treaty, this special negotiating process was given the inappropriate name, Standing Consultative Commission.) Except for this type of clause, the superpowers have never incorporated the evaluation element or the response element into their bilateral treaties.

In the case of the multilateral treaties, the story is the same. Except for the three treaties mentioned, there are none that contain clauses dealing with evaluation or response. This is especially regrettable because multilateral treaties are of the type that are intended to be signed by as many countries as can be persuaded, and they are also the type of treaty upon which the whole regime of arms control and disarmament will eventually depend. Thirteen such treaties have been signed since World War II (although that figure depends on how one defines an arms control treaty), but only the three noted above have full-scope verification systems.

**Problems with the NPT/IAEA system**

What is especially disturbing is that the particular systems that have been developed for the three treaties mentioned may be of little use for other treaties. The NPT/IAEA system, it is true, has been in operation for twenty years, apparently without serious problems. But there are important reasons for questioning whether that system could be used for the new multilateral treaties under negotiation without substantial elaboration and modification. If these doubts are valid, it means that the world has not yet devised a verification system that can be used for the type of treaty that is needed for an expanding regime of arms control and disarmament.

One of the doubts about the usefulness of the NPT/IAEA system for other treaties arises from the fact that it is not targeted on the superpowers. Despite its record of success, it offers no experiential evidence that it would be successful in dealing with the superpowers. Even more important, it seems that several of the serious problems encountered by the NPT have been solved not by the operation of its verification system, but by the intervention of one or more of the superpowers. The IAEA Board of Governors itself has never been presented with an allegation of a major violation requiring it to consider using its powers in the area of evaluation and response. It cannot be said, therefore, that either of these processes has received anything like a field test.

Thus, the NPT's 20-year record of success has less to offer than might appear at first sight. Another problem with adopting the NPT/IAEA system is now becoming apparent as the negotiators at the chemical weapons negotiations look at it more carefully. The evaluation and response processes, as laid out in the NPT (and the IAEA Statute), are considered to be too sketchy to be used in the new treaty, and in need of considerable elaboration. We must conclude that the NPT — as well as the other two full-scope treaties — although offering some useful lessons, cannot be taken as a model for other treaties.

**Full-scope verification systems**

The need for full-scope systems is becoming acute — at least in the case of the new multilateral treaties under negotiation. For instance, there is general agreement that the time has come for a new treaty to be signed banning the production and stockpiling of chemical weapons.

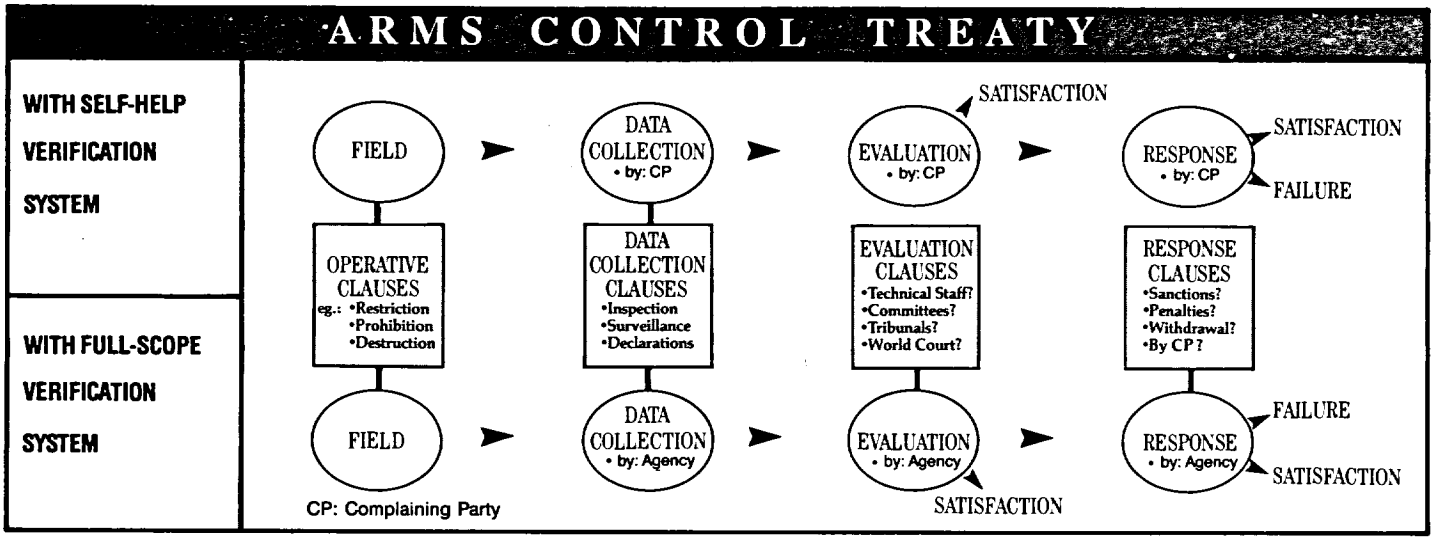
Negotiations for a new Chemical Weapons Convention have been going on for many years in Geneva in a special committee known as the Conference on Disarmament (CD). These negotiations are nearing completion on all points except the matter of the verification system. The negotiators have been working on the verification details for many years, but only on the first half of the process — the data collection procedures. They have only started working on the second half within the last year, and it is becoming apparent just how enormous the task is. It may be some years before that aspect of the treaty is completed.

This is most unfortunate, because it is quite possible that all the other parts of the treaty may soon be ready for signature and the political timing favorable, but until the details of the second half of the verification process have been worked out, it seems unlikely that the Treaty can be signed. It is becoming apparent that work on that aspect of the Treaty should have been started years ago. The same situation could quite easily develop in the near future in the case of the proposed Comprehensive Nuclear Test Ban Treaty.

It is almost incredible to think that the nations of the world might have finally arrived at the point where they are ready to sign important arms control treaties, only to find that a vital part of the treaties is missing, and that the required preparatory work has hardly been started. How did we manage to paint ourselves into this corner? The only satisfactory explanation appears to be the political atmosphere that prevailed in the pre-Gorbachev era.

**Superpower opposition**

In those days, it seemed hopeless and unrealistic to expect that either one of the superpowers would ever accept the concept of a full-scope verification system — at least for purposes of any treaty in which they were full parties. Any such system seemed to deprive them of a degree of control that they would never




voluntarily surrender. As a result, the task of actually constructing such a system was ignored. Indeed it was dismissed as being irrelevant. The simplified type of system used by the superpowers in the bilateral treaties runs into serious difficulties when it is applied to multilateral treaties. For one thing, it relies too heavily on the principle of self-help. Each side evaluates the compliance data and decides how to respond to perceived violations without involving the international community. For example, in response to the alleged Soviet violations at Krasnoyarsk, the US has taken a whole series of diplomatic measures against the Soviets in an effort to persuade them to rectify that particular violation. The latest is a threat to withdraw from the ABM Treaty. Whatever else we might think of the Krasnoyarsk issue, it gives a good demonstration of how the self-help type of verification system operates in the field of response.

**Self-help for the powerful**

The difficulty with trying to use a self-help type of verification system for multilateral treaties is that it works better for the superpowers than for the rest of the world. The non-superpowers do not generally have the sophisticated equipment needed to conduct the various surveillance and inspection procedures that appear in arms control treaties. Nor are they as able to bring about compliance by potential adversaries. They do not possess the same diplomatic and economic clout. Furthermore, the fact that the full-scope system is multilateral and allows all parties to participate means that it is generally preferred among non-superpower nations over systems based on the self-help principle. Also, when there is a multitude of parties, the principle of every-man-for-himself, when applied to data collection, evaluation and response, may be unworkable.

It is interesting to note, however, that despite these problems, in the case of the ten multilateral treaties that lack a full-scope system, the superpowers appear to have had no great difficulty in persuading the other signatories to accept the self-help system. Possibly the reason was that these treaties seemed to be targeted more on the superpowers than on the rest of the world.

**Proposed Chemical Weapons Convention**

But when it came to negotiating the new Chemical Weapons Convention (CWC), the superpowers were faced with a different situation. Obviously the rest of the world was going to be much more deeply involved than in the case of the ten treaties noted. Any nation could make and employ poison gas, for example, and so superpowers have always been anxious to have a chemical weapons ban signed by as many countries as possible. This meant that representatives of middle and smaller powers had to be invited to participate in the drafting process. Even so, the forum used for this purpose (the Conference on Disarmament in Geneva) involves only forty countries. Its smaller size no doubt was intended to quicken the negotiating process.

As soon as the chemical weapons negotiations at the CD got down to the subject of verification, the superpowers were under pressure from some of the middle powers to accept the concept of an international agency to administer the Treaty's verification system. Early in the negotiations, the superpowers were prepared to admit that some type of international body would be necessary, but they insisted that it be prohibited from making decisions except by consensus. Such a body of course is not a genuine agency. It is simply a forum for attempting to arrive at agreement. It would be powerless to deal with a violation, since the delinquent party would have a veto. The name proposed for this body in those day was "Consultative Committee," which fitted the restricted role that was being proposed for it at that time. Those who argue in favor of consensus decisions generally point out that, when standards of behavior among nations are being adopted, consensus is highly desirable or even imperative. Others admit this point but argue that, once such standards have been adopted, as in a treaty, consensus is wholly inappropriate for the body implementing the treaty.

Nevertheless, the superpowers stuck to their position on consensus for many years. All during that time, in the negotiations for the CWC, there was virtually nothing achieved on the political structure of the agency, or its voting procedures, or its powers, or how it would function in the area of evaluation and response.

**Superpowers relax opposition**

Eventually, the superpowers felt compelled to retreat. By April 1988 in the negotiations for the CWC, both had swung around at least to the point where they were agreeing to the concept of a genuine international agency — one with authority to make decisions by some kind of majority vote. This was a

major breakthrough. Never before had the superpowers simultaneously been willing to consider a genuine international agency as part of a verification system for a treaty that imposed major obligations and restrictions upon themselves.

There is no suggestion that the superpowers were at any time acting in collusion on these matters either prior to or after their change in position. The important point is that they are now both on record as agreeing to the type of agency that appears to be one essential element of a full-scope verification system.

It appears that the superpowers now recognize that, for a multilateral treaty that is aimed at all the countries of the world, there is no way of avoiding a verification system that is genuinely international. Even though this may appear to them as a substantial surrender of control over the verification process, they seem to have concluded that it is in their interest to accede to this type of system.

**Latest developments**

The rolling text of the CWC negotiations tells most of the story, and represents "the present stage of elaboration of the provisions of the draft convention" by the forty countries at Geneva.

The rolling text, as well as the other reports now being issued by the CD, are beginning to convey an air of optimism. No longer is the international body to be known as the Consultative Committee. Agreement has been reached on the name "Organization for the Prohibition of Chemical Weapons" (OPCW). No longer is there talk of prohibiting the governing body of this agency from voting on matters of substance.

According to the rolling text, the OPCW is to have three organs:

1. A General Conference, which will meet once a year and which will be composed of all treaty parties, each with one vote.
2. The Executive Council, which will meet "for regular sessions...as often as may be required," and will be composed of possibly fifteen states to be elected by the General Conference.
3. The Technical Secretariat, which will have a staff of possibly several hundred inspectors and administrative personnel, and which will be supervised by the Executive Council.

The CD documents suggest that the superpowers may be willing to discuss a role for the OPCW not only in the area of evaluation of compliance data, but also in the area of responding to possible violations. According to the rolling text, the functions of the Executive Council are to include:

1. promot[ing] effective implementation of, and compliance with, the Convention"; and
2. consider[ing] concerns regarding compliance and cases of non-compliance."

All is not plain sailing just yet. It appears that there are problems as to exactly what powers are to be conferred upon the OPCW. For instance, there is a disturbing footnote attached to the item of the rolling text just quoted:

> A view was expressed that the report of a fact-finding inquiry should not be put to a vote, nor should any decision be taken as to whether a Party is complying with the provisions of the Convention.

Nevertheless, it is encouraging to know that these topics are being actively negotiated. There are a number of specific items on the agenda dealing with the powers and functions of the OPCW. From the agenda prepared by the chairman of the relevant subcommittee, we learn that the following topics are under discussion:

The character of the evaluation:

(a) The role of the requesting State [i.e., the state that has filed a complaint with the Executive Council alleging a violation and requesting action by the OPCW] and the significance of whether that State Party is satisfied or not.

(b) Should the Executive Council establish formally...whether it considers a violation of the Convention has taken place?

(c) If a violation has been established as a consequence of the evaluation of the report, what further steps?

**Continuing problems**

Anyone reading this agenda might draw the conclusion that, while the CD may have been tardy in facing up to the task of constructing a full-scope verification system, nevertheless, matters are now in hand, and there is no longer any cause for concern. That conclusion may have been safe enough except for two factors. The first is that it seems possible that the middle powers have adopted a policy of allowing the superpowers a free hand in the process of designing the new system. If this is true, we should be concerned as to whether the OPCW will be given adequate powers in the field of evaluation and response. Nothing has occurred to remove the apparent advantages of the self-help system for the superpowers. Their acceptance of the concept of a genuine agency was reluctant, late and limited. If left to themselves, it is likely that they will attempt to restrict the powers of the Agency as much as possible. If this were to happen, the new system is unlikely to be strong enough to support the Treaty.

Whether the middle powers are in fact sitting back and letting the superpowers decide these matters is difficult to tell from the published documents. There are grounds for concern, however, because after the superpowers relented on the matter of consensus, thus opening the door for new developments in the field of evaluation and response, the middle powers have not yet responded to these opportunities. Since the beginning of 1988 they have submitted only two proposals. One of these proposals came from East Germany and the other from Canada. Neither attempts to deal with the system as a whole, each being confined to one particular aspect. Unless there are some unpublished working papers from the middle powers setting forth some comprehensive proposals (which is unlikely), then we must conclude that the middle powers are indeed letting the superpowers decide what powers should be given to the OPCW in the area of evaluation and response.

The second problem with the present situation relates to the historic significance of the negotiations now underway. Even if the superpowers have had a change of heart and are now as anxious as anybody to create a reliable full-scope verification system, which of course is possible, there are still strong reasons why the process of designing the system should be shared as widely as possible.

The system now being designed in Geneva is intended to be the world's first effective full-scope verification system. If it is successful, it will probably set the pattern for future treaties for many years to come. On the other hand, there comes the warning, voiced by a Canadian diplomat, "We have to get it right the first time." Surely this is a task that demands care and thoroughness. It should not be left to the superpowers — no matter how well-intentioned they may be. It calls for wide discussion and input from as many sources as possible, both from within the CD, and even more important, from sources beyond the CD. There is need for contributions from the academic world, from the arms control experts, as well as from citizen groups and individuals who take a special interest in the topic.

**Responding to violations**

One area that is especially in need of discussion is the problem of how to deal with violations. According to the above agenda at the CD, it would appear that the negotiators are not considering the possibility of giving the OPCW the power to enforce its decisions by some kind of military means. It seems that they are considering other means of handling the response element of the verification process.

It may be wondered just what methods the negotiators are in fact considering for the purpose of persuading the delinquent state to rectify the violation. There are several hints as to the direction of their thinking to be gathered not only from the CD documents, but also from other treaties that have been negotiated in recent years. Any examination of the current thinking and prospects in this area, however, would be more appropriately dealt with in a separate article.

Nevertheless, let it be noted that at last some attention is being paid to the response problem. Now that the superpowers have agreed to the concept of a genuine agency for multilateral treaties, the problem of how to deal with violations has suddenly become relevant. Furthermore, the world is beginning to recognize that the future of arms control is going to depend just as much on multilateral treaties as on the bilateral variety. The importance of new ideas for designing a full-scope verification system is accordingly even more apparent.

**Role of Canada and other middle powers**

The reluctance of the middle powers at the CD to submit any comprehensive proposals dealing with evaluation and response is difficult to understand. Surely they must recognize that they are in a position to exert a strong influence on the shape of the system now being negotiated. Indeed, if a group of middle powers were to come together and work out a joint proposal, they would be in a position to conduct some real negotiations with the superpowers.

Canada has, from the beginning, been one of the most active middle powers in the area of verification systems for multilateral treaties. Some years ago, the Department of External Affairs established a verification research program which is well funded and already has an impressive output. But until recently, Canada, like many others at the CD, concentrated most of its attention on the technical aspects of verification. With the change in the position of the superpowers, there are signs that this focus is changing and that Canada will henceforth be devoting more attention to the institutional aspects of verification — the second half of the verification process. □

# Chilean plebiscite: exit Pinochet?

by J. Nef and Remonda Bensabat

On October 5, 1988, after a brief campaign, nearly 7.5 million Chileans voted in a referendum called by General Augusto Pinochet and intended to extend his rule for eight more years. It was not the first time that Chileans had been called to the ballot box in the 15-year dictatorship. They had done so in two non-competitive and manifestly rigged "consultations," the first in 1978 to declare their loyalty for the regime, and again in 1980 to ratify the authoritarian Constitution. In both cases, by hook or by crook, Pinochet had managed to keep the upper hand.

The political and psychological circumstances of this new "consultation," however, were quite different from those of the previous occasions. So was its outcome: the regime lost by a margin of 55 to 43 percent and, despite speculations to the contrary, it had to concede defeat. For one thing, unlike 1978 and 1980, there were rules. True, these had been laid down in an arbitrary way in the 1980 Constitution, but they were binding rules nevertheless. The electoral registry, destroyed by the military after the coup of 1973, had been reconstituted through massive enumeration. Electoral registration was resisted at first by the bulk of the opposition as a ploy to give Pinochet an aura of legitimacy. By mid-year, actively promoted by all kinds of civic and political movements opposed to the dictatorship, it gained incredible momentum. More than 61 percent of the total population, or over 95 percent of all eligible voters, were registered. This was a far greater proportion than in any election in the country's democratic history, much higher than in most advanced Western democracies and far beyond what the General's supporters expected.

### Opposition emerges

Political party activity had re-emerged after years of forced recess and persecution. The same was true of union and grassroots mobilization. Since 1983, massive demonstrations had begun to challenge the regime's resort to "authorized" terror. Not only did the opposition lose fear, but simultaneously, as political activity grew in "density," Pinochet himself ceased to have an absolute monopoly in taking the initiative. No more could he easily use "tactical surprise" to emerge victorious and outmaneuver the "enemy." His personalistic and megalomaniac style had alienated many of his allies. Disagreements with General Fernando Matthei, head of the Air Force, as well as with General Rodolfo Stange of the paramilitary police, the Carabineros, had surfaced earlier in the year. Similarly, a growing distance between the major economic conglomerates and the ailing dictator had become apparent. These inner conflicts did not amount to a crisis for the regime. The major fractions of the "power bloc" — big business and the security apparatus — remained united in their support of the neoliberal economic model and of the tutelary role of the armed forces. What was being questioned, albeit obliquely, was Pinochet's personal leadership.

This malaise had been enhanced by an increasingly antagonistic international environment. The Reagan administration, especially the State Department, for many years a supporter of the dictatorship, had gone sour on the Chilean military and had joined the new democracies in the region in denouncing human rights violations. This represented a victory for Washington's "Trilateralist" business faction in both parties (and its associates at home and abroad). The "losers," in the wake of the "Irangate" scandal, were the equally bipartisan ultranationalist "Pentagonists" and their national and international linkages. As a new strategy of redemocratization unfolded within US economic and intellectual circles, the National Security Doctrine of the 1970s lost its reputed effectiveness for both containment and stability. Instead, restricted democracy with structural adjustment, ruled by a centrist or left-of-center government appeared as a preferable solution to the region's crisis. In this context, the General had become not only an embarrassment to Chile's former friends but a serious liability for a new hemispheric policy.

### Pinochet's declining fortunes

Besides these "objective" factors, there were psychological and attitudinal circumstances at work that had the long range and cumulative effect of eroding Pinochet's aura of credibility and invincibility. After the alleged attempt on his life in September 1986 and the discovery of a cache of arms, the regime went on the offensive. The state of siege was re-imposed and a return to official terror became noticeable. Although at first the opposition was shaken and largely ran for cover, the *atentado*, whether real or fancied, had the unexpected effect of making Pinochet look vulnerable. The Cármen Gloria Quintana incident, in which two young students were doused in gasoline by a military patrol and subsequently set afire, aroused public opinion. Quintana, who survived the ordeal with horrible scars, became a living testimony of the regime's darker side. The Pope's visit in 1987, which gave common people the first opportunity in fourteen years to demonstrate freely against abuse, was a boost for public morale. The suppression of the same demonstrations by tear gas, truncheons and water cannon added to the series of blunders in front of the international press.

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The final ingredient in Pinochets's deflation, however, was of his own making. Partly to counteract the growing bureaucratization of the regime and to enhance his personal image, Pinochet sought to legitimize once and for all his stature as a national leader. With a made-to-match constitution, with a fragmented opposition, with the undivided support of the armed forces, a coterie of subservient advisers and a buoyant economy out of the throes of the 1982-85 depression, the moment seemed propitious for a new *consulta*. Having survived multiple crises and the worst post-1930 economic recession with negative growth rates of 14 percent, the climate of mid-1988 was objectively favorable to Pinochet; this despite the international isolation of his regime. Surveys of public opinion consistently gave a slight margin in favor of the status quo. Especially influential in his calculation was the opinion of the Army General Staff, whose analysis indicated a good possibility of an electoral triumph.

**Pinochet the Candidate**

Beginning in early 1988, Pinochet the General attempted to become Pinochet the Candidate. The metamorphosis appeared complete: civilian clothes, a grandfatherly image and an abundance of patronage facilitated by the current economic bonanza. In fact, a trade surplus of over 700 million US dollars went into sewers, telephones, electricity, schools and housing, mostly for lower and middle income Chileans. This born-again populism was multiplied by the regime-controlled mass media, which presented Pinochet as a champion of the poor. However, the exposure of the General's rambling and incoherent demeanor to the public hurt his statesman's image. Moreover, the "soft" approach had its price: the dictator had to compete for votes, largely from those popular sectors which had been the victims of his policies. In this, the General grossly underestimated the political sophistication of his countrymen. Equally important were the unintended consequences of attempting to fashion a democratic facade by allowing a limited amount of political opposition to gain access to the mass media. As the unofficial campaign started, the forces of opposition, disorganized as they were, took advantage of every space and opportunity allowed by the regime. Opposition leaders began to challenge Pinochet openly. Especially important here was the direct attack on Pinochet on television launched by the leader of the "instrumental" Party for Democracy, socialist economist Ricardo Lagos, in June 1988. The opposition regained confidence and the campaign to register voters — many of whom had never voted in their lives — accelerated.

It may have been still possible for the regime to interrupt the process if it so wished, but the political cost of this action would have been too high. The bureaucratic wheels of the authoritarian system had begun to turn and it was not clear whether there would be unanimous support in the security forces for the use of dirty tricks. Moreover, Pinochet and his advisers in the Intelligence Central and the General Staff remained convinced of their victory by looking at the "objective" structural parameters.

In August 1988, the regime announced what had been widely rumored: that the plebiscite to extend the "mandate" of the General would be called within ninety days. The public was saturated with "news" of Pinochet touring the country and dispensing "gifts." At the end of that month, in an equally anticlimactic procedure, he was declared to be the official candidate of the Armed Forces.

**How the vote went**

Needless to say, the contest was not a true election, since all voters were asked to do was to choose between Pinochet or "chaos." Moreover, the regime was playing with a deck of cards clearly stacked in its favor. The "No" forces were allowed to run

ads on television only in the last month before the voting. The task was formidable. They had first to come to an agreement among the sixteen political parties opposing the dictatorship; they had to gather funds, mobilize their human resources and fight harassment and red tape as well as compensate for the late start. The regime reserved the right to censor the opponent's propaganda; in addition, public exposure for that last and only month was limited to fifteen minutes per night; with equal time given to the pro-Pinochet forces (besides their control of the news and public relations spots advertising official achievements). Despite all this, the opposition ran an extremely intelligent and "positive" campaign. Pinochet counteracted by a highly subliminal manipulation of the middle and upper classes fears of chaos and communism should the country return to the Allende years. In this, the explicit official propaganda reversed the early more positive image of its unofficial propaganda centered on Pinochet's achievements, thus sending contradictory signals.

In the early hours of the morning of October 6, 1988, the results came out. Over 90 percent of the registered voters had taken to the polls; blank and null ballots were very few. In ten of the twelve regions of the country the "Yes" vote lost; there would be an election next year. Women, who had always been a minority, constituted 51 percent of the registered voters. They had been a preferred target group of the regime's propaganda effort — but they too rejected the proposition: 52 percent to 45. Among male voters Pinochet fared even worse: 59 percent to 39. In the smaller provincial jurisdictions 73 percent went for the "No," with only 27 percent going to Pinochet.

Santiago, Valparaíso and Concepción, the major urban and industrial centers, went overwhelmingly for the negative. Even in those rural districts where close control, public spending and a fruit export-based economic bonanza made a victory of the "Yes" probable, the results were narrow. Only in those very small settlements such as Easter Island, Parinacota, Palena or Antártica, where the bulk of the electorate were military officers, did the regime win hands down. In metropolitan Santiago, where nearly 40 percent of the voters lived, Pinochet supporters concentrated in three upper class neighborhoods, in the overwhelmingly export-farming rural communities and in the districts with a heavy concentration of military personnel. The "No" vote was strongest in the working class districts and in the *poblaciones*, but it was also significant in most middle class neighborhoods. Once again, class politics appears determinant in Chile. It is as if the type of political stalemate which has characterized the political process there since 1920 has re-emerged, with the middle sectors and their political brokers holding the unstable balance of power.

There is, however, a different and far less optimistic reading of the plebiscite results: 43 percent of the voters chose Pinochet. Even discounting control, vote-buying, intimidation or simple effects of propaganda, there is still more than one-third of the population which supports an anti-democratic alternative. This is quantitatively and qualitatively a more important constituency, much larger than those sectors which in the past supported alienated "anti-political" solutions of a more conservative, populist or fascist bent. Moreover, unlike the "No" vote, which represented a conglomerate of sixteen dissimilar parties, with limited cohesion and stability, the anti-democratic vote constitutes a much more cohesive class alliance. This means that, all things considered, the regime still has "adequate support," especially if ballots are added to bullets. Its greatest failure so far has been its inability to institutionalize its support into a cohesive civilian fascist party or "national movement," but the source of sustenance is there.

**Pinochet's coup and counterrevolution**

It should be remembered that the Pinochet dictatorship was not just an attempt to restore the old socioeconomic order, and accelerate growth. Rather is was a counterrevolution aimed at a thorough capitalist and authoritarian modernization of Chilean society. Given the nature of Salvador Allende's *vía chilena al Socialismo* (1970-73) and the subsequent polarization of society, the military regime sought to dismantle, not preserve, the existing constitutional and socioeconomic arrangements. Plans to restructure Chilean polity and society included a new monetarist economic orthodoxy, a doctrine of National Security and the political exclusion of civilian society. This shock treatment was believed to prevent the intense pre-1973 class conflict which expressed itself through party politics, the electoral arena and in the system of labor relations. It was also aimed at breaking the resulting protracted and bitter sociopolitical stalemate, where class antagonisms were played through the wage-price spiral, strikes and other forms of confrontation, coexisting with representative democracy. Most directly, the coup was aimed at preventing a pattern of social mobilization and transformation leading to a different socioeconomic order and against democracy itself.

The implications of Pinochet's counterrevolution on any future transition towards democracy remain far reaching. The 1988 plebiscite reflected the limited alternatives to the present dictatorship. Many of those who benefited under the regime would prefer the trappings of liberal democracy: a civilian government, an election every four or six years, less reliance on the coercive apparatus. But they hesitate to support a restoration of the system that preceded the coup, i.e., the one that gave rise to a socialist president. The new electoral system thus could not resemble the one that had traditionally provided a forum for the institutionalized class conflict. In other words it could not be representative.

Pinochet has taken steps towards minimizing the risks of future representative working class "legal" political parties — given their potential to form a united front against the military regime. Thus several stipulations are attached to "legalizing" and registering political organizations that might run in future elections. For instance, no party that uses a "class conflict" analysis is "legal." This dispenses immediately with any bona fide socialist, communist or Marxist party, and limits the platform of party coalitions that include substantial left wing factions. Furthermore, besides being required to have at least Grade 12 education, political party leadership cannot overlap with union leadership, thereby severing crucial links with actual representation at the grassroots level. For all intents and purposes, the so-called "new democracy" or at least its transitional phase, will continue to exclude the great majority of civilian society.

**Class divisions remain**

We must also consider that the nature of the social conflict has changed under the military. The working class is much smaller, and represented by more atomized and weaker labor movements. In fact, the traditionally strong and militant Chilean

labor movement constituted one of the main targets of the military regime. The Trade Union Central (CUT) was not only banned and its leaders exiled and persecuted; the policies of de-industrialization and free trade pursued by the economic team — the "Chicago Boys" — had the conscious effect of reducing the size and strength of the industrial labor force. Today there exists a great pool of unemployed that include not only skilled workers, but professionals and white collar *empleados*. The peasantry to a great extent has been displaced and forced to relocate in urban centers or *poblaciones*, joining ranks with the marginalized sectors and the squatters. The latter constitute a poor, subsistence sector but not an industrial proletariat. Mere survival has replaced political conviction within those sectors that lost the most under the regime's socioeconomic and political policies. The breadth and number of grassroots organizations suggests, on the one hand, a retrenchment of the underprivileged into less "political" alternative forms of organization. On the other hand, it is precisely these sectors which constitute a potentially volatile opposition force.

In its efforts to restructure the economy, the military dismantled import-substitution industrialization and economic nationalism and sought to provide a new basis for capital accumulation. The reorganization that ensued led to several changes within the social structure itself. This included the emergence of new technocratic and commercial elites, a reduction of the industrial and working classes, the marginalization of the peasantry and the poor, and a related expansion of a non-traditional export-oriented farmer class. Moreover, as the state reduced its role in the economy, social welfare itself became tied to market forces. This meant in fact the end of Chile's welfare state tradition.

Given the severity of the debt crises in the region and the continentalization of national security doctrines, the state itself, as in most other countries in the region, has become more transnationalized, and in essence more penetrated by foreign capital and military alignments. In substantially reducing its role in the economy and relying more on international forces, the Chilean state has internalized the policies of the International Monetary Fund and international lending institutions, including debt/equity swaps. On the military-strategic front, national self determination has been increasingly replaced by the most extreme notions of US continental security. And thus vis-à-vis external pressures, the Chilean state, as most peripheral states, has become paradoxically *both* repressive and weaker.

The military regime retains "close and enduring control over the transition process." This means that the transition — if at all — will not essentially change the structure of authority or the foundations of society. This has little to do with a tacit agreement made within the regime, or with pressures from civil society. What is more important is the nature of the regime's restructuring of Chilean politics and society over the last fifteen years, which sets limits to the kind of political order that may emerge in the post-Pinochet era. The system of correlation of social and political forces — that is, the interplay between support and opposition within the polity — has been dramatically altered. The pluralistic stalemate of the past has given way to a new stalemate where the military retain a permanent veto power over society. It is no mere coincidence that Pinochet simultaneously reshuffled the high command within the regime and strengthened the intelligence network as he announced that preparations were being made for the plebiscite.

**Future change difficult**

This is not to say that decisions from above as to the timing and nature of transition, as contemporary transition theory seems to imply, take place exclusively in isolated quarters (i.e., a pact of elites). They are influenced by factors from below (i.e., popular movements) as well as by multiple and often contradictory international pressures. The perception within Chile regarding the severity of the crisis that preceded the 1973 coup, undoubtedly contributed to the regime's longevity and the current level of support. Pinochet took every opportunity to stage public reminders of the fate that would have befallen Chilean society under Allende's "Marxist-Leninist" program. And although the regime remains limited by its own discourse, the great majority of the opposition has recognized the importance of negotiating with the military, business and the US before any transition may be realized. It is quite likely that Pinochet will not hand power over to civilians that gracefully, even if it meant — as happened during the plebiscite campaign — becoming a civilian politician himself. The opposition, despite its primarily psychological victory, continues to be divided into a multiplicity of political organizations.

The next step in the process of "normalization" contemplated by the regime is a more competitive 2-round presidential election in 1989, where a candidate picked by the regime (Pinochet has announced that he will not run) would be confronted by a divided opposition. In this context, all evidence points towards a political scene where the best the opposition could hope for is a limited and meaningless democratic facade. Under this thin veneer, the authoritarian 1980 Constitution is to remain the unchangeable law of the land, its survivability being guaranteed by an autonomous military. The transition could be a lengthy and convoluted process such as the one following the defeat of the military in the constitutional referendum in Uruguay in 1980, culminating in a limited democratization in the 1985 elections. Fundamentally, it should not be forgotten that the Chilean military regime is more than Pinochet. It is an institutional arrangement tied by bureaucracy, class interests, complicity, ideology and external constituencies. The aging and discredited General could be replaced by an equally harsh, yet younger, general, or by a civilian technocrat, without basically altering the counterrevolutionary status quo.

The struggle for democracy in Chile has just begun. All signs are that it is going to be an uphill battle. □

# Chances for peace in Afghanistan

by Sanjay Singh Yadav

In 1988 agreement was reached in Geneva for the withdrawal of Soviet forces from Afghanistan. But there was no agreement on the nature of the political order that should succeed in Kabul. Diplomatic activity still goes on seeking an orderly and peaceful change in the government of Afghanistan. The UN Secretary General, Javier Pérez de Cuellar, has involved himself personally in these efforts. The parties being consulted are the two superpowers, the present governments of Afghanistan and Pakistan, Afghan resistance groups, and the former Afghan ruler, King Zahir Shah. If these efforts are successful we shall have a written agreement spelling out the arrangements for the transition to a new political order.

Unfortunately, one can only view with pessimism the prospects of such an agreement ever materializing. If one does come about, its execution is likely to be difficult; paper agreements do not change Afghan regimes, violence does. The grim record of the last century and a half does not project into a long life for any ruler, nor for the peaceful management of change.

**Uneasy heads**

The table below lists the Afghan rulers between 1839 and 1986. It shows how each ruler ended, whether in murder or ouster or in few cases, peaceful, natural death. The table also shows whether the end of rule of a particular ruler was followed by a violent succession struggle or whether the changeover was relatively peaceful.

| King/Head of State | How terminated | Succession struggle |
|---|---|---|
| Shah Shuja (1839-42) | Killed | Violent |
| Fath Jung (1842) | Deposed | Violent |
| Dost Mohammed (1843-63) | Natural death | Violent |
| Sher Ali (1868-79) | Deposed | Violent |
| Mohammed Afzal (1866-67) | Deposed | Violent |
| Mohammed Azam (1867-68) | Deposed | Violent |
| Sher Ali (1868-79) | Deposed | Peaceful |
| Mohammed Yaqub (1879) | Deposed | Violent |
| Abdur Rahman (1880-1901) | Natural death | Peaceful |
| Habibullah I (1901-19) | Killed | Violent |
| Amanullah (1919-29) | Deposed | Violent |
| Habibullah II (1929) | Killed | Violent |
| Nadir Shah (1929-33) | Killed | Peaceful |
| Zahir Shah (1933-73) | Deposed | Peaceful |
| Mohammed Daoud Khan (1973-80) | Killed | Violent |
| Nur Mohammed Taraki (1978-79) | Killed | Violent |
| Hafizullah Amin (1979) | Killed | Violent |
| Babrak Karmal (1979-86) | Killed | Peaceful |

The table shows that in the approximately 150 years since the Anglo-Afghan War I, Afghanistan has had eighteen heads of state; of these, as many as fifteen have been either killed or forcibly deposed. A mere three have died peacefully while still in power. In thirteen instances violent succession struggles developed. These succession struggles sometimes verged on civil war, and involved the execution of several scores of people. In only four to five instances between 1839 and 1986 have we witnessed peaceful transfers of power. Overall, these facts justify the gory reputation of Afghan politics. Afghan history indicates with high probability that violence will continue to stalk Afghan politics in the future.

**Succession a little easier**

It is possible that 20th century Afghanistan is different from the isolated nation of the 19th century. It may be more helpful in making a prediction to split the data into two periods: pre- 1919 and post-1919 (the beginning of independent Afghanistan). The history of these two periods presents the following picture: between 1839 and 1919, Afghanistan had ten rulers. Of these seven were deposed or killed and a mere three were blessed with a peaceful death while still in power. Since 1919 Afghanistan has had, leaving aside the present head of state (Dr. Najib), eight rulers. All eight have been either killed or deposed under varying degrees of force or pressure. So danger and uncertainty today is as great as ever.

However, succession struggles have become a shade less violent. Between 1839 and 1919 there were eight violent struggles for succession and two relatively peaceful transfers of power. The corresponding data for the modern period show five violent succession struggles against three peaceful ones. So the frequency of succession-related violence has declined. Thus, while the Afghan head of state is as likely to be killed or ejected from power as ever, the subsequent struggles for power between rival factions or individuals will probably be fewer than before. These facts are plain in their implications for the present efforts to find a new political system for Afghanistan. They signal the improbability of peaceful political transition. Even the transition from Dr. Najib to some other Marxist ruler is likely to be attended by violence. The transition from the present system to a new one that includes resistance groups is too far-reaching a development to be settled by discussion and concord.

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**Afghanistan and the superpowers**

Let us now turn to another question: whether superpower policies towards Kabul will remain as they are today. In the last eight years the USA and USSR have followed competitive policies towards Afghanistan. The central Asian country has served as a cold war battleground. It may or may not in the future. In predicting future superpower policies towards Afghanistan a useful tool to employ is the notion of "geopolitical significance."

The geopolitical importance of a country usually lies in the following: in a country's resource potential; in its capacity to influence by way of culture, religion, or otherwise, events in a major power center; in its geographical position vis-à-vis a major power center — so that the territory in question provides room for both expansion to a dynamic power center as well as opportunities for resistance and challenge to this center. How do these elements affect the attitudes and actions of the two superpowers towards Afghanistan?

**Soviet policy**

Measured by resources Afghanistan is a poor country. Apart from dry fruits, grapes and carpets, its only exportable resource is natural gas. But since the Soviet Union is itself rich in hydrocarbons, Afghan gas is not likely to have any material impact on Moscow's future policy toward Kabul. As a route for expansion too, Afghanistan's importance to Moscow is likely to be small. If the Soviet Union does withdraw, as it claims it will, this would mean the beginning of a period of retrenchment and contraction, of a reduction of military and other commitments by the USSR. *Perestroika* and INF suggest that such a period is likely to prevail for some time. As a result, Afghanistan's position as a potential zone for penetration and expansion will lose whatever attraction it formerly had.

But it is neither its resources nor its invasion corridors that will keep Afghanistan important to the Soviet Union: it is its cultural ingredients, and hence its capacity to influence events in Soviet Central Asia, which will give to Afghanistan a position of significance in Soviet eyes. Afghanistan shares cultural characteristics with Soviet Central Asia. Afghanistan and Soviet Central Asia are both almost completely Islamic. The Amu Darya or Oxus River which separates Afghanistan from its northern neighbor is not a cultural watershed. Many ethnic groups, such as the Tajiks, live on both sides of the border. As Afghan pride rises on account of success in defeating Soviet forces, so will ethnic pride in Soviet Central Asia.

Recent developments are bringing to light the troubled nature of inter-ethnic relations in the Soviet Union. The most striking are the Christian-Muslim riots in Armenia and Azerbaijan. The Soviet Union have always had a "nationalities" problem, but the riots brought it into relief and revealed its severity. The situation in the Central Asian republics close to Afghanistan contains similarities. The relationship between the white settlers from European Russia and the native Muslim people is not without friction. European settlers have haughty and contemptuous attitudes towards Asians and this breeds resentment. With the success of their Muslim brethren in Afghanistan, Soviet Central Asians are likely to gain in confidence and pride, and are less likely to acquiesce quietly in European control and domination than has been the case in the past.

In this situation the Soviets will probably keep a wary eye on their neighbor to the south, treating it with all indulgence, regardless of the ideological complexion of the regime. They will want to ensure that Kabul does not stroke ethnic pride within Central Asia in a way that could complicate the stability and peace of the southern portion of the USSR.

**US policy**

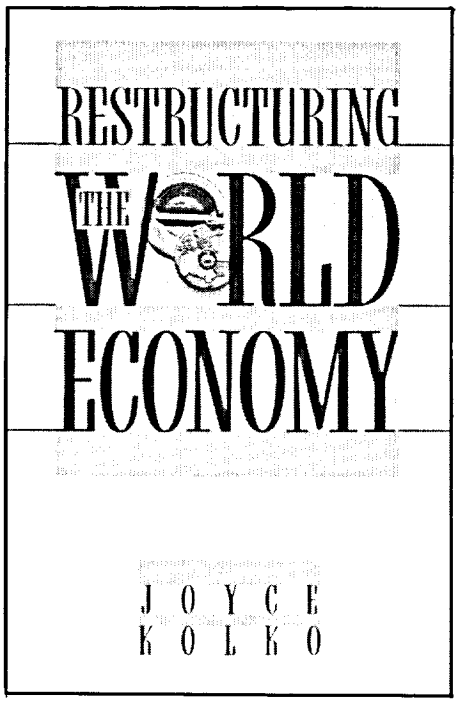
US policy towards Afghanistan can, like Soviet policy, be derived from the principles of strategic significance. It is not Afghan resources which are likely to attract US interest in the future for, as noted, Afghanistan has few resources. Nor is Afghanistan likely to become important as an invasion route for US forces seeking entry into the Soviet Union through Central Asia. Afghanistan is, of course, still a potential invasion route, but given nuclear weapons, improvements in US-Soviet relations, and a myriad other factors, this use of Afghan territory is unlikely. Louis Dupree remarks in his history of Afghanistan that "strategically Afghanistan is not all that important to the defence of the free world."

Invasion aside, Afghanistan's location on the border of the Soviet Union's troubled southern marches does offer the US opportunities for challenging Soviet power structures by means of propaganda and covert subversion. The US has the capacity to encourage some form of Islamic extremism in Afghanistan, in the expectation that this would have destabilizing effects in Soviet Central Asia. Whether the United States actually attempts to use Afghanistan for these ends will depend upon the future course of the Soviet-American relationship. Prior to 1980 Washington did not seem overly eager to wean Afghanistan away from Soviet influence. Soviet-American relations will have to deteriorate very sharply for the US to contemplate vigorously enlisting Kabul for the covert penetration and destabilization of Soviet political structures in Central Asia. As things stand, this appears unlikely. Soviet power is stagnating or declining — a condition also true partially for the USA. In the circumstances Soviet-American rivalry is likely to diminish. If that happens, greatly diminished US interest in Afghanistan must also be expected.

This paper has considered some questions relating to the internal and external affairs of post-Soviet Afghanistan. Regarding internal politics our data suggest that a peaceful settlement concerning Afghan government will elude the country. The marxist government of Kabul and the mujahedin are likely to continue their struggle for sometime, with the law of the gun continuing its customary hold on Afghan politics. Concerning foreign policy, I find the depth of present US involvement in Afghanistan to be an aberration which will probably diminish greatly, perhaps to a state of neglect. However, Soviet interest will continue even after withdrawal, especially because of the cultural linkages between Afghanistan and Soviet Central Asia and the possibility that developments in the former may have destabilizing repercussions on the latter. □

# PUBLISHERS' SHOWCASE

# Book Reviews




## Capitalism thrives...with help

by Jeanne Kirk Laux

***Decline of the Superpowers** by James Laxer. Toronto: James Lorimer and Company, 1987, 176 pages, $24.95 cloth, $16.95 paper.*
***Restructuring the World Economy** by Joyce Kolko. Mississauga, Ont.: Random House of Canada (original publisher Pantheon Books of New York), 1988, 390 pages, $35.50.*

The challenge facing every advanced industrial country, including Canada, is the challenge of redefining the bases for economic growth and social welfare in a global economy where production and finance are being reorganized on a world scale. Competition no longer takes place "out there" in world markets by way of exports by national firms which produce the same product in the same way over time. New technologies, newly industrializing countries...today comparative advantage is rightly seen to be dynamic. Clearly competition takes place not only among firms competing for sales but among states competing to become or remain production sites. What then are the appropriate strategies to promote national development in the new global economy?

James Laxer propounds a simple compelling thesis — that success in the global economy depends upon a national government willing to temper market ideology with state intervention. Only a mix of private enterprise initiative and government attention to the longer term requirements of technological development and social consensus will make for a successful economy. To support his thesis, Laxer, a York University political scientist and author of a number of books on Canadian political economy, compares the experience of nine industrialized countries since World War II. He finds "winners and losers" — those who can or cannot sustain economic growth and improve living standards.

Who loses? Laxer argues that exclusive faith in the market (the American enterprise model) or in the state (the Soviet command economy model) leads to failure. It is the decline of American hegemony which claims most of Laxer's attention, but he also regards Britain and Canada as past and future failures due to their kindred over-reliance on market forces. (There is some foolishness here, such as the "hypothesis" that American history has created a frame of mind which makes it difficult for Americans to empathize with other societies. Readers please substitute British or French or Japanese or any imperial power they may choose!) And who wins? Only those countries which devise a coherent national economic strategy, countries which Laxer types together in his enterprise-intervention model, can succeed in the global economy: Japan, France, Germany, Italy and Sweden.

The case for economic policy based on a judicious mix of state action in concert with key economic actors (unions for example) to promote competitive private enterprise performance over time may be a good one. The manner in which Laxer goes about presenting it, however, can be faulted. The country case studies are vignettes distilled from one or two secondary sources with additional statistical data — condensations of complex histories which tend toward caricature. The key concept — "success" — is haphazardly documented. For Italy "rates of growth in GDP" count; for Germany the indicator of success switches to share of world exports and GDP per capita. But then Laxer's purpose is didactic, not scholarly.

He does communicate to readers a clear conviction and provides illustrative examples drawn from beyond the usual continental confines. One hopes Laxer's book will pique readers into looking more closely at the experience of industrialized nations besides the United States and provoke them to reconsider the advantages of public policies now precluded by the prevailing bias for market-driven solutions to all socio-economic problems.

* * *

Far from the faith expressed by James Laxer in the capacity of governments to shape development, Joyce Kolko looks down from the commanding heights of a critical analysis of world capitalism and finds that "the capitalist system supersedes the state, which conforms to its needs." Kolko, a political economist living in Toronto, is persuaded that the extent of international economic integration requires taking a global perspective on current issues of political economy. She begins with the economic crisis of capitalism after 1974, a crisis Kolko believes remains unresolved despite apparent recovery. She analyzes the strategies and interests of different actors — regrouped in the three parts of the book as capital, the state, and labor — then situates each within the dynamic structures of capitalism on a world scale.

Kolko's ambitious book (some 350 pages contain twenty-three chapters on everything from new technologies to Soviet reforms) achieves its coherence less from a central theme than from a sense of mission. The theme is actually rather dull — that the systemic features of capitalism persist. The ceaseless drive for profits and the constant assault on labor by capital generates such socially undesirable outcomes as overproduction and uneven development. Even Kolko herself sounds fatigued at times, concluding that "No new theory is needed; despite the changes, it is the same old story in a different structural guise."

Instead this volume is driven by the author's mission to debunk new orthodoxies pand to demonstrate their underlying contradictions. Kolko is very good at this, providing a kind of critical dictionary to accompany the morning reading of the "Report on Business." She offers an array of facts to show the realities behind (for example) "privatization," "service industries," "the new working class," or "NICs." More than this Kolko offers forceful explanations for recent trends such as the predominance of financial speculation and paper entrepreneurship or the intractability of the Third World debt crisis."

It is true that Kolko's style is categorical and that the sheer number of issues dealt with in the mini-chapters sometimes creates the impression of reading a shopping list. Nonetheless readers will find a clear exposition of major issues of world economics and politics supported by a host of up-to-date facts. For the uninitiated reader, Kolko also offers a primer in the basic tenets of a critical approach to world capitalism.

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## As we see us in the world

by John R. Walker

***Canada Among Nations: A World of Conflict/1987*** edited by Maureen Appel Molot and Brian W. Tomlin. Toronto: James Lorimer & Company, 1988, 243 pages, $24.95 cloth, $14.95 paper.

This is the fourth in an annual series of volumes dealing with Canadian foreign relations. The Norman Paterson School of International Affairs at Carleton University is to be congratulated for producing such a succinct and readable summary of Canada's role on the international scene in 1987, a year of significant changes.

At a time when the two superpowers were easing tensions with an INF agreement, the new call to arms in Canada's defence policy drew the critical eye of Fen Hampson. He noted that "there is the prospect that the White Paper's geostrategic assessment may become outdated in the changing environment of East-West relations." He further noted that with the proposed purchase of twelve nuclear submarines plus other expensive equipment, "one of the major problems with the White Paper is its lack of congruence with fiscal reality." Additionally, he suggests that "Canada is committing itself to hardware without worrying sufficiently about logistics, operations and maintenance, training and modernization, and re-equipment of current forces."

Another irony of Canadian policies in 1987 was the completion of a Free Trade Agreement with the United States at a time when the booming American economy was in a critical state and its trade and budgetary deficit were reaching an all time high. David Leyton-Brown assesses the Free Trade Agreement, listing the half-dozen important failures in the dispute settlement mechanisms, while admitting that it provides a modest improvement on the present situation. But he argues that "the most important conflict is between opposing views of the nature and future of Canada." The domestic debate, he says, centers "on the relationship between government intervention and the market and the kind of country Canadians want for the future."

In reviewing the US-Canada conflicts over acid rain and Great Lakes water quality, Don Munton concludes that the environmental problems remain unsolved and that it is "the politics of environmental dependence" that accounts for the lack of progress. "Canada has become increasingly dependent on the United States for the quality of its environment." A massively industrialized United States produces the pollution that affects mainly Canada and it is less inclined to spend vast amounts for a foreign problem. But when pollution from Mexico affects the US, an air quality agreement is quickly approved in 1987.

John T. O'Manique produces a challenging chapter, based on the Brundtland Report about sustainable development, given today's economic and environmental problems. This has nothing specifically to do with Canada's policies on North-South issues, dealt with in another chapter, but he raises the spectre of North-South conflict, as Third World developments help destroy the environment of the developed world.

In a world in conflict, as Molot and Tomlin say, Canada must choose carefully the areas and issues in which it can play its traditional third-party role. But as a multipolar world is also developing, they suggest "Canada has an opportunity to play a more active international role than ever before." Other chapters recall such roles that Canada played in 1987 over South Africa, Central America, in the UN and on world economic stages.

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***Canada and the New Internationalism*** *edited by John W. Holmes and John Kirton. Toronto: Canadian Institute of International Affairs, 1988, 164 pages, $14.00.*

The "new internationalism" discussed in this book of essays consists of "all those international institutions and groupings that have sprung to life, within or outside the United Nations galaxy, during the past decade and a half at a time when the old internationalism based on the inherited institutions of the first postwar decade seemed to be in such decay."

It is suggested that these include the G-7 summits, la Francophonie, the Contadora process, the Namibia Contact Group, the London Suppliers Group on nuclear materials, the Grain Exporters Group and others that have begun to flourish in the period when the UN and the GATT seemed to be in decline.

The trouble with this slim but interesting volume is that it was the result of a conference of fifty Canadian experts, held way back in May 1986. Given the swiftness with which global events and problems have changed in that period, much of the discussion is somewhat dated.

Both the United Nations and the GATT have seen a new energizing spirit in the past year, the superpowers have been spurred on to an INF arms reduction agreement and negotiations towards a strategic arms treaty, the US and Canada have completed a free trade agreement. Major environmental problems, like the holes in the ozone layer, have taken on a new global urgency.

However, some situations may still be with us, even with a new US administration, and the contributors who deplore the lack of US support for the UN system, and the short-sightedness of that country's view of the new global economy, have some useful things to say. G.K. Helleiner's discussion of the rise of trading blocs, including a proposed Canadian "special (discriminatory) trading arrangement with the United States," and the "privatization of international liquidity" through commercial bank lending is provocative, as is his

call for "a major fully multilateral review and reconstruction of our global economic institutions," especially the Bank and Fund. And Sylvia Ostry's call for a major reform of GATT's disputes settlement procedures, its secretariat, its political oversight mechanism and its effective linkage with the Bank and Fund is still urgent.

There are useful discussions by Arthur Collin and Leonard Legault of that important new concern, global environmental management, and the legal aspects of that subject in which Canada, both with the Law of the Sea and elsewhere, has been a major proponent.

Canada's efforts in trying to shape stability in Central America, to build order in Southern Africa and to encourage arms control negotiations are summarized as encouraging developments in the evolving international system.

The recent changes in the global situation, as John Kirton argues, suggest that there must be a more direct connection between Canada's arms control and defence policies than at present. This might be most useful in making the new strategic value of Canada's Arctic as a counter in superpower arms control and disarmament negotiations.

The Canadian-American relationship in this new era is alluded to by the late John Holmes. He asks: "However benevolent Washington's intentions, and however firm Canada's national resolve, would not Canadians, by a system's bias, find the not-so-silent majority of North Americans irresistible?" He adds: "Most Canadians have been skeptical of sovereignty-association. How would Americans view an arrangement which would restrict their own precious sovereignty in deference to a country which most of them see not as foreign state but as a kind of aurora borealis on the northern horizon, all reflecting lights without substance?"

Holmes asks whether Canada must begin to act as a formal partner of the US in international institutions, which many Canadians might find "a fair trade for free trade." But he argues that formalizing the relationship may see Canada drifting into a policy aimed not so much at pleasing Washington as not displeasing it. "Canada can be led that way by good Canadians who not only believe that a free trade agreement is worth almost any sacrifice but who also want to be associated with Reaganite foreign policy because they like it. Their eye is not on the long term and they forget that administrations change in Washington and governments change in Ottawa. In the meantime the faith in good will as a reliable continental institution is mildewing."

But Kirton concludes by asking: Can Canada have the international order it wants without providing stronger support for the United States than Canada has traditionally felt comfortable in giving?" He answers himself by arguing that "the United States badly needs the strong, self-confident contribution of Canada in preserving the old international order — and in building the new."

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## IR vineyard

by Ernie Keenes

***On Diplomacy: A Genealogy of Western Estrangement** by James Der Derian. Oxford: Basil Blackwell, 1987, 258 pages.*

This is a book which deserves to become a classic. Do not be misled by the title. It is not a stale tome in the tradition of Satow and Nicolson. Nor is it an account of the effects on classical statesmanship of innovations such as symmetry, fax machines, trade promotion, and bureaucracy. It is, rather, an account of the history of "international relations," as told through the evolution of the ways in which humans have endeavored to mediate estrangement from God and from each other, through the rise of secularism, the nation-state, and anachical interstate relations.

The approach to the subject is genealogical, a form of critical social theory associated with French intellectual Michel Foucault. Those not familiar with the approach should not be put off, for it is really not very difficult, and there is a payoff.

Diplomacy, Der Derian argues, is the process of attempting to mediate or manage estrangement and alienation, but one which is both bridge and barrier. "Diplomacy will be investigated as the medium of estranged peoples organized in states which interact in a system," he writes. "Like the bridges of medieval cities, the diplomatic culture begins as a neutral link between alien quarters, but with the disintegration and diffusion of a common Latin power, it becomes a cluttered yet protected enclave, a discursive space where representatives of sovereign states can avoid the national tolls of the embryonic international society while attempting to mediate its systemic alienation."

The bulk of the book is an account of the forms of diplomatic mediation. The first is "mytho-diplomacy," in which the author explores diplomatic themes in classical mythology and Judeo-Christian texts. "Proto-diplomacy" is about the mediations practised by clerics, warriors and traders within the fissures of the Holy Roman Empire, and between it and Islam. "Diplomacy" proper concerns the familiar practices of power politics emerging from the Machiavellian city-states and passed on to the nation-state system. "Anti-diplomacy" covers the challenges to Diplomacy by utopian or universalist doctrines which seek to transcend alienation and estrangement. Examples here range from Marxism ("workers of the world unite!") to the peace planners such as Crucé, to terrorism as a liberating praxis à la Sartre or Sorel.

"Neo-diplomacy" recounts the failed challenges to Diplomacy posed by French and Bolshevik revolutions. Finally, in the contemporary world of "techno-diplomacy," Der Derian refers to the "global communication processes by which scientific or other organized knowledge is being systematically applied to and inscribed by power politics."

Der Derian refers to Nietzsche in observing that nothing with a history can be defined. This book is, therefore, a genealogical history not only of diplomacy, but of international relations as a process of mediating human estrangement. It is a critical analysis of International Relations as a discipline as well. But it is a critique from within, for the book is dedicated to the late Hedley Bull, and continues some of the attributes of the British school of the discipline. Der Derian's post-classical work is a major contribution and can be read profitably beside other recent major works by Anthony Giddens and Michael Mann.

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***The International Relations Dictionary, Fourth Edition** by Jack C. Plano and Roy Olton. Santa Barbara, California: ABC-Clio, 1988, 446 pages, US$42.95.*

Dictionaries such as this are of interest on three levels. First, there is their utility in

distilling and organizing knowledge in a handy and up-to-date manner. Second, there is an analytical interest in the extent to which the editors and writers pass judgment on legitimate knowledge by what they say, and what they do not say or exclude. And third, there is the level of trivia: obscure tidbits which may enliven a deadly cocktail party or bring on rigor mortis.

On level one this volume scores rather high. This is because there are not one, not two, but three separate and useful organizing features. First, entries are grouped in chapters according to key subject areas: the Nature and Role of Foreign Policy; Nationalism, Imperialism and Colonialism; Ideology and Communication; Geography and Population; and Patterns of Political Organization. There also are chapters on issue areas such as economics, war and military policy, arms control and disarmament, diplomacy, law, international organization and US foreign policy. Second, major concepts are listed alphabetically at the front of the book; and, third, there is an index at the back of the book which includes cross-references. So, score high marks for that first level, useful information and organization.

I have reservations about the second level, the realm of theory and concept. The field of International Relations is in the midst of the so-called Paradigm Debate, but there is no recognition of that here. Indeed the authors would be advised for subsequent editions to include a theory chapter for students, one which might try to come to terms with neo-realism and debates over such key concepts as power, security and development. And as long as we are throwing in more chapters, how about one with thumbnail sketches of the careers and contributions of major authors in the field.

There are some important omissions. Terms such as transnationalism, interdependence, product cycle theory, sensitivity, vulnerability, import substituting and export-oriented industrialization are absent. Comparative advantage deserves a separate entry. Anarchy and security dilemma are similarly absent. There are occasional entries in which the wording apparently betrays the editors' biases. For example, when discussing the significance of Dependency Theory, they state, "whether an accurate theory or not, it has gained the support of many scholars and Third World leaders." Such a patronizing attitude has no place in a book of any kind, and least of all one aimed at students.

Finally, level three, where we expect delectable trivia and obscurities. There are not many (not enough?), and most seem legal: Drago Doctrine, *ex aequo et bono*, exequator, Thalweg jurisdiction. My award goes to "avulsion." Drop it into your next party chatter and see how the waters divide.

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## Arms and the men

by Miron Rezun

***The Soviet-American Competition in the Middle East** edited by Steven L. Spiegel, Mark A. Heller and Jacob Goldberg. Toronto: D.C. Heath & Co. (original publisher Lexington Books of Lexington, Mass.), 1988, 392 pages, $24.95.*

This book is the published collection of papers in the collaborative effort organized by Tel Aviv University's Moshe Dayan Center and the Jaffee Center for Strategic Studies plus the University of California. It is based on conferences held both at Tel Aviv University and at UCLA, a joint Israeli-American effort, reflecting no particularly strong consensus or an all-embracing viewpoint on Soviet-US rivalry in the Middle East. For this reason alone, this work represents the best analysis of the Mideast scene we have been able to read in more than a decade, and perhaps would remain so if events in the region were not continuously outpacing such enormous efforts at trying to interpret what has been going on.

The themes — political, economic, religious, strategic — are multifaceted; everything from ethnicity to Israel's policy on Reagan's Strategic Defense Initiative is in there. If one could detect some general conclusion, then one need only refer to Aharon Yariv at the end where he says there has been an "overall US superiority in the competition," whilst at the same time denying that the Americans have ever acted in a heavy-handed fashion themselves. Another of his Israeli colleagues, Efraim Karsh, while discussing Soviet military policies, refers to the reactive and defensive posture of the USSR. A third Israeli, Abraham Ben-Zvi, superbly examines the problems connected with "conflict management" when he speaks of the important role that alliance politics plays here. In one telling passage he underscores the anarchic character of the region: "Unlike the situation in areas of high-interest symmetry, such as Europe, where an elaborate system of confidence-building measures helps stabilize and regulate Soviet-American rivalry, no such formal arrangements, or demarcation lines, exist in the Middle East to reduce the risks of dangerous confrontations." But he admits that the US and the USSR do take sides and do support their own clients.

But this calls for some qualification. Not even in the context of the Iran-Iraq war were the superpowers able to control the situation or exercise any influence on the belligerents. We now have ample proof that the US did directly intervene in the war — on the side of Iraq, of course. In the book Mark Heller of the Jaffee Center for Strategic Studies implies that there are limits to superpower influence in the area. In view of the rapid changes in 1988, Mr. Heller was simply not able to follow the course of the Iran-Iraq conflict right through, and that is why he found it so mind-boggling.

One of the most interesting chapters in the entire book is that written by Gerald Steinberg. He deals with the impact of new technology on the Arab-Israeli military balance. Military technology is indeed revolutionizing modern warfare in the Mideast. Witness the use of ELINT in battles between Israel and Syria in 1982, the destructive power of missiles, AWACS and of chemical weapons. The Arabs have been catching up to Israel in all spheres of weapons procurement, and this has led to greater instability and placed a premium on Israeli preemption, criticizing US transfers of advanced technology to Saudi Arabia that will make that country a likely Israeli target. Even SDI-related research will only increase the dependency of the local states on their superpower patrons. It is a pity that Steinberg does not tell more that he knows, because he seems to know more than he wants to say, or is able to say out of regard for Israel's security — such as low-level reconnaissance flying or Israeli tactical and nuclear capabilities.

The book has some American authors, primarily those connected with the University of California, and American right-wing "think tanks," whose contributions

are far less significant or less well argued than this superb Israeli scholarship. However, the book is slightly flawed precisely because there is too much of the Israeli viewpoint, too much concentration on the strategic issues of the rivalry, and not enough on the economic and cultural imperatives of the Arabs' relationships with the superpowers, written by Arab authors and based on Arab sources.

The reviewer would recommend this thick tome as must for any graduate course on the Middle East or as a reference for the next five or six years, by which time, given the rapid changes occurring in the region today, it will be out-of-date.

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## Arms and their men

by Simon Rosenblum

***The Uncertain Course: New Weapons, Strategies and Mind-Sets*** *edited by Carl G. Jacobsen. Toronto: Oxford University Press (original publisher OUP of New York), 1987, 349 pages, US$54.00.*

This extremely valuable — but outrageously expensive — collection of essays sponsored by the Stockholm International Peace Research Institute (SIPRI) provides a comprehensive analysis of the political, military and technological forces that are changing the nature and likelihood of war. The thirteen contributors analyze emerging nuclear weapon technologies, including Star Wars, new generations of the cruise missile, the US Army's "deep strike" doctrine, the Soviet "Operational Maneuver Groups" and new naval dynamics. Carl Jacobsen (formerly at SIPRI and now at the Canadian Institute for International Peace and Security [CIIPS] in Ottawa) begins the collection by noting that, due to ongoing nuclear weapons modernization, "current arms dynamics threaten to relegate apparently sweeping cut-back agreements to the realm of spurious arms control." This concern is raised throughout the book.

The cruise missile, which is presently a major barrier to a US-Soviet strategic nuclear arms deal, receives special attention in chapters by US arms control specialists William Kincade, Michael Krepon and Richard Fieldhouse. The unique role of the cruise missile in naval "power projection" is particularly examined and an American navy official is quoted as telling the US Congress that the sea-launched cruise missile (SLCM) provides "an increase in the range of escalation control options available to the nation without resort to central strategic systems." In other words, the SLCM blurs the firebreak between the use of conventional and nuclear weapons. The consequence is that the SLCM not only poses serious verification problems, but also increases the probability that any conflict involving US and Soviet naval forces would lead to the use of nuclear weapons. Even more troublesome would be the emergence of the advanced cruise missile with supersonic speed; making it a bona fide first-strike weapon.

The cruise missile is pointed to as an example of how the desirability of limiting a new military technology goes unrecognized until its control is exceedingly difficult or virtually impossible. A central theme running throughout the book is that the superpowers may be about to enter the "second nuclear age," and that this ongoing nuclear weapons modernization is a Pandora's Box which most often results in greater instability — any increases in stability derived from the mobile basing of missiles is said to be more than offset by the counterforce/first-strike capabilities gained through increased missile accuracy. Indeed a recent study by CIIPS indicated that the implementation of current US and Soviet nuclear reduction proposals could — with ongoing modernization — sharply increase the first-strike preemptive capabilities of both superpowers.

The emerging danger pointed to in this book is that the superpowers will soon have 21st-century weapons but 19th-century ways of thinking. The conclusion advocated by all contributors is that strong limits must be placed on nuclear weapons modernization and that military strategies based upon nuclear warfighting must be quickly changed. Gerard Smith, chief US SALT I negotiator, is quoted as telling the Secretary of State in 1980 that "if either side is striving for or appears to be striving for an effective first-strike capability, then there is no hope for strategic arms control."

Justice to this fine book cannot be done in a short review. As a state-of-the-art guide to weapons developments and doctrines, I cannot recommend it too highly.

*Simon Rosenblum is Political Affairs Coordinator in Ottawa for Project Ploughshares.*

## Keeping the Pacific pacific

by Paul George

***The Future of Asian-Pacific Security Collaboration*** *by Sheldon Simon. Toronto: D.C. Heath Canada Ltd. (original publisher Lexington Books of Lexington, Mass.), 1988, 177 pages.*

To most Asian states in the post-Vladivostok speech era, the Soviet Union is a legitimate participant in Asian-Pacific affairs. Under Gorbachev's leadership the Soviets have created a progressive image which has had a positive impact on their relations with the region. Whereas Moscow has diversified the competition in the Westem Pacific and Asia, the US strategic message has remained unaltered since World War II. The United States remains intent on controlling the Eurasian rimland in classical geopolitical terms.

However, the future of security collaboration in the Asia-Pacific region is not one of resolving the discrepancy in burden sharing between Washington and its allies. US and allied threat perceptions are not congruent and the Pacific is not an "American lake." The new political circumstances require Washington to explain its strategic purpose in the region in a context that is broad enough to reflect contemporary geopolitical circumstances. Unfortunately the author offers no such guidance.

The geographical imbalance of the book does little to support the contention that "the potential for collaboration exists." Indeed, the format of the work raises the definitional question of what constitutes "Asian-Pacific?" Frequent mention is made of US priorities in the Persian Gulf and Indian Ocean, for example, but although indisputably part of Asia, India's potential role in the region is not considered. Canadian naval forces are recognized as participants in the biennial RIMPAC exercises, but Canada's wider Pacific interests are absent from the author's

deliberations. The four chapters assessing the conditions facing the United States, the Soviet Union, Japan and Australia in the region are superficial, as is the conclusion. However, the chapter dealing with Southeast Asia is more substantial, probably reflecting the author's previous work on ASEAN.

Professor Simon reiterates the familiar plaint that the United States is overly burdened by the awesome costs of defending against the expansionist Soviet empire. However, the argument is destroyed by his statement that "the main role for the Soviet fleet is political: to demonstrate that the USSR is an Asian actor." This is deserving of more attention, because it partly explains why the United States has consistently been unable to persuade its friends and allies that their interests are commonly threatened by Soviet activity in the region. More important, in light of the retreat from Afghanistan, and Soviet pressure on Vietnam to end its occupation of Cambodia, it begs the question: "Is security collaboration necessary?"

*Paul George is a specialist on Asian security affairs based in Ottawa.*

## Defence versus development

by Stanley Ing

***Canada's Defence Industrial Base** edited by David G Haglund. Kingston, Ont.: Ronald P. Frye & Company, 1988, 261 pages.*

With the tabling of the Defence White Paper in July 1987, Canada reaffirmed its commitment to the modernization of the armed forces. Over the next fifteen years this will involve the spending of billions of defence dollars. In order to provide some perspectives on how this money will be spent, both academics and government officials attended a conference at Queen's University in June 1987. *Canada's Defence Industrial Base* is the compilation of some very interesting conference papers.

As John Treddenick observed, "defence industrial base" could mean many things to different people. For the Department of National Defence and most academics, a defence industrial base means a country's "ability to generate and sustain the industrial capability required for amassing military power in the modern industrial era."

The consensus is that it will be difficult, and judging from some previous procurement decisions, only under some extraordinary conditions will future defence purchases be made in the most optimal manner. As Frank Boyd and William Fox concluded from their case studies, it was a combination of cost and export potential that ensured selection of the CF-18 and the Oerlikon ADATS (Air Defence and Anti-Tank System).

The difficulty in establishing a defence industrial base is that strategic requirements have been subverted by other considerations, most notably the use of defence contractors as instruments of regional and industrial expansion. While DRIE objectives are laudable, the introduction of extraneous considerations has muddled the primary rationale of establishing a defence industrial base. Often, regional industrial expansion becomes a mission in itself, neglecting the national strategic requirement that was the original rationale for the defence procurement. This has been taken to the extreme where a government department's specific preference was denied because the equipment did not conform to DRIE's unstated industrial benefits package. To compound the problem, regional industrial considerations have to be factored into the procurement process. There is little disagreement with the regional intent, but as William Fox notes, there have been doubts regarding the level of technology transfer and the real development impact such policies have on regions.

With the introduction of regional and industrial benefits, the procurement process has also become highly politicized. For DND this has two drawbacks. According to one author, politics lengthens the time it takes to select the winning bid and time inevitably entails increased cost. Given that budget limitations have always constrained Canadian force modernization, DND could ill afford such delays. To further complicate matters, the provinces are becoming more active in helping determine how and where defence contracts are awarded. This theme, as one author suggests, merits further research, particularly in the aftermath of the Meech Lake agreement.

*Canada's Defence Industrial Base* is a timely piece, given that billions of defence dollars are about to be spent without much discussion on what kinds of impact that would have on the country's economy. The book not only examines past procurement experiences but contains insightful prescriptions such as the article by L. John Leggat on technology, and research and development in Canada's defence industry. Unfortunately, any prescription that does not attempt to establish clearly the objectives of a defence industrial base will only ensure the prolonging of current frustrations and ambiguities. DND needs to set its priorities clearly and DRIE needs to define more precisely how regional and industrial expansion are to be achieved most effectively while meeting national defence requirements. As most authors agreed, the articulation of a defence procurement policy has to be matched by an equal articulation of how defence spending is used as an instrument of regional and industrial expansion.

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## Building up and building down

by George Lindsey

***Debating Counterforce: A Conventional Approach in a Nuclear Age** by Charles-Philippe David. Boulder, Colorado: Westview Press, 1987, 260 pages, US$27.50.*
***Are Major Conventional Force Reductions in Europe Possible? (Aurora Papers)** by Roger Hill. Ottawa: Canadian Centre for Arms Control and Disarmament, 1988, 47 pages, $12.00.*

In *"Debating Counterforce,"* Charles-Philippe David describes two schools of thought regarding nuclear strategy. The "apocalyptic" school considers the nuclear age to represent a complete break with the

past. Any future operational use of nuclear weapons would be sure to initiate an exchange of devastating consequences. The only sensible employment of nuclear weapons is as a deterrent, and this deterrence is weakened by plans for any operational use other then for assured retaliation, probably concentrated against population. In contrast, the "conventional" school regards nuclear weapons as no more than an extension of the armory, available for operational use when the circumstances are appropriate. The preferred use would be "counterforce," against the opponent's nuclear weapons, not his population, and the result would be to reduce the threat to one's own population as well as that of the adversary.

The author's use of the word "conventional" in this sense is unfortunate, in that the word is usually employed as the antonym of "nuclear," whereas in this book it is one of two ways of employing nuclear force. However, he outlines the development of the two schools, each backed by an impressive list of authorities. He believes that recent United States governments have been following the "conventional" school and building a counterforce capability in order to be able to dominate any escalation of violence that could follow outbreak of hostilities, and perhaps even to "win" a war in which nuclear weapons had been used to a limited extent only. The conventional school looks with favor on defensive as well as offensive systems, in contrast to the apocalyptic, who do not believe that anyone can win a nuclear war, and who feel that defence simply weakens deterrence.

David considers that the military doctrine designed by the political leaders of the Soviet Union probably follows the apocalyptic school, although military science there studies limited and counterforce employment of nuclear weapons.

The author clearly distrusts the "conventional" and "counterforce" strategies. He believes that Americans put too much trust in technical solutions to problems that may in fact have no solution.

* * *

In the other book, ***Are Major Conventional Force Reductions in Europe Possible?*** Roger Hill uses the word "conventional" in its more usual (conventional?) sense, and does not discuss tradeoffs between nuclear and non-nuclear weapons. He estimates the rate at which forces could be committed to combat following reductions to common limits of 600,000 ground troops and 9,000 main battle tanks. No more than about two-thirds of the forces remaining could be stationed in the forward area of the reduction zone, so that it would take a few days for all to join battle, and considerably longer for reserves to arrive from the home-based armies (which could include all of the forces withdrawn from the forward and rear portions of the reduction zone).

With the current deployments, NATO faces a numerical disadvantage of 50 percent prior to a buildup, as high as 140 percent during the first days of combat, and varying between 55 percent and 75 percent during the rest of the first twenty days. After the reductions there should be no disadvantage during the first three days, and a maximum of 60 percent as forces build up for twenty days. Presumably this diminishes the threat of sudden defeat, whether in a surprise attack or a massive blitzkrieg, and raises the threshold of resort to nuclear weapons.

A satisfactory agreement would require a high degree of mutual intrusive inspection, for which the recent follow-up to the INF treaty sets a promising precedent.

A lower limit to practical reductions is set by the extent to which the USSR wishes to preserve control over other countries of the Warsaw Pact. Complete withdrawal of Soviet garrisons could stimulate uprisings in the GDR, Poland or Czechoslovakia, at which time their sudden return would breach the treaty and risk an unintended confrontation with NATO.

While the primary objective of arms control must be security rather than economy, Hill reminds us that over 50 percent of all world military expenditures are dedicated to maintaining the balance in Europe. He also counsels for an early mutual agreement rather than unilateral reductions which could lead to a less balanced and stable future.

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## Ordering the North

by Arch MacKenzie

***The Arctic Challenge: Nordic and Canadian Approaches to Security and Cooperation in an Emerging International Region** edited by Kari Mottola. Boulder, Colorado: Westview Press (in cooperation with the Finnish Institute of International Affairs), 1988, 335 pages, US$29.50.*

"The Arctic," in the argot of people who think about military matters, is an Emerging International Region. That is so because of developments in the superpower application of weaponry, nuclear weapons aboard cruise missiles and nuclear-powered submarines and the killer subs that stalk their seaborne prey.

Canadian defence policy debate was effectively stifled in the federal election by preoccupation with free trade. But the issues remain, including the basic conflict in the Conservative White Paper on defence. It will be part of the new 4-year mandate for Prime Minister Brian Mulroney to flesh out with specifics. The dichotomy is presented succinctly by Ronald Purver, Research Associate with the Canadian Institute for International Peace and Security, in this collection of study papers called *The Arctic Challenge.*

"How can the increased emphasis on military activities in the Arctic, as reflected in the Canadian government's White Paper on defence, particularly the planned acquisition of nuclear-powered submarines partly for Arctic duties, be reconciled with the same government's expressed commitment to seek to limit the 'excessive militarization' of the region?" Purvis asks. He adds: "If a comprehensive Canadian Arctic security policy, including measures of the type announced in the Defence White Paper, is to have any credibility with the public at large, the government must at the same time be seen to be energetically pursuing negotiated measures of arms restraint in the region. There is no evidence to date that it has been studying, let alone encouraging, the negotiation of specific measures of Arctic arms control."

The collected material in *The Arctic Challenge* represents as well the five nordic states of Iceland, Denmark, Finland, Norway and Sweden. It reflects the

heightened Arctic military activity generated by the US Maritime Strategy, which is predicated on dispatching killer subs through northern waters to track and if necessary destroy missile-bearing counterparts of the Soviet Union.

Franklyn Griffiths, political science professor of the University of Toronto, says in the Introduction the short-term superpower "interaction seems likely to reinforce East-West divisions in the Arctic....The Soviets having deployed a significant portion of their ballistic-firing nuclear submarines into Arctic waters in effect invited the United States to enter the Arctic Ocean in force." He adds that the US Star Wars space defence system "invited the Soviet Union to invest more heavily in strategic bombers and air-launched and sea-launched cruise missiles to get under the dome of any protection."

David Cox, Queen's University political scientist, suggests that Canada can learn from the Nordic views of three NATO members (Iceland, Denmark and Norway) and of two neutrals (Sweden and Finland). "It seems entirely appropriate that the smaller regional states should begin to confront systematically the militarization of the circumpolar north, the prospects for region-wide arms control and confidence-building measures and more broadly the prospect for co-operative regimes. Canada has not done well in this region and is in particular danger of being caught up in, or acquiescing in, the militarization of the North before it has attempted to halt and reverse the process."

Some harsh realities exist. The Conservative government's unstated policy remains to slot expanded defence spending into regional industrial spending, a space agency here, eight to twelve nuclear-powered submarines there. That is why it is taken for granted that the nuclear-powered sub program will be launched, wrapped in the flag of Arctic sovereignty, but crippled by a Dinky toy technology compared with the vast and burgeoning American and Soviet expertise aboard the submarines that the Canadian vessels are supposed to ward off.

The Conservative government itself moved the first line of defence far north with the construction of outpost interceptor aircraft bases. There is no sign that External Affairs Joe Clark or Finance Minister Michael Wilson, for their own separate reasons, will deter Perrin Beatty's submarines. There is no sign that the official Liberal policy will follow the 1986 convention resolution to declare the Arctic a nuclear-free zone. Even the NDP defence policy at last look, when visions of victory still shone in NDP eyes, called for the stationing of many more troops in the north as Canada disengaged from NATO's land forces.

Canada has yet to respond to Soviet overtures many months ago for an agreement on Arctic cooperation. It may be buying nuclear-powered submarines on partial grounds of policing its Arctic waters against US intrusions, but the idea of an Arctic accord with the Soviets did not please Washington and as a result nothing has happened.

*Arch MacKenzie is a freelance writer in Ottawa. He is former Ottawa Bureau Chief for Canadian Press and The Toronto Star.*

# Letters to the Editor

Sir,

Mr. Amyn B. Sajoo and Messrs. Umar and Brynen seem to have displayed slightly selective memories in their excellent articles "Much ado about tilting: Canada and the Palestinians" and "The revolution called *Intifadah*: politics of the uprising" in the September/October issue of *International Perspectives*. Mr. Sajoo correctly points to the important role that Canada played in UNSCOP, the UN Special Committee on Palestine, which in 1947 recommended the partition of Palestine into a Jewish state and a Palestinian Arab state. But he then goes on to say that "Today, Canada is unwilling to recognize the Palestinian right to self-determination that we endorsed forty years ago."

Forty years ago, when the UN voted in favor of partition, the Jewish side (reluctantly) accepted the UN division of Palestine and created the state of Israel. The Arab world rejected the UN partition and made war against the fledgling Jewish state. It did not succeed in exterminating Israel; and during that war King Hussein's Jordan overran and occupied and then annexed the West Bank, i.e., the territory that the UN intended should become a Palestinian Arab state.

Jordan occupied the West Bank for the next twenty years, during which it did *not* seek to implement the UN partition plan and allow creation of a Palestinian Arab state. In 1968 the Arab world, led by Egypt's President Nasser, again threatened a war of extermination against Israel. Seeing the handwriting on the wall, Israeli leaders begged King Hussein *not* to join Nasser in the impending war. However, King Hussein *did* join the other Arab states in what became the Six-Day War (possibly out of fear that he would lose his throne at Arab hands if he did not do so) and, in doing so, Jordan was ousted from the West Bank by the Israelis.

That was how Israel came to occupy the West Bank in 1968; regretfully, in my view, she has continued to hold it up to this day. It is interesting to contemplate, and I wish Mr. Sajoo or Messrs. Umar and Brynen had done so, on how differently things might have turned out if King Hussein *had* heeded Israeli pleas not to join Nasser and Syria in their 1968 war against Israel. Jordan, not Israel, would have remained in occupation of the West Bank. Jordan, not Israel, would have had to cope with rising Palestine Arab aspirations and with the *intifadah* of recent months. And there would have been no Israeli settlements on the West Bank, no gush Emunim zealots seeking a return to biblical soil, and no Israeli denial of Palestinian Arab human rights.

During the mid-fifties a Department of External Affairs specialist on Arab-Israel affairs wrote a memorandum negating the conventional wisdom of that time, which seems to have prevailed ever since, viz., that solution of the Palestine Arab problem was the *sine qua non* for resolving the Arab-Israel conflict and, once that problem was resolved, peace would prevail in the area. He argued that if the Palestinian Arabs were wiped out by a plague, the Arab-Israel dispute would continue nevertheless because its primary underlying cause was total Arab rejection of Israeli presence in the Middle East.

Thanks to the foresight, and indeed the bravery, of Egypt's Anwar Sadat, the totality of Arab rejection may have begun to lessen somewhat in recent years.

Sidney A. Freifeld
Ottawa

internationalcanada

# The events of October and November 1988

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Supplement to International Perspectives January/February 1989

Canada

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# Bilateral Relations

## USA

Final shots were fired in the Free Trade debate and the period October/November witnessed elections both in Canada and the United States. The voters in both cases endorsed the status quo by elevating Vice-President George Bush to the Presidency and giving Prime Minister Mulroney a renewed mandate. In Canada the election campaign focused almost entirely on the single issue of the Canada-United States Free Trade Agreement. As a result, the relations between Canada and the United States came under usually close scrutiny. (In the absence of Parliament, this edition of "International Canada" relies on party positions as reported in the media.)

### *Acid Rain*

The election of George Bush as President of the United States was seen by the *Globe and Mail* editorial on November 10 as a positive sign for some action on the issue of acid rain. According to the editorial Mr. Bush had on previous occasions promised to support reductions in sulphur dioxide emissions, and the Congress seemed of similar mind. Canada's years of lobbying on this issue might finally bear fruit, though a formal clean air treaty might not be the expression of that achievement, according to the editorial. The *Toronto Star* reported on November 9 that US environmentalists doubted Bush would carry through with his promises. His Vice-President elect, Dan Quayle, was from coal-burning Indiana and had been a harsh opponent of emission reductions. "While Canada has made some significant steps toward cleaning up its own act, the United States has been stubbornly reluctant to reduce its air pollution, which now causes about 50 percent of Canada's acid rain damage," wrote the *Calgary Herald* in its editorial on November 28. And it observed that acid rain, courtesy of the USA, had recently been causally connected to respiratory illness and intestinal cancers in Canadians. But despite this well-known, thoroughly documented pollution problem, the United States, swayed by powerful politicians from the coal-producing area, had persisted in demanding more studies instead of legislative action. The *Toronto Star* reported on November 2 that the Province of Ontario was going to court in an attempt to force the US Environment Protection Agency to enforce its own anti-pollution laws. The move was being made in response to the agency's announcement two weeks ago that it would not take legal action against American polluters, as requested by Ontario, three US states and three American environment groups last April. New York State Attorney General Robert Abrams said New York and eight other states were prepared to renew a related lawsuit of their own. Nine US states — six New England states, and New York, New Jersey and Minnesota — joined Ontario in a lawsuit to force the US Environmental Protection Agency to order more acid rain controls in the American midwest. The *Toronto Star* editorial on November 25 stated that Mulroney might have more luck with President elect George Bush. "A born-again environmentalist, Bush pledged during the presidential election campaign to greatly reduce acid rain emissions," noted the editorial.

### *Free Trade Agreement*

During the election campaign in Canada both opposition parties opposed the Canada-United States Free Trade Agreement (FTA). A number of pro- and anti-free trade lobby groups also sprang up and participated in public forums and debates on the issue. Only two provincial premiers, Joe Ghiz of Prince Edward Island and David Peterson of Ontario, remained opposed to the Agreement. A large number of trade unions opposed it, fearing job losses, while a significant number of businesses supported it, citing benefits that would accrue to the economy. With the election of a Progressive Conservative government the FTA was assured of passage in the Canadian Parliament in time for it to take effect early in 1989.

*ELECTION CAMPAIGN:*

Prime Minister Mulroney called the election on October 1 for November 21. Throughout the campaign the fortunes of the political parties oscillated in sync with support for the FTA. In calling the election Brian Mulroney told the reporters gathered in the grounds of the Government House that "Ours is above all an agenda of confidence for Canada." An hour later in Toronto the opposition Liberal

leader John Turner stated, "I'm not going to allow Mr. Mulroney to destroy a great 120-year-old dream called Canada. This is more than an election. It is your future" (*New York Times*, October 3). New Democratic Party leader Ed Broadbent's campaign kick-off press conference "did not contain a single mention of the Agreement" (*Toronto Star*, November 16).

US President Ronald Reagan delivered a speech on November 18 to the US Chamber of Commerce in Washington in which he made a 1- paragraph reference to the FTA, stating that "As far as the United States is concerned the Free Trade Agreement is an example of cooperation at its best." Liberal leader John Turner told reporters it was an "unprecedented interference" and " a major breach of courtesy between the two nations." Meanwhile Mr. Mulroney told reporters in Scarborough he did not think Reagan's speech interfered and called it "an innocuous statement" (*Ottawa Citizen*, November 18).

Midway through the campaign the Prime Minister fought to halt the slide in his party's popularity by charging that two million jobs in Canada could be jeopardized if the Free Trade Agreement were rejected (*Ottawa Citizen*, November 2). Finance Minister Michael Wilson warned that the United States might cancel the Auto Pact if Canada did not proceed with the Free Trade Agreement (*Toronto Star*, November 1). In a television debate between the three leaders Prime Minister Mulroney sought to allay fears by stating that the FTA was a "commercial " document which Canada could terminate at 6-month's notice (*Chronicle- Herald* Halifax, October 31). This was just not so, according to the *Toronto Star* editorial on November 16. It added, "The deal strikes at the heart of our sovereignty, radically diminishing in energy, investment, agriculture, the environment and culture our ability to function as an independent country. In short, it strikes at our very capacity to maintain our distinctiveness." Canadian write Margaret Atwood wrote in the *Globe and Mail* on November 17 that no genuine open discussion in the business sector had been possible, due to the fact that so many middle-management people were employed by branch plants or internationals, or by companies who do business with them. If these folks had voiced their reservations, their jobs or profits would have been in danger, Atwood charged. "Simply put, the Free Trade Agreement is a doorway to a more prosperous Canada," wrote Clark W. Davey, Publisher of *The Gazette* of Montreal on November 19. He added that free trade was not the only reason to re-elect the Progressive Conservative government. But because it had emerged, and rightly so given the historic implications, as the paramount issue of the campaign, it had become at the same time the best reason for sending Mr. Mulroney back to Ottawa at the head of a majority government.

The *Saint John Telegraph Journal* editorial on November 18 stated that the election had turned into a referendum on free trade. It advised, "Canadians should vote yes, which means they should vote Progressive Conservative." The editorial further observed that "Free trade does not make us Americans. We will not be forced to abandon things we value. But we will gain secure access to a vital market." The *Toronto Star* editorial on November 14 titled "A deal worse than nothing," said Mulroney had given up a lot of sovereignty in this trade deal, and he had not come close to getting the secure access that was supposed to be his overriding goal. The editorial, therefore, advised Canadians to "say no." The *Ottawa Citizen* noted in its editorial on November 10 that a former deputy US trade representative, Michael Smith, had warned that the proliferation of bilateral agreements could lead to a bidding war for trade partners among the US, the European Community and Japan. The *Ottawa Citizen* editorial continued that the GATT principle of treating all countries equally would be undermined, the friction between trading partners would increase and, in the end, nobody would win.

The proposed Free Trade Agreement, for all its significance to Canada, was just one part of a worrisome trend in American trade policy. The *New York Times* in an editorial on November 23 stated that "Canadian voters rejected the opposition's anti-American pandering and helped redefine their nation as a forward-looking, self-confident participant in an interdependent world." The *Kingston Whig-Standard* editorial on October 29 stated that the oppositions of Mr.Turner and Mr. Broadbent to the Free Trade Agreement "rest upon a romantic and rigid nationalism, upon an ideology that seeks to preserve Canada's potential future as a socialist state and upon a virulent form of anti-Americanism. Mr. Turner and Mr. Broadbent could oppose the trade Agreement honestly only by campaigning up-front for an isolationist Canada or a socialist Canada. What they cannot honestly maintain is that Canadian independence is threatened by things that are not in the Agreement. They do so, however, every day. One expects distortions during election campaigns but the lies told in this campaign seem especially bold."

The *Edmonton Journal* editorial on October 31 noted that the intensity of the free trade debate had diverted attention from Canada's broader path to prosperity — a secure and growing trade relationship with many countries, particularly in the heavily populated and potentially wealthy countries of Asia. It added that apart form the continuing potential of the US market, the Alberta government was putting heavy emphasis of Asia/Pacific trade — to make exports the pillar of economic prosperity. In the course of the election Prime Minister Mulroney accused Mr. Turner and Mr. Broadbent of "peddling outright lies" and "sowing fear," according to the *Ottawa Citizen* editorial on November 3. The editorial added that Mulroney had stated that if the trade deal were rejected entire towns would shut down and two million jobs would be in jeopardy. Yet his claims, according to the editorial, seemed to be as speculative as Liberal advertisements showing two men erasing the Canada-US border, or the New Democratic Party election commercial implying that seniors' pensions were at risk because of free trade. The *Ottawa Citizen* concluded that "from both sides we are getting more volume than depth. No one is telling the whole truth. We welcome the free trade deal. But we don't welcome the hyperbole of its defenders any more than the half-truths of its attackers." The *Globe and Mail* editorial on November 8 stated that "the heart of the Canada-US Free Trade Agreement lies in the final removal of tariffs,

fees, quotas and many other restrictions on the sale of goods and services across our border....The heart of this Agreement — abolition of tariffs and other barriers — will reduce prices (and inflation), increase selection and improve job prospects. That is the heart of any free trade agreement worth its name, and this one deserves the public's support."

According to the *Calgary Herald* editorial on November 18 free trade would provide an opportunity for resource-rich western Canada to move out of its cycle of dependence and servitude in relation to central Canada's "colonial grasp." It would ensure that scarce capital was available to fuel Alberta's energy expansion. And the *Edmonton Journal* editorial on November 19 observed that "Fortunately for Canada the ratification, or rejection, of the Mulroney deal will not bring the utter catastrophe freely predicted by one side or the other in this overheated campaign." The *Financial Times* of London wrote in its editorial on November 23 that by returning the Progressive Conservative government to power Canadians "thereby gave approval to the Free Trade Agreement with the US that marks a significant and welcome break from a long tradition of Canadian economic nationalism."

*SOCIAL PROGRAMS:*

Monique Begin, former Health and Welfare Minister in the Liberal government from 1977 to 1984, wrote in the *Toronto Star* of October 28 that it strained credibility to imagine that Trade Minister John Crosbie or Prime Minister Brian Mulroney sincerely believed that there was no danger from free trade to the Canadian health-care system. "The most blatant lie about the Free Trade Agreement says it threatens Canada's medicare system. This lie is unworthy of the people who tell it, not only because it devalues political discourse but because it deliberately instills fear into the elderly and the sick, when no fear at all is justified," observed the *Globe and Mail* editorial on October 28. It added that it was a cornerstone of international trade law that government programs generally available to the population were not subjected to complaint as trade-distorting subsidies. And US Senator from New York and member of the Senate Finance Committee, Daniel Patrick Moynihan, wrote "Specifically, the question has been raised whether the US might assert that such programs as your medicare or pensions constitute subsidies to Canadian business and accordingly must be got rid of. The answer is no. Never. Not a chance. Not a scintilla of possibility" (*Financial Post*, November 17). But Derek Hum, who headed Manitoba's guaranteed annual income experiment, warned that universal programs, such as medicare, hospital insurance, pensions and family allowances would be attacked by Canadian business for driving up taxes and reducing its ability to compete south of the border. The clamor for social policy harmonization would come even though it was not necessary as a matter of economics, Hum added (*Winnipeg Free Press*, November 5). Indeed, nothing in the deal explicitly ruled out unemployment insurance, medicare, or any other social program, stated Montreal's *The Gazette* on October 28. But, the editorial went on to state that, "the trade deal threatened Canadian social and regional development programs in at least two important ways. It exacerbated pressures for Canada to "harmonize" tax, environmental, health and other policies with American ones. And it provided for the negotiation, over five to seven years, of a deal defining what an unfair subsidy was. Canada would have a tough time winning an acceptable definition.

*PLANT CLOSURE:*

The announcement by Gillette Canada Inc. on November 23, two days after the federal election, that it was to close its plants in Montreal and Toronto prompted International Trade Minister John Crosbie to claim that the closing had "nothing to do with the Canada-United States Free Trade Agreement." He said the company had indicated that the closures were part of global restructuring of its operations to deal with problems of over-capacity and to improve its productivity and competitiveness. This "rationalization," according to John Crosbie, had already resulted in plant closures in several other countries including the United States and the United Kingdom. The phase-out of operations over the next eighteen months would cost the jobs of about 430 permanent and 100 temporary workers in Montreal and another 60 workers in Toronto. *The Financial Post* editorial on November noted that the phasing-out of Gillette Canada's manufacturing operations in Toronto and Montreal had been jumped on by those opposed to the FTA as a sure sign of the "de-industrialization" of Canada. It mattered not that Gillette had planned a restructuring since 1986, after it rebuffed three takeover attempts from rival Revlon. The Canadian plants were just one casualty of the company's plan; it had also closed or sold operations in Texas, Argentina, Brazil, Britain and Australia. The editorial concluded "Nonetheless, to the anti-free-traders, the Gillette decision makes their cause legitimate. And we can expect to hear more of this argument." *The Gazette* (Montreal) observed that "If nothing else, the jolting story of Gillette Canada Inc. should at least push federal, provincial and municipal governments into getting ready for the negative impact of the Canada-US Free Trade Agreement." It stretched credulity to claim that the free trade deal had nothing to do with the decision which, surely not coincidently, was made one day after Canada's election assured the deal would proceed, the editorial observed.

### *Bush Victory*

Commenting on George Bush's successful campaign for the presidency of the United States the *Globe and Mail* editorial on November 10 stated that "Canadian interests are quite well served by Bush's election....But Mr. Bush will not be much help if Canada tears up the Free Trade Agreement....Rejecting free trade will alienate the whole US government apparatus and bring a frosty spirit of 'work to rule' to our trade relations." "If President-elect Bush wants to reassure Canadians that they are paired with a friend and not a monster, nothing would be more welcome in Ottawa than for him to reaffirm his campaign pledge to take action on acid rain, the outstanding sore point in US-Canada relations," wrote the *New York Times* on November 23.

### *Arctic Cooperation*

The Canadian government granted its consent to a US request under the Canada-United States Arctic Cooperation Agreement to have the US Coast Guard icebreaker *Polar Star* navigate through the waters of the Northwest Passage. The Canadian Coast Guard icebreaker *John A. MacDonald* was to accompany the *Polar Star* and an officer of the Canadian Coast Guard was to be on board the US vessel. The *Polar Star* had sustained damage while assisting, in US waters, the Canadian Coast Guard icebreakers *Martha L. Black* and *Pierre Radisson*. Unable to continue on its westward journey from its location off the Alaskan coast due to extremely heavy ice conditions, adverse winds and engineering trouble, the Polar Star proceeded east through the Northwest Passage in order to exit to the Atlantic, as did the two Canadian icebreakers. The US authorities undertook to ensure that the *Polar Star* would operate in a manner consistent with the pollution control standards and other provisions under the Arctic Waters Pollution Prevention Act and other relevant Canadian laws and regulations. The Canadian government consented to the conduct of marine scientific research during the *Polar Star*'s voyage. The information obtained in such research would be shared with Canada as envisioned in the Arctic Cooperation Agreement (External Affairs *News Release*, October 11).

### *Declaration on Hijacked Aircraft*

The governments of Canada and the United States agreed that, except under extraordinary circumstances, they would not allow hijacked aircraft which had landed in their territory to take off again. They would also make every effort to consult with the government of the state of the operator of the aircraft. The two governments, in accordance with international obligations, would take all appropriate measures to restore control of a hijacked aircraft to its lawful commander, and to detain the hijackers for the purpose of prosecution or extradition (Government of Canada *News Release*, November 2).

### *CIA-Funded Psychiatric Experiments*

Eight Canadians who had sued the US Central Intelligence Agency (CIA) because they had been "unwitting guinea pigs" of CIA-financed brainwashing experiments reached an out-of-court settlement with the US government (*Globe and Mail*, October 5). The Canadians were suing for $1 million each on the grounds that they had been patients at the Allan Memorial Institute in Montreal during a period from 1957 to 1960 in which the CIA secretly financed psychiatric experiments by Dr. Ewen Cameron as part of a program to collect information on military brainwashing and interrogation techniques. The CIA had given more than $60,000 to the Institute between 1957 and 1961 (*The Gazette* [Montreal] October 5). The program was disclosed in the late 1970s. While CIA representatives apologized to the Canadian government for the affair, the agency's lawyers persistently had fought Canadian demands for compensation since the suit was launched in 1980. The nine Canadians were to share the $750,000 settlement (*Toronto Star*, October 5). The *Toronto Star*'s editorial on October 6 stated that "The CIA's cash settlement certainly represents a strong statement of culpability." However, according to the editorial, "Sadly, it still falls short of a full apology." The *Toronto Star* concluded that a full sense of justice for the Canadian victims would also not have been achieved until the Canadian government — the major funder of the clinic conducting the experiments — had made public the complicity of the government of the day.

## Costa Rica

Petro-Canada International Assistance Corporation announced the purchase of Canadian goods and services from Canada's oil and gas industry to permit completion of an ongoing 5-well stratigraphic drilling program. The second extension of the 1986 Agreement with the Refinadora Costarricense de Petroleo S.A. (RECOPE), totaled Cdn$11,246,000 and was to finance the transfer to RECOPE of a Canadian drilling rig with attendant spares and materials and provide provide Canadian technical assistance inputs to help strengthen RECOPE's operational capacities. Petro-Canada's previous involvement in Costa Rica had been in upgrading RECOPE's seismic equipment; technical assistance and training in seismic acquisition, processing and interpretation; the financing of improvements in RECOPE's drilling rig; secondary technical assistance and training activities in a variety of areas, and the first phase of a multi-well stratigraphic drilling program (Petro-Canada International Assistance Corporation *Communiqué*, November 24).

## France

### *Fisheries Dispute*

Canada and France agreed to name Enrique Iglesias of Uruguay as the mediator to assist in resolving the fish quota dispute between the two countries. The role of the mediator would be to help the two countries find a mutually acceptable agreement on fish quotas for French vessels off Canada's Atlantic coast while the boundary dispute between the two countries was being resolved by international adjudication. Mr. Iglesias, President of the Inter-American Development Bank, is a former foreign minister of Uruguay and gained extensive experience at the United Nations while serving as Executive Secretary to the United Nations Economic Commission for Latin America (Government of Canada *News Release*, November 2). (See also "International Canada" for April/May.)

The *Chronicle-Herald* of Halifax in an editorial on November 4 wrote that "The situation facing Mr. Iglesias is well known to Canadians. He has ninety days to help draft an agreement on quotas within Canada's 200-mile zone and the adjudication of a maritime boundary for the French islands of St. Pierre-Miquelon. It is a short time frame, one which most likely can resolve the quota argument in Canada's favor. In the long term, France can't win a cod war in Canadian territorial waters. Its claim to a 200-mile limit for its tiny anachronistic colony is outrageous,

merely an unacceptable intrusion on Canadian prerogatives based on a principle that fails the test of merit in the 1980s. Canada's view that the islands should have only a 12-mile territorial sea is more in keeping with the realities of the late 20th century. This country has watched with outrage a virtual pillage of the fishery within the disputed waters and a total disinterest on the part of Paris to acknowledge the need for a regulated industry so that all may continue to benefit."

Roger Sterling, President of the Seafood Producers Association of Nova Scotia and a member of Canada's negotiating team, warned that a fish quota settlement sought by the mediator should only be within the disputed zone (3PS) around the French islands of St. Pierre-Miquelon. He did not want the mediation to extend to allocations from stocks which are strictly in the Canadian zone (*Chronicle-Herald* [Halifax], November 3).

## India

### *Canadian Released*

A Canadian citizen Balkar Singh held in Indian jail since November of last year was released following repeated representations on his behalf by the Government of Canada. Mr. Singh was released into the custody of Canadian officials in New Delhi on October 25 (External Affairs *News Release*, October 26). On arrival at Toronto airport Singh said he wanted to kiss Canada's soil and told of severe torture while being held in an Indian jail without trial for almost a year (*Ottawa Citizen*, October 27). (See also "International Canada" for December 1987/January 1988.)

## Iran

The Canadian Embassy in Tehran opened its doors officially on October 16. The reopening of the Embassy followed the normalization of relations between Canada and the Islamic Republic of Iran on July 18. In the initial phase of renewed operations the small Embassy was to provide limited services primarily in the trade, economic and consular areas. Nonetheless, Canada looked forward to expanding its ability to service growing political and economic relations with Iran (External Affairs *News Release*, October 17).

## Israel

The *Toronto Star* carried a report on November 20 from its correspondent in Algiers where the 454-member Palestinian National Council had convened and declared the "establishment of a Palestinian state...whose capital is holy Jerusalem." The report stated that the announcement opened a new chapter in Middle East history by answering the call by four million Palestinians worldwide for the proclamation of their own state after forty years of bloodshed and heartache. "The Palestinian state is a state yearning for peace, and committed to the principle of peaceful coexistence," Yasser Arafat was reported to have told the gathering in his proclamation. Arafat added, "It will cooperate with all states and peoples of the world to establish a durable peace based on justice and respect for rights." The *Toronto Star* report stated that the Palestine National Council had also stressed the need for convening "an effective international conference concerning the Middle East...including the PLO...to be held on the basis of Security Council resolutions 242 and 338 and the guarantees of the national, inalienable rights of the Palestinian people starting with the right of self-determination according to the principles and rulings of the United Nations charter...and according to resolutions specific to the Palestinian issue."

The Israeli Ambassador to the United Nations in Geneva, Pinchas Eliav, said in an interview in Toronto that the declaration of an independent Palestinian state was "a cynical move," and the lineup of international endorsements would not sway Israel's response. Ambassador Eliav added that "What we stress is that, with all this noise and force of the Arabs there, they did not abolish, did not cancel, the paragraph in the so-called national covenant that says that the state of Israel must be eliminated" (*Globe and Mail*, November 18).

The *Ottawa Citizen* on November 18 stated that the Americans were also saying that the Algiers declarations fell short of meeting their conditions for dialogue with the PLO. These requirements were that the PLO recognize the right of Israel to secure and recognized borders, that it recognize Israel's right to exist, and that it renounce terrorism. In an editorial titled "PLO alone cannot bring peace," *The Leader-Post* (Regina) wrote that "The new peace initiative does not bring peace any closer until Israel's hard-liner Shamir responds in kind." And the *Edmonton Journal* urged in an editorial on November 16 for Canada and the US to start "rethinking their own relationships with the Palestinians' chosen leadership." The editorial added that the ball was now in the Israeli court, where it was not about to be picked up. It observed that predictably, the Likud-led government dismissed the PLO declaration as yet another exercise in "ambiguity and double talk." The *Edmonton Journal* added that the Palestinians indeed had stopped short of declaring support for the Jewish state. It noted that they had forsworn violence in Israel proper, but not in the occupied territories.

The *Toronto Star* editorial on November 17 stated that it did not take long for Israel and the United States to throw cold water on the Palestinians' "tepid recognition of Israel. Such a hasty, negative reaction is a pity." It added that perhaps this was the time for the UN Security Council, which Canada was to join in January, to give peace negotiations a shove. The *Globe and Mail* wrote on November 17 that the Palestinian movement had taken "a big step forward. Its acceptance this week of UN Resolutions 181 and 242 was a triumph for the voice of moderation." It concluded that the PLO continued to "hold one hand clenched in a fist. But it opened its other hand in a

gesture of peace that should not be ignored." In a letter to the editor in the *Toronto Star* on November 24, David Walzer, Press and Information Officer at the Embassy of Israel in Ottawa, stated that "The decisions of the Palestine National Council in Algiers do not constitute a shift in the PLO's longstanding position regarding peace with Israel."

## Korea

### *Amnesty*

Canada welcomed the declaration of an amnesty for fifty-two political prisoners declared by Roh Tee Woo, President of the Republic of Korea. This was the fourth amnesty declared by President Roh since his inauguration in February 1988. Included in the latest amnesty were Lee Chul and Lee Tae Bok, two detainees on behalf of whom the Canadian government and Canadian human rights organizations had made representations over the last two years. The two were among the fifty-two released and "adopted" as "prisoners of conscience" by Canadian Amnesty International.

Secretary of State for External Affairs Joe Clark said that Canada welcomed the progressive implementation of democratic political institutions in Korea over the last year. He added, "We believe that the release this year of more than 250 political prisoners demonstrates an increased commitment to human rights by the Korean Government. Canada's longstanding interest in human rights was an important subject of discussion during Prime Minister Mulroney's visit to Seoul in 1986" (External Affairs *News Release*, October 13).

## Nicaragua

### *Honorary Consul*

In a move designed to establish a Canadian diplomatic presence in Nicaragua, Enrique Alberto Belli was appointed Canada's Honorary Consul in Managua (External Affairs *New Release*, November 1). The Special Committee of the House of Commons on Central American Peace Process had recommended increased Canadian representation in the region. (See "International Canada" for June/July.)

### *Hurricane Joan*

Without Canadian help, people in Nicaragua faced death by starvation in the wake of the storm that hit the country on October 22, killing 111 people and leaving another 300,000 homeless, according to Richard Kuecks of CUSO. He was addressing a press conference in Toronto called by various relief agencies to indicate that the $250,000 pledged by the Canadian government was not enough and to ask for further assistance to assist the victims of the hurricane (*Toronto Sun*, October 28). In Alberta local organizations collecting donations for hurricane-ravaged Nicaragua formed a province-wide coalition to coordinate aid efforts and lobby the federal government for increased aid to Nicaragua. The Alberta coalition included Farmers for Peace, CUSO, Tools for Peace, the Alberta Federation of Labor's International Division, Rio Terrace Moravian Church and the Edmonton Learner Centre (*Edmonton Journal*, October 31). And a 3-person fact-finding tour from a newly formed coalition of non-governmental agencies was going to visit Nicaragua and Costa Rica to assess the damage.

An Air Canada charter flight carrying supplies to build shelters for some 45,000 homeless families on Nicaragua's Atlantic coast landed on October 30. The charter flight from Toronto international airport delivered 22,680 kilograms of plastic sheeting, five chainsaws, 10,000 bedsheets and 3,000 meters of canvas. Local branches of the Canadian Red Cross were collecting private donations for hurricane relief projects *Toronto Star*, October 31).

The *Globe and Mail* in an editorial on November 1 wrote that the Canadian response to the havoc in Nicaragua appeared "to have been neither as swift nor as generous as the dimensions of the disaster merited." But the editorial added that "Whatever may be said of Ottawa's efforts to help, they sparkle by comparison with the action (or inaction) of the US government." A number of US agencies had complained that their efforts to provide humanitarian aid were being blocked by President Reagan's administration, which had threatened to have the shipments of construction supplies declared illegal under the US economic embargo of Nicaragua. The *Ottawa Citizen* observed in an editorial on November 2 that the Nicaraguan people were the victims of two tragedies — one composed by nature, the other orchestrated by man. "Nature's contribution to this Central American country's misfortune was Hurricane Joan....Man's contribution to Nicaragua's misfortune consists of eight years of President Ronald Reagan's foreign policy and numerous mistakes by the government of Sandinista President Daniel Ortega," and the "ideological divide" between the two governments could not be bridged, even during a disaster when innocent people's lives were at stake, the editorial continued.

## Pakistan

### *Elections*

"Democracy was the clear winner in Pakistan's elections" declared the *Globe and Mail* editorial on November 21, following the "fair and peaceful election" which ended eleven years of military rule in the country. Benazir Bhutto's populist Pakistan People's Party won the most seats (92) in the 207-seat assembly. The editorial observed that the conduct of the election, as well as the increasing sophistication of Pakistani society, indicated that people were ready for democracy. But the *Edmonton Journal* cautioned on November 21 that "Like a prisoner freed from a long and solitary incarceration, democracy will need time to find its feet in Pakistan." The country had known but a few months of democracy in its 41-year life. The key, though, was the military. If the generals decided

to stay in their barracks this time and gave Bhutto a chance to govern uninterrupted, democracy would become "something more than a shining hope," added the *Edmonton Journal* editorial. The *Ottawa Citizen* observed on November 23 that "Any leader of this troubled nation will encounter serious problems. When General Mohammad Zia ul-Haq died in an unexplained plane crash last August, he left behind a country with a booming — and destabilizing — drug trade. Weapons are easily available throughout the country, three million Afghan refugees are camped in Pakistan's territory and a war is still being fought next door in Afghanistan."

## South Africa

### *Bans*

The Canadian government also expressed concern over the threatened banning of the *Weekly Mail* by the South African government and deplored the spread of violence in South Africa. The Secretary of State for External Affairs expressed regret at the banning of the Azania Coordinating Committee and the Soweto Student Congress (External Affairs *News Release*, October 28).

### *Clemency*

The announcement of clemency granted by South Africa's President P.W. Botha to the "Sharpeville Six" was welcomed by External Affairs Minister Joe Clark. He observed that had the executions been carried out further unrest could have been expected but hoped this commutation would help enhance the prospects for reconciliation. Mr. Clark urged that clemency be exercised in other similar cases (External Affairs *News Release*, November 23).

The *Ottawa Citizen* editorial on November 28 stated that it was "wrong to credit P.W. Botha with humanitarianism" for his decision to commute the death sentences of the Sharpeville Six. It claimed that "international pressure" helped save the lives of the Six but did not "necessarily secure them justice." The Sharpville Six had been convicted of murder "even though there was no evidence they contributed to the death of a town councillor who was stoned and burned by a mob in 1984. They were found guilty under the legal doctrine of 'common purpose' for having been in the mob. They will serve from eighteen to twenty-five years in prison instead (*Saskatoon Star-Phoenix*, November 26). The same day as he waived the death penalty for the six blacks, Botha commuted the death sentences of four white policemen convicted of murder.

### *Military Assistance*

The *Globe and Mail*'s Africa correspondent reported on October 4 that the Zimbabwean President, Robert Mugabe, had told newsmen in Harare on October 3 that Canada had undertaken to provide military assistance to black African states struggling against destabilization by white-ruled South Africa. The assistance was to take various forms, including foodstuffs, equipment for defence vehicles, spare parts, "even military training," Mugabe was reported to have told the news conference on his return from a 2-week visit to North America. President Mugabe said he had received a commitment on military aid from Prime Minister Brian Mulroney during a private meeting between the two men in New York, where they both scheduled addressed the United Nations General Assembly. Responding to the statement while campaigning in Calgary, Prime Minister Mulroney said, "I am not going to get into a long-distance argument" reported the *Toronto Star* on October 5.

Ottawa had decided that it did not make sense to pour millions into essential development projects in southern Africa and "then leave them vulnerable to South African-backed guerrillas," observed *The Gazette* of Montreal on October 6. It added that the Mulroney government clearly was not eager to make a big noise about all this. "Somewhat disingenously, it does not call its new aid 'military'. The approved bureaucratic euphemism is 'assistance for the protection of infrastructure projects,'" claimed *The Gazette*. Similarly, the *Ottawa Citizen* editorial on October 6 stated that "The Mulroney government should call its new assistance program for the African front-line states what it is: military aid." It added that clothing, fuel, spare parts, communications equipment and food for military personnel were just as essential to the fighting job as guns and grenades. The editorial endorsed the action "because of the inescapable logic that says we shouldn't be pouring money and effort into a development project one day only to have it blown up the next."

### *Municipal Elections*

Secretary of State for External Affairs Joe Clark issued a statement on October 28 declaring that the municipal elections held on October 26 were "undemocratic, because they were organized on a strictly racial basis and severely limited the number of blacks eligible to vote." Mr. Clark added that "Pretoria's claim that about one-third of registered black voters cast their ballots in no way can be interpreted as acceptance by blacks of that Government's policies or approach to reform. Only a tiny percentage of black South Africans were able or willing to vote."

### *Sanctions*

Calls for sanctions against South Africa came from various sources during the October/November period. The Rev. David Pfrimmer, chairman of a Canadian anti-apartheid coalition, which included the Canadian Council of Churches, the relief organization Oxfam and the Canadian Labor Congress, told a news conference in Toronto that the Prime Minister should have lived up to his promise to invoke total sanctions against South Africa (*Toronto Star*, October 25). The Fumie Gqiba, an Anglican and the chaplain of the African National Congress, met with External Affairs officials in Ottawa on November 8 and urged the Canadian government to withdraw its embassy from South Africa. In an interview following the meeting, Rev. Gqiba applauded the Canadian government for its

economic sanctions so far, but urged complete economic sanctions (*Ottawa Citizen*, November 9). He noted that Mr. Mulroney had "failed to fulfill his promises" of a complete break in diplomatic ties with South Africa threatened in a 1985 speech to the United Nations (*Globe and Mail*, November 8). Liberal Party leader John Turner told a largely business audience of 700 at the Canadian Club in Vancouver on November 10 that time had come for Canada to have imposed full economic sanctions against South Africa and severed diplomatic relations with the country (*Toronto Star*, November 11). External Affairs Minister Joe Clark told reporters in Winnipeg that "At the moment, it is better for us to stay to exert our leadership, rather than to be out of the fieid." Mr. Clark added, "That's a question, though, that is a matter of opinion. I review it and consider it, literally, every month" (*Toronto Star*, November 9).

### *Violence*

External Afairs Minister Joe Clark "condemned" the fire bomb attack on October 12 on the headquarters of the South African Catholic Bishops Conference (SACBC) in Pretoria. The SACBC was known for providing humanitarian support for victims of apartheid and Mr. Clark stated that Canada would be prepared to consider Canadian assistance in rebuilding of the SACBC headquarters. "These and other acts of violence from whatever quarter only cause hardship and in some cases injury or death to innocent people," observed Mr. Clark. He added, "These cruel acts are to be deplored because they serve to set back efforts to bring about peaceful change and the end of apartheid in South Africa" (External Affairs *News Release*, October 12).

## Sudan

At the request of the Minister of External Relations and International Development, Monique Landry, officials of the Department of External Affairs met with the Sudanese Ambassador to Canada on October 14 to discuss the ongoing tragedy of the civil war in the Sudan. The Canadian government used the occasion to reiterate its serious concerns about the disastrous effects the civil war was having on the Sudanese population and pressed the Sudanese government to explore all means available to find a peaceful resolution to the conflict. Canada further urged all parties to extend and intensify their cooperation with international relief organizations to ensure the delivery of emergency humanitarian assistance to the people affected. The Minister noted that economic circumstances and natural disasters such as drought, floods and locusts had intensified the suffering of the people concerned and had forced large numbers to leave their homes. She hoped that the entire Sudanese nation would work toward finding a solution to the problems afflicting the country.

In response to crises this year, the Canadian government's contribution exceeded $17.5 million and included $9 million in food aid, $2 million for the Sudanese refugees who had fled to Ethiopia, and more than $2 million for the relief activities of Canadian and United Nations organizations present in the Sudan (External Affairs *News Release*, October 17).

Sudan's conflict was rooted in decades-old cultural, racial and religious divisions which had pitted the underdeveloped, resource-rich and predominantly Christian and animist African against the Sudan's Arab and Muslim-dominated government in the north. Conflict between the two groups had been endemic since the Sudan became independent from Britain in 1955. But the disputes had flared into one of Africa's most destructive civil wars in 1983, when the government in Khartoum sought to impose a strict Islamic legal system on the entire country.

Carolyn Jack of Save the Children (Canada) who had returned from a visit to the Sudan, was quoted in the *Toronto Star* on November 13 as saying that "It's not that people are unable to grow anything because of the climatic conditions. People have lost their crops because they have been burned. The men have been carted off and killed. Villages have been bombed. People have fled to join the fighting. Agriculture has just collapsed. The people who remain in the south have nothing. And they are now trekking out of the area in the thousands." The *Ottawa Citizen* editorial on October 18 stated that while the two sides fought over their political differences, the world watched in horror and frustrated helplessness as thousands starved. It added, "The harsh blows nature throws Sudan's way are difficult to avoid. Settling the civil war would be a beginning, but the government has yet to convince many observers of its determination to negotiate a deal with the Sudanese People's Liberation Army (SPLA)." *The Gazette* (Montreal) in an editorial on November 21, titled *New hope for Sudan*, wrote that the leader of the SPLA, John Garang, had signed an accord with the leader of one of the parties in Sudan's coalition government. The party that made the deal, apparently with the backing of Prime Minister Sadeq al Mahdi (who belonged to a different party), was likely to face a rough ride from the Islamic party that was the third major coalition partner. Parliament was expected to discuss the deal. Meanwhile, the editorial added, the World Food Program, to which Canada contributed, had managed to begin airlifts into the southern town of Juba. *The Gazette* stated that "Until a peace deal is reached, the world community should put whatever pressure it can upon the government and the rebels to allow international relief agencies to help those in need."

## USSR

### *Uranium Agreement*

Canada and the Soviet Union signed an agreement in Moscow on October 14 covering the enrichment in the Soviet Union of Canadian uranium. There were no uranium enrichment facilities at present in Canada, largely because the CANDU power reactors used in Canada

employed natural uranium. Uranium purchased by Canada's customers must, therefore, be enriched outside of Canada. In 1987, 130 tonnes of Canadian uranium were enriched in the USSR representing approximately 1-percent of Canadian uranium exports for that year, according to Canada's Department of External Affairs. The practice of enriching uranium purchased from Canada in the Soviet Union was fully consistent with Canada's nuclear export and non-proliferation policy. The practice had been in operation for several years with the full knowledge and prior consent of the Canadian government based on the condition that the enriched product and depleted uranium tails were retransfered from the Soviet Union to one of Canada's nuclear partners. The Nuclear Cooperation Agreement stipulated that Canadian uranium shipped to the USSR should not be used for any nuclear explosive device or military purpose. It also provided for the direct exchange of information between Canada and the USSR on the transfer of Canadian uranium into and out of the Soviet Union (External Affairs *News Release*, October 14).

***Gorbachev***

*The Gazette* (Montreal) wrote on October 4 that the Kremlin shake-up looked like an astute move by Soviet leader Mikhail Gorbachev to show the citizenry that *perestroika* was moving ahead, and to forestall discontent that could have made the program crash. It added that the presidency which Mr. Gorbachev had now assumed was essentially a ceremonial post. But he seemed to be staking a claim to the job once it became invested with real power. That was expected as part of his plan to transfer day-to-day decision-making power from the Communist Party to governmental and managerial bodies. The consolidation of Mikhail Gorbachev's position as Kremlin boss highlighted questions about how the Western alliance was to deal with this new, very different adversary, stated the *Ottawa Citizen* editorial on October 4. It observed that "Canadian policymakers so far have refrained from reaching out too friendly — or helping — a hand, because the Soviet Union has a long record of empty rhetoric and windy declarations. There has also been concern about whether Gorbachev will survive his own innovations." And the editorial advised that it was wise to continue this cautious approach, despite Gorbachev's strengthened position. The *Edmonton Journal* on October 27 wrote that "by inches and by leaps", the Soviet leader was dragging his country into an era of liberal reform that was revolutionary in the Soviet context. The editorial concluded that there was no evidence that Gorbachev was home free with his proposals. But it was safe to say that the proposals presaged more than one of the periodic thaws that gripped the autocratic empire. "Fundamental changes, promised for a long time, are under way," declared the editorial.

# Multilateral Relations

## Commonwealth

The headquarters of the Commonwealth of Learning, the newly created Commonwealth agency for cooperation in distance education, was inaugurated in Vancouver on November 14. The ceremony coincided with the first meeting in Vancouver of the Board of Governors of the Commonwealth of Learning. It was established on September 1, following a decision taken at the Commonwealth Heads of Government meeting in Vancouver in October 1987. The new organization would promote cooperation in distance learning through a "network" of cooperating institutions throughout the Commonwealth. Canada offered to provide up to $12 million in support to the new agency over the next five years (External Affairs *News Release*, November 10).

## Exchange Rate

The Canadian dollar was worth US$.811 at the beginning of October and US$.828 at the end of November.

## GATT

John Weekes, Canada's Ambassador to the General Agreement on Tariffs Trade, was elected as Council Chairman of the multilateral trade organization for the coming year. As Council Chairman Ambassador Weeks would oversee the operations of the GATT's regular decision-making body. It is also GATT practice for the Chairman of Council to be named in the succeeding year as Chairman of the Contracting Parties, the designation given to GATT members when they act collectively, and the most senior body in the GATT.

Ninety-six member states of the General Agreement on Tariffs and Trade were to meet in Montreal, December 5-7, for the Mid-Term Review of the multilateral trade negotiations. The meeting was to lay the groundwork for detailed negotiations and final agreement by late 1989 of the Uruguay Round of GATT negotiations which began in 1986. Gerry Shannon, Deputy Minister of International Trade, told the annual meeting of Canadian Export Association in Calgary that the Uruguay Round was the most ambitious of the eight series of negotiations that had been

held since about twenty countries signed the first GATT agreement in 1948. He said that the goals were to reverse a new surge in protectionism, overcome rampant agricultural subsidies, provide GATT with more surveillance capabilities and authority, and liberalize trade in services (*Calgary Herald*, October 5). The *Financial Times* (London) on October 7 reported that trade ministers learned at their October meeting in Islamabad that, if they were to keep the Uruguay Round of trade-liberalizing talks on course, they would have not one but two minefields to negotiate at the meeting in Montreal. Apart from the unresolved conflict over agricultural reform which has pitted the US against the European Community, the trade ministers were made aware of "a potentially equally dangerous" confrontation over intellectual property rights. This revived the old division between the industrial nations and the developing world. The US was to recommend that ministers agree at Montreal to negotiate in the Uruguay Round a comprehensive GATT agreement, which would incorporate a set of minimum standards and enforcement procedures for all forms of intellectual property. US businesses claimed to have lost $24 billion in 1986 from piracy of patents, illegal copying of microchip designs and software and counterfeiting. The *Financial Times* of London reported on October 7 that the US trade representative, Clayton Yeutter, was pushed to take action on this issue by a powerful domestic lobby and he had the support of the European Community, Japan and other industrial nations. Developing countries, notably Brazil and India, feared granting multinationals "monopoly" rights over such a wide range of intellectual property for it would undermine their own development capacities. The developing countries wanted the matter to be handled in the World Intellectual Property Organization (*Financial Times* [London], October 7).

Canada's Ambassador for Multilateral Trade Negotiations, Sylvia Ostry, told a Conference Board of Canada meeting in Toronto on October 13 that "The stakes riding on the Montreal meeting are uncomfortably high." She also predicted a renewed subsidy war, with smaller producers like Canada again caught in the middle, if the agricultural issue were not resolved in this trade round (*Globe and Mail*, October 14). The President of the Ontario Federation of Agriculture, Brigid Pyke, said the Federation wanted the Canadian government to ensure that GATT measures allowing supply-management systems were at least maintained, if not strengthened (*Winnipeg Free Press*, November 23). Canada's marketing boards, established in the 1970s, paid farmers an artificially high price for products such as milk, eggs and poultry. The boards also restricted imports that would harm domestic production. The boards, however, also limited production with quotas so that farmers did not produce surpluses that were then dumped at low prices on the export market (*Winnipeg Free Press*, October 16).

The Economic Council of Canada released a 94-page report, *Handling the Risks*, to coincide with the Montreal meeting of the GATT in which it called on the federal and provincial governments to rethink their Prairie farm policies in order to make Canada's western farmers less dependent on subsidies. The Report stated that "current federal spending on prairie agriculture is not sustainable. When transportation subsidies are included, it amounted to more than $4 billion in 1987 or $30,000 per farmer." Ottawa had increased its farm spending in recent years to counteract heavy subsidies paid by the United States and the European Community to their farmers. The Economic Council report stated that these programs encouraged dependency on government and discouraged innovation. It suggested a revamping of farm policies to encourage efficiency and competitiveness without increasing government spending (Economic Council of Canada *News Release*, November 24).

The *Ottawa Citizen* stated in an editorial on November 26 that the failure to make progress on agricultural issues in Montreal would undermine nations' faith in the multilateral negotiating process and would raise doubts about a successful conclusion to this complex set of negotiations.

US Trade Representative Clayton Yeutter and Richard Lyng wrote in the *Financial Times* of London on October 12 that unsound agricultural trade policies affected everyone. They stated that this appalling situation had been created by governments, and governments must solve it. "We simply want governments to stop distorting trade. And to stop stimulating excess production which no one wants. "They suggested that the "proper forum for trying to put an end to this madness is the Uruguay Round of the GATT."

## United Nations

### *Anti-Apartheid Register*

Canada's Ambassador and Permanent Representative to the United Nations Yves Fortier presented Volume III of the "Canadian Anti-Apartheid Register" to UN Secretary General Javier Pérez de Cuellar on November 9. In his accompanying letter to the Secretary General, Ambassador Fortier stated that the Anti- Apartheid Register was created in September 1985 to provide Canadians the opportunity to express their solidarity with the victims of apartheid in South Africa. The Register listed the names of those who had taken action aimed at encouraging the South African government to dismantle apartheid. Almost 11,000 Canadian individuals and organizations had signed the Register. The actions cited by participants included boycotting South African products, organizing public educational events on apartheid, writing to the South African government, providing financial assistance to groups working in South Africa to end apartheid, and sheltering South African refugees in Canadian homes (Permanent Mission of Canada to the United Nations *Communiqué*, November 9).

### *Arafat's US Visa*

According to the *Calgary Herald* editorial on November 29, for the United States to deny Palestine Liberation Organization leader Yasser Arafat a visa to address the United Nations in New York was "a serious blunder," for it interjected national boundaries and perspectives on the

stage of the UN. The editorial added that the USA had a perfect right to deny entry to anyone, for whatever reason it wished to do so. But Arafat was not visiting the United States, he was visiting the United Nations. The *Ottawa Citizen* editorial on November 29 stated that the American decision not to grant a visa to Arafat was "a mistake." The real reason the world was not going to hear Arafat had "much to do with domestic US politics and little to do with lofty declarations about terrorists," observed the *Ottawa Citizen*. The editorial added that the United States had signed a Headquarters Agreement in 1947 which established the world body in New York and obliged the Americans to let delegates attend UN meetings. The *Globe and Mail* editorial on November 29 observed that the United States was "out of line" to deny Mr. Arafat a visa.

### *Security Council*

External Affairs Minister Joe Clark announced on October 26 that Canada had been elected to the United Nations Security Council for a 2-year period beginning in January 1989. He added that Canadians were honored by this "expression of confidence in Canada's role in world affairs and the government's constructive internationalism." (External Affairs *News Release*, October 26).

Canada had won a spot on the United Nations Security Council at a time when that body might move into one of its most effective periods, according to the Saskatoon *Star-Phoenix* editorial on November 1. It added that Canada had earned a reputation in the international community as a skillful mediator and steadfast supporter of the UN, respect that was reflected in receiving 127 votes out of a possible 159 when the General Assembly made its first selection. The editorial cautioned however that the goal was not primarily to score political points at home but rather a genuine desire to play a pivotal role in advancing world peace. The *Globe and Mail* reported on November 26 that Canada's former Ambassador to the United Nations, Stephen Lewis, preferred to see the 2-year term as a time of "sterling opportunities for Canada to take strong and principled stands." The *Ottawa Citizen* concurred in its editorial on October 28 that the Security Council membership would mean taking "some very public stands on sensitive issues." But it would also give Canada a more important say in decisions affecting world security and stability, the editorial concluded.

### *UN Day*

Secretary of State for External Affairs Joe Clark sent a message to Secretary General Pérez de Cuellar which read in part "This year is especially favourable for the Parliament of Man as the trend for peace under the auspices of the United Nations continues to prevail....On United Nations Day, the blue and white flag that symbolizes international peace and cooperation is flown outside the Houses of Parliament and numerous other buildings in Canada. It serves to remind us of Canada's forty-three-year-old commitment to the spirit of internationalism embodied in the Charter of the United Nations and reaffirms wholeheartedly our support for the UN and its family of organizations" (External Affairs *News Release*, October 24).

## UNRWA

Philippe Kirsch, Canada's representative to the Special Political Committee, stated that the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) "has had to fulfil its mandate under extremely difficult circumstances, in Lebanon as well as the Gaza and the West Bank." He underscored Canada's " firm conviction that humanitarian assistance to the more than two million Palestinian refugees is a priority responsibility for the international community." He stated that Canada fully supported UNRWA's General Assistance Program in the Occupied Territories, which attempted to respond to emergency relief needs, as well as assisted refugees to cope with the "consequences of the harsh and restrictive measures of the Occupying authorities. These measures included severe beatings, use of high velocity bullets, tear gas, deportation, collective punishment, and demolition of shelters." Mr. Kirsch stated that "by dint of courage, self-sacrifice and tenacity...UNRWA had been able to perform the new tasks of defending the civil and human rights of the Palestinian refugees and providing general assistance in the food and medical sectors." He observed that the real interests of the Palestinians required a political change that could no longer be postponed. "It is time to take decisive steps toward a peace based on mutual recognition, territorial compromise and respect for the legitimate rights of the region's people" (Canadian Delegation to the United Nations *Communiqué*, November 10).

## World Food Program

To mark both World Food Day and the 25th anniversary of the World Food Program (WFP), the Minister for External Relations and International Development, Monique Landry, announced the Canadian pledge to the World Food Program for the 1989-90 and 1990-91 fiscal years of $310 million. According to Mrs. Landry the WFP, which implemented food aid projects in over ninety countries throughout the world, remained "an extremely important channel in reaching Canada's food aid goals." The Minister added that food security was one of the principal components of Canada's new foreign aid strategy and that food aid, being an important element of Canadian activities in this sector, would continue to grow by 5 percent annually (Permanent Mission of Canada to the United Nations *Communiqué*, October 20).

# Policy

## AIDS

A year ago, the United Nations General Assembly for the first time adopted a resolution on the prevention and control of Acquired Immune Deficiency Syndrome (AIDS). Canada's Ambassador to the United Nations, L. Yves Fortier, addressed the Assembly on October 27 and stated that Canada was well acquainted with the tragic consequences of this terrible disease. The Ambassador noted that Canada faced "one of the highest rates of AIDS infections in the world." The first AIDS cases were reported in Canada in 1982. As of the beginning of October, there had been some 2,030 diagnosed cases of AIDS, and over 1,100 AIDS-related deaths. It was estimated that between 50,000 and 100,000 Canadians were carrying the HIV virus that caused AIDS.

Ambassador Fortier further stated that between 1982 and 1986, the Canadian government spent $2.6 million on AIDS research. In May 1986 the Canadian Minister of Health and Welfare, Jake Epp, launched a $39 million, 5-year program to combat AIDS. In June, the Minister announced the intention to spend a further $129 million over the next five years. Research in this country had concentrated on diagnostic and testing techniques, the development of an effective vaccine, epidemiological studies to determine the extent of progression of AIDS infection, immunological studies of AIDS victims and socio-economic and behavioral studies of the effects of AIDS. The establishment of the Federal Centre for AIDS had harnessed all the AIDS-related scientific and medical expertise within the federal government. The Centre also performed a coordinating function which ensured an integrated and united federal and provincial approaches to AIDS.

In conclusion, Ambassador Fortier stated that Canada's commitment to a concerted global campaign to rid the world of the AIDS scourge was reflected in the decision to host the Fifth International Conference on AIDS in Montreal in June 1989 (Canadian Delegation to the United Nations *Communiqué*, October 27).

## Arctic

Canada consented to the US icebreaker *Polar Star* navigating through the Northwest passage in October. (See also Bilateral Relations, USA, in this issue.) It was the first US icebreaker to transit the waterway since the signing of the Canada-United States agreement on Arctic cooperation in January 1988. (See also "International Canada" for December 1987 and January 1988.)

*Polar Star* Captain Dick Taylor said that although extra paperwork was needed and there were an "an awful lot of (radio messages) traffic going back and forth" after the US Coast Guard icebreaker *Polar Star* requested permission to cross the Arctic through waters claimed by Canada. Captain Taylor stated confidently that "we expected permission to be granted" (Halifax *Chronicle-Herald*, October 27). American officials said earlier this month in Washington, D.C., that the request for permission to transit the Northwest Passage did not imply recognition of Canadian sovereignty over the channels through the Arctic, according to the Halifax *Chronicle-Herald* of October 27. Geoffrey Pearson, Executive Director of the Canadian International Institute for Peace and Security, addressing a conference in Winnipeg on "Challenges to Canadian Security in the year 2000," declared, "With the US's refusal to recognize the Arctic sovereignty, and the growing strategic rivalry of the superpowers in the Arctic, the pressure is on for us to do our own defence." Pearson added that the Arctic was only one area where Canada would have to face up to tough decisions that might strain Canada's relationship with the United States and urged Canada to take its claim to the Arctic to the World Court (*Toronto Star*, November 6). The *London Free Press* noted on November 4 that both the Liberals and the NDP were "naively promoting a joint Soviet-Canadian proclamation of a nuclear-weapons-free Arctic zone." The editorial advised that whatever its merits, it would not be advisable for Canada to pursue that objective, but only in consultation and concert with its allies.

## Defence

The *Ottawa Citizen* in its editorial on October 17 provided a brief overview of the defence policies of the three federal political parties. It stated that the Progressive Conservative Party had announced its intention to spend $200 billion building up the armed forces over the next twenty years — a plan that included $8 billion worth of nuclear-powered submarines. The New Democratic Party said it would consider withdrawing from North Atlantic Treaty Organization during its second term in office and the Liberals announced that they would cancel planned purchase of the submarines. The *Ottawa Citizen* added that the Progressive Conservatives would prefer to have the potentially politically damaging submarine debate remain submerged, with 80 percent of Canadians opposing the withdrawal from NATO the New Democrats were not eager to discuss their position on NATO and the Liberals had little else to say on defence except the cancellation of the submarine project. The editorial ob-

served that "under the circumstances, it's clear why all three parties want to avoid discussing defence issues in this election." The *London Free Press* editorial observed on November 4 that scarcely two weeks from polling day, defence had yet to surface as a significant issue in an election that was more important than most of its recent predecessors for Canada's defence policy. "Not just because of the government proposal to invest in nuclear submarines, but because of the necessary re- equipping of our defence forces and questions raised about Canada's role in the Western alliance." The Executive Director of the Canadian Institute of Strategic Studies, Brian MacDonald, said "All three parties feel they have more to lose than to gain by having defence appear as a high priority issue (*The Sun* [Vancouver], November 3).

***Submarine Acquisition Project***

Both Liberal leader John Turner and NDP leader Ed Broadbent campaigned against the submarine project, stating that the acquisition would end up costing not $8 billion as the government claimed but about $16 billion. Their claim received support from Richard Barnard, who had served with the US Defence Intelligence Agency and now edits the weekly *Defence News*, who suggested that the cost would be $16 billion to $20 billion over the next twenty years (*Toronto Star*, October 31). The Minister of National Defence, Perrin Beatty, told a gathering at the Royal Canadian Legion in Collingwood, Ontario, that Canada wanted to assert its Arctic sovereignty and the real job of these vessels "is to patrol and protect our convoys to Europe in times of international conflict" (*Globe and Mail*, November 14).

A former cabinet member and Progressive Conservative MP for Waterloo, Walter McLean, said in an interview reported in the *Montreal Gazette* on November 5 that "there are some serious questions being asked" about the plan to a fleet of nuclear-powered submarines. "These questions are being asked internally within the cabinet and within the caucus...and it's not by accident" that no decision had been made between competing British and French designs before the federal election was called for November 21.

The *Winnipeg Free Press* editorial on the election day on November 21 stated that one of the more pressing items of business for the new government in Ottawa after the election would be to take a second look at the plans to buy a fleet of ten or twelve nuclear-powered submarines at an estimated cost of $8 billion. The editorial suggested that there were several arguments to suggest that acquiring nuclear-powered submarines was not in Canada's best interests, or the best interests of NATO. The estimated cost of the fleet was the most controversial. Canada needed larger, better-equipped defence forces. It also needed a balanced force, which it could not have if the nuclear submarine program was allowed its head, concluded the editorial. But the *Edmonton Sun* claimed in its editorial on November 25 that Canada had to get something going, if only so that "our navy has something to float in bigger than a bathtub." It added that not only would nuclear subs be an important addition to NATO, they would help Canada maintain sovereignty in the north. In an editorial "Sink the submarines," the *Toronto Star* on November 28 stated that the plan to buy nuclear-powered submarines undermined Canada's influence and credibility as a nation dedicated to arms control and the verification of disarmament agreements. It added that Canada's position would be weak, if not downright hypocritical, if it had nuclear-powered submarines that violated the spirit of the Nuclear Non-Proliferation Treaty.

## Peacekeeping

In August Canada had sent about 500 soldiers under the auspices of the United Nations to supervise the ceasefire between Iran and Iraq. At the time Brigadier-General John McInnes said no Jews, Moslems or women would be sent to the area because it was Canadian policy not to assign peacekeepers whose sex, religion, or heritage could be considered "inflammatory." National Defence directive DCDS983 states in part, "If it appears ethnic, racial or religious considerations could cause significant difficulties in the peacekeeping theatre, concerned individuals may be precluded from selection for such duties." The League of Human Rights of B'nai Brith Canada launched a lawsuit to get the Department of National Defence to end the policy and it was a violation of Section 15 of the Canadian Charter of Rights and Freedoms which bars discrimination on the basis of religion, ethnicity or sex (*Globe and Mail"*, November 15).

The *Globe and Mail* paid tribute in its editorial on October 4 to the United Nations peacekeeping forces. For over forty years, blue-bereted United Nations troops had been attempting to keep warring parties apart. At best, the editorial observed, the results had been mixed. Over the years, Canada's contribution had been considerable. It had sent more peacekeeping soldiers to more places than any other country and today they served in greater numbers than the soldiers of any other nation. The editorial concluded that the 1988 Nobel Peace Prize was a tribute to their bravery and dedication.

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**(Supplied by External Affairs Canada)**

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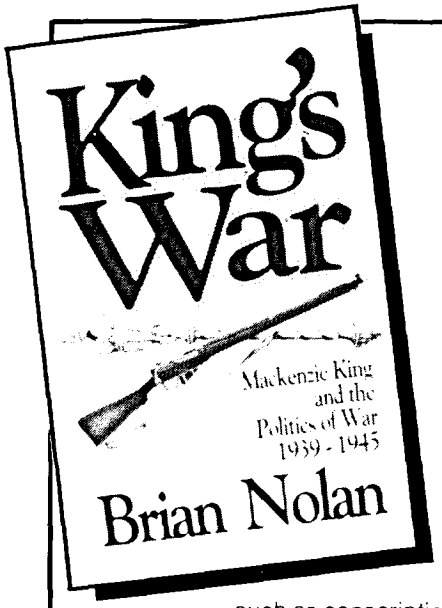


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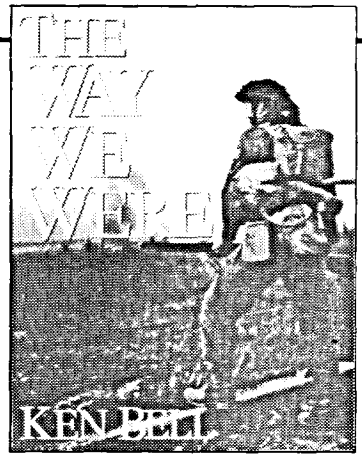


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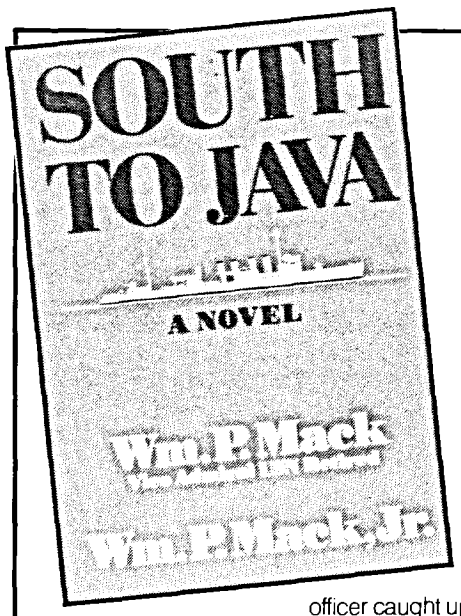


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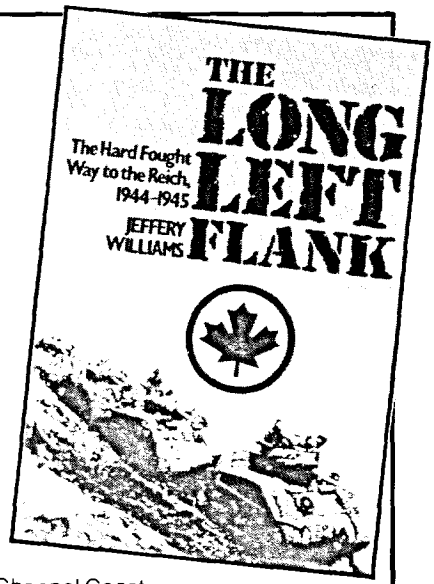


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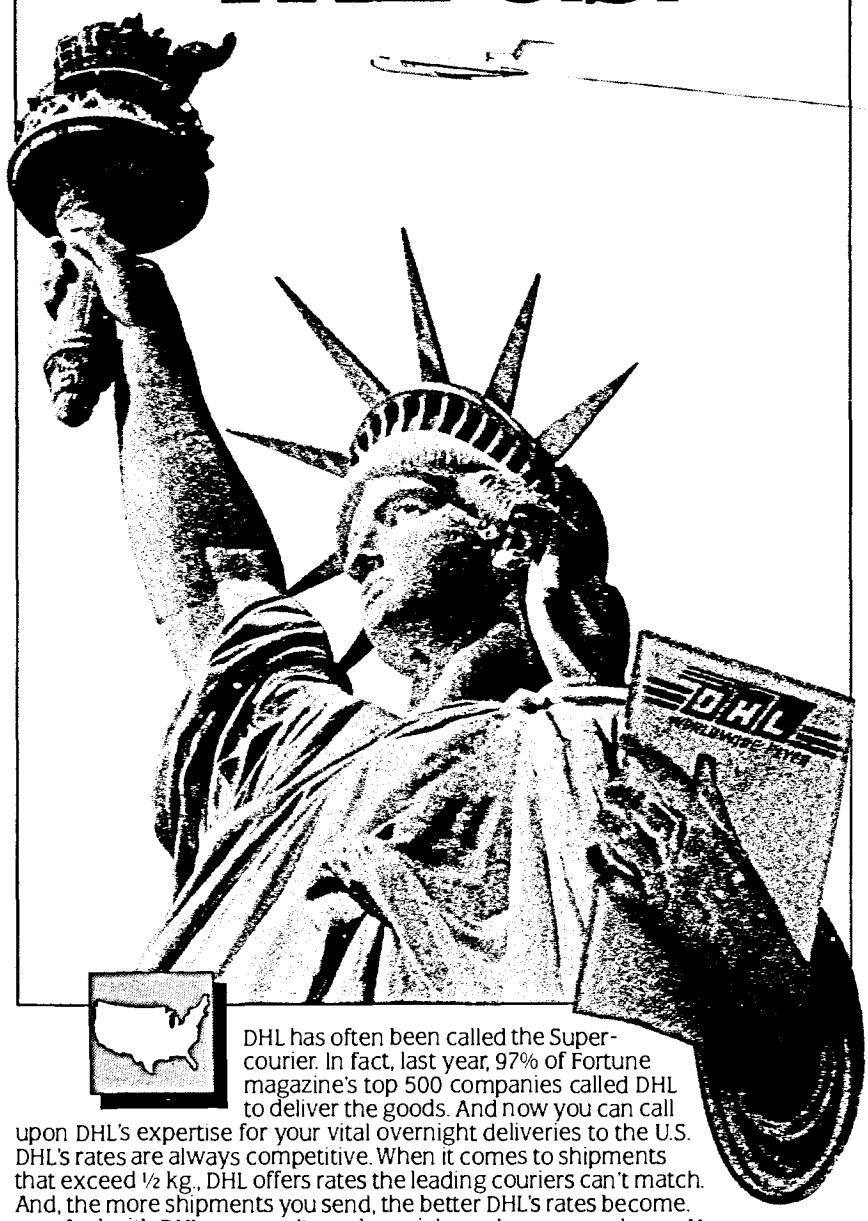


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THE CANADIAN JOURNAL ON WORLD AFFAIRS

## What Reagan left

## Peace and politics in Israel

## Afghanistan twists

## Can Africa be saved?

## Soviet nationalities awake

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International Perspectives
THE CANADIAN JOURNAL ON WORLD AFFAIRS

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## *Editor's Note:*

*In the last two months of 1988 three elections took place of immense importance to Canadians: our own, the United States', and Israel's. We are gradually coming to terms with the consequences of each of them. The Canadian one is for other journals, but the second two both get attended in this issue of* ***International Perspectives****. American presidential elections always make us catch our breath for a few months, wondering whether our carefully constructed world will collapse — or alternatively, whether our collapsed one can be reconstructed. There was some of each of those in the last US contest: the just-concluded Free Trade Agreement was not bolstered by the expansion of protectionist strength in the Congress; but Acid Rain acquired what appears to be a potent adversary in the White House. That election outcome cannot conceal the growing American deficits of all kinds, which may be as damaging to us as they are to Americans. Jock Finlayson, an Ottawa economist, takes a sobering look at those trends, and how they can affect our export hopes.*

*That other new government — in Israel — is now in place. The exercise was not a victory for the peacemakers, as David Newman of Ben Gurion University notes.*

*Still fascinated by the Reagan phenomenon, one must examine the legacy. His personality (character?) and policies (performance?) were for the teenagers of half-a-dozen years ago the first exposure to public affairs, and therefore the formative influences of their lives. Steven Holloway of St. Francis Xavier University has surveyed some of those young people in both the United States and Canada to find out how they learned their first lessons during the Reagan years, and therefore what their Reagan inheritance is.*

*Africa's salvation continues to baffle the well-wishers of the world, just as it evades the Africans themselves. But somewhere must lie an answer, and a sensitive Canadian observer in Africa, D.S. Copeland, has some ideas.*

*Afghanistan is just too volatile a place for any bimonthly — even one that strives to be topical — to dare to try to say something wonderfully up-to-date about. But we wandered into that bind last issue, and here we go again. Myron Rezun of the University of New Brunswick has just enough timelessnesses in his article on that continuingly devasted country for it to require your reading, even now. (Besides, he has a surprise prediction!)*

*And in the Soviet Union, too, events are no longer taking place on geological time. Perhaps there will be several other nationalities in excited visibility by the time you get a chance to see our article on that subject by two US scholars. Nevertheless, the "backgrounding" will be essential to an understanding of what is happening.*

# US trade policy: the Reagan legacy

by Jock Finlayson

The recently concluded American election saw little serious attention paid to the economic problems confronting the United States in the twilight of the Reagan era. However, the skittish financial markets and declining US dollar which greeted President-elect George Bush immediately after his electoral triumph on November 8 were unpleasant reminders that continuing US and global economic imbalances remain a source of enormous instability for the world economy.

In grappling with the country's economic difficulties, President Bush and the new Congress will benefit from the undoubted successes of the Reagan administration in maintaining stable inflation, steadily reducing unemployment and keeping economic growth on a strongly positive track since 1982 (see Table 1).

**Table 1**

**US REAL ECONOMIC GROWTH, INFLATION, AND UNEMPLOYMENT SINCE THE 1982 RECESSION.**

(Percent)

| INDICATOR | 1983 | 1984 | 1985 | 1986 | 1987 | 1988* |
|---|---|---|---|---|---|---|
| Real GNP | 3.6 | 6.8 | 3.0 | 2.9 | 2.9 | 3.4 |
| Inflation** | 3.2 | 4.3 | 3.5 | 1.9 | 3.7 | 4.0 |
| Unemployment | 9.6 | 7.5 | 7.1 | 7.0 | 6.1 | 5.4 |

* OECD forecasts, as of June 1988.
** Increase in consumer price index over the previous year.
Source: *OECD Economic Outlook*, June 1988.

A much less attractive legacy of the Reagan years, however, are the "twin deficits" — the substantial federal budget deficit, and the huge US trade and current account deficits. Both have risen dramatically since 1981, and while they have recently commenced a moderate decline, few economists doubt that additional steps will be needed to reduce them further in the future.

Global economic growth, interest rates, and exchange rates will be greatly influenced by how President Bush and the new Congress choose to deal with the US fiscal and trade deficits. Because the 1988 election produced decidedly mixed results — the Democrats strengthened their control over the Congress even as the Republicans once again captured the presidency — an unusual degree of cooperation and compromise between the administration and Congress on key domestic and foreign economic policy issues will be essential if progress is to be achieved. President Bush will find it far more difficult to impose his preferences on Congress than did President Reagan in the aftermath of his sweeping 1980 election victory.

This article explores one crucial element of the contemporary US economic picture — the unsustainable US external imbalance caused by its large trade and current account deficits — and assesses the possible consequences of these deficits for future US trade policy. The article also offers a brief appraisal of the impact of the Reagan era on American trade policy.

### Trade and current account deficits

A country's *trade account* measures the flow of receipts it receives and payments it makes for exports and imports of merchandise products. The *current account* is a more comprehensive measure of a country's international transactions that charts the flow of receipts and payments for exports and imports of both merchandise goods and services, along with external transfer payments and receipts for such items as interest and dividends. (The other major balance of payments category is the *capital account*, which measures short- and long-term flows of capital into and out of a national economy.) Table 2 provides summary data on actual and projected US trade and current account balances from 1986 to 1989.

**Table 2**

**US TRADE AND CURRENT ACCOUNT DEFICITS**

(billions of US dollars; calendar years)

| | 1986 | 1987 | 1988* | 1989* |
|---|---|---|---|---|
| Trade balance** | -156 | -170 | -134 | -118 |
| Current account Balance*** | -141 | -154 | -137 | -132 |
| Current account deficit as % of GDP | 3.6 | 3.2 | 3.0 | 2.9 |

* Morgan Guaranty forecasts for 1988 and 1989.
** Merchandise exports minus merchandise imports.
*** Exports of goods and services minus imports of goods and services, plus net position in respect of external transfer payments and receipts.

Sources: Morgan Guaranty Trust Company, *World Financial Markets*, May 1988 and November 1988; International Monetary Fund, *International Financial Statistics Yearbook, 1988.*

In analyzing US trade and current account performance in the 1980s, it is important to bear in mind the link between external imbalances and the structure of domestic economic activity. Mounting US trade and current account deficits in the 1980s have been driven by such characteristics of the American domestic economy as its notoriously low and declining propensity to save, strong consumption growth fuelled by economic recovery and tax

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cuts, an investment rate higher than its savings rate, and ballooning government budget deficits after 1981. Paralleling this was a rapidly growing surplus on capital account as foreigners rushed to ship capital into the United States to purchase securities, companies and real estate.

**Soaring trade deficit**

Rapid growth of imports during the strong US economic recovery from the 1982 recession, and the sharp appreciation of the US dollar over 1981-85 in response to tight monetary policy and the attendant high real interest rates, together led to a dramatic and unprecedented deterioration in the US trade balance. From approximately $25 billion in 1980, the merchandise trade deficit rose almost sevenfold to reach a record $170 billion in 1987. Mainly because of this, the US net balance on current account deteriorated from +$2 billion in 1980 to -$154 billion in 1987. In a few short years the need to finance its yawning external deficits transformed the United States from the world's principal creditor nation to its number one debtor.

Beginning in last quarter of 1985, the US Treasury and the Federal Reserve Board — assisted and abetted by foreign central banks — moved to engineer a drop in the exchange value of the American dollar. This policy was undertaken in order to reverse the escalating trade and current account deficits and also to demonstrate to an increasingly protectionist-minded US Congress that draconian trade restrictions would not be needed to assist beleaguered US manufacturers or to restore some measure of external balance. From its peak in mid-1985 through 1988, the US dollar fell markedly — by between 45 and 55 percent against the Japanese yen and the major European currencies, and by smaller but still significant amounts against the Korean won and the Taiwanese dollar. In 1988, it fell by approximately 8 percent against the Canadian dollar.

**Help from falling dollar**

This depreciation of the US dollar did not immediately reverse the trend toward higher trade and current account deficits. Eventually, however, the improved competitive position of American industry resulting from the declining US dollar, coupled with fairly robust economic growth in the industrial countries that are the primary markets for American exports, did stimulate a major boom in US exports and a slowdown in import growth in 1987-88. By 1988 this improving US trade picture had halted, and at least temporarily reversed, the rise in the trade and current account deficits. For example, from the first quarter of 1987 through to the comparable period in 1988, the volume of US exports — a measure which ignores the effect of prices — grew by almost 30 percent. This compares to an increase of less than 6 percent during the entire 4-year period stretching from the first-quarter of 1983 to the first-quarter of 1987. Through the first nine months of 1988 export volumes rose at a slower but still impressive annual rate of almost 10 percent, while imports were up by less than 2 percent. In the past two years, US exports have increased across the board to virtually all of its major trading partners (including Canada), as shown in Table 3.

**1990s: continuing external imbalance**

The expansion of US exports and lower rate of import growth after 1986 contributed to a more balanced US economic performance in 1987 and 1988, as exports and business fixed investment finally replaced consumption and government spending as the primary engines of economic growth. But at present few economists believe that US trade performance will continue to improve to such an extent that further substantial reductions in the trade and current account deficits can easily be realized over the next several years. In fact, most projections by private economists see the US current account deficit remaining in excess of $100 billion, and the trade deficit at a level of at least $80 billion, well into the 1990s. If this prediction proves accurate, then US foreign indebtedness will continue to increase at a blistering pace. Only a credible, sustained effort to lower the government budget deficit (or perhaps a serious recession that dramatically reduces US imports) would be likely to produce anything approaching external balance by the mid-1990s.

**Table 3**

**GROWTH OF US EXPORTS SINCE 1986**

(percent change in dollar values from previous year)

| | 1987 | Jan-Sept 1988 |
|---|---|---|
| Total | 11.9 | 28.8 |
| Canada | 7.8 | 20.4 |
| European Community | 14.0 | 26.6 |
| Japan | 5.1 | 38.2 |
| 4 Asian NICs* | 28.7 | 58.2** |
| Other | 10.5 | 25.2 |

* Hong Kong, Korea, Singapore and Taiwan.
** Temporarily inflated by nonrecurring sales of gold to Taiwan.

Source: Morgan Guaranty Trust Company, *World Financial Markets*, November 1988.

**Too many obstacles**

Throughout 1988 Reagan administration officials argued that the trade and current account deficits would continue to decline owing to further steady improvements in US export performance over the coming years. However, there are several reasons to question the belief that the recent expansion of US exports and lower import growth rates can be sustained on a scale sufficient to produce external balance in the first half of the 1990s. Note these:

1. Current high capacity utilization rates in many US goods-producing industries will limit the scope for additional export expansion in some sectors for several years at least.
2. Many Japanese and other foreign firms that sell into the American market have proven extraordinarily resourceful in protecting their hard-won US market shares in spite of unfavorable currency movements, and this is not likely to change in the near future. Indeed, after declining for much of 1988, the monthly US trade deficit with Japan has actually begun to increase again, despite the impressive growth of American exports to Japan. This attests to the remarkable success of Japanese firms in penetrating US markets, holding market share and improving their cost competitiveness in the face of an appreciating yen.
3. Significant import displacement will not take place in many American consumer goods markets in which Asian suppliers have developed strong positions because US industry no longer domestically manufactures as wide a range of products as it did in the 1970s.
4. The long-term global trend toward increased self-sufficiency in food and declining foreign demand for temperate zone agricultural exports — a trend that works against the interests

of both American and Canadian farmers — will have the effect of further undermining an area of traditional export strength for the United States.

5. The punishing debt burden facing so many countries in Latin America, which prior to the 1980s was a vital US export market, will make it difficult for American exporters to sell more in this region.
6. Growing US dependence on imported oil will put upward pressure on aggregate import costs and create a larger "negative item" in the US trade account in the 1990s.
7. Servicing its fast-growing foreign indebtedness will create a very large "negative" item in the US current account in the 1990s. Increasing foreign ownership of US government debt securities (both treasury bills and longer term government bonds), as well as of private corporate debt and equity securities, will sharply boost outflows of dividend and interest payments to foreigners in the 1990s. This trend will put upward pressure on the US current account deficit.

**Further dollar decline likely**

Another round of US dollar depreciation would presumably give an additional fillip to exports, slow import growth and thus lessen the threat of greater American trade protectionism. Martin Feldstein, the first Chairman of President Reagan's Council of Economic Advisers, has argued that even if determined measured steps are taken to lower the federal budget deficit, the dollar will have to fall by another 20 percent on a trade-weighted basis in order to bring the current account deficit significantly below $100 billion by the early 1990s. America's continuing need to attract foreign capital — to say nothing of fierce resistance by the Japanese, Europeans and other foreigners to further large-scale depreciation of what remains the world's primary reserve currency — puts some limits on the ability of US policymakers to choose a weak dollar as a deliberate policy option. But notwithstanding the possible reluctance of policymakers to countenance additional dollar depreciation, the fact remains that eventually international financial markets are likely to react to the failure of the United States to achieve anything close to external balance by precipitating a severe run on the US currency. While such a development would stimulate domestic inflation, anger foreign governments and dollar holders, and generate instability in the international economy, a steep market-driven depreciation of the US dollar may well occur sometime in the next one to three years.

**US trade policy in the Reagan era**

During his two terms in office, President Reagan acquired a reputation as a committed free trader who worked tirelessly to thwart Congressional efforts to impose new import barriers. He sought and received legislative authority to allow the United States to participate in the new GATT Uruguay Round, and discouraged — and occasionally vetoed — protectionist legislation emanating from Congress. He also negotiated free trade agreements with Israel and Canada. A more balanced appraisal of American trade policy actions in the 1980s, however, indicates that President Reagan's success in implementing pro-free trade policies was mixed at best. As protectionist pressures grew in step with the trade and current account deficits, and as changes were made to the trade laws (most recently in the 1988 *Omnibus Trade and Competitiveness Act*) to make it easier for American industries to win import relief, the incidence of protectionist US trade actions rose throughout much of the Reagan presidency. In fact, it can be argued that despite President Reagan's efforts to contain protectionist pressures, in terms of concrete US trade actions the Reagan years have been by far the most protectionist of the postwar era.

From 1981 to 1988, the Reagan administration agreed — under strong Congressional and industry pressure — to implement new product-specific import restrictions in a number of high profile cases, including automobiles (1981), sugar (1982), steel (1982 and again in 1984), textiles and apparel (1983-84), and shakes and shingles imported from Canada (1986). In several other notable cases, including copper (1984), footwear (1985-86) and textiles (1987), President Reagan vetoed Congressional initiatives or rejected International Trade Commission recommendations that tougher import curbs be imposed. Overall, however, the number of product-specific trade restrictions has been growing. Often these have taken the form of "voluntary" export restraint agreements (VERs) negotiated with foreign exporters. In many instances where VERs or other market-sharing arrangements were put in place, Congress would almost certainly have imposed more stringent trade restrictions if the Reagan administration had not agreed to negotiate such a settlement with the foreign exporters involved.

**Protection everywhere**

The trend toward "managed" trade and greater reliance on product-specific trade restrictions has resulted in a steady increase in the proportion of total American merchandise imports covered by some form of special protection. A particularly telling statistic is provided by the Institute for International Economics in Washington, which estimates that more than 22 percent of all US merchandise imports, amounting to some $85-90 billion, was covered by special import protection in 1986, compared to 12 percent in 1980 and only 8 percent in 1975.

A further indication of the protectionist impulse of US trade policy during much of the 1980s is the explosion in the number of antidumping and countervail suits launched by American industries and unions. The President actually has little say in how most "unfair" trade complaints are dealt with once the petitions seeking import relief are filed with the Department of Commerce and the International Trade Commission. Since 1979, more than 600 antidumping and countervail petitions have been launched — more than the total number of such complaints during the entire period prior to 1979. According to the 1988 *Economic Report of the President*, from 1981 to 1987 the number of countervail petitions resulting in "interventions" (i.e., new duties or trade restrictions) shot up by an average of 335 percent each year compared to the years 1975-80, while the average number of antidumping petitions leading to "interventions" rose by 258 percent. Petitions filed by American industries seeking import protection under certain other US trade laws (e.g., sections 201 and 301) have also increased in number in recent years, but relief has been granted less frequently in these cases. Although many trade remedy complaints do not lead to the imposition of new import duties, the unfair trade laws have been used very effectively by American industries to harass and create uncertainty for foreign exporters. The sheer number of complaints lodged in the 1980s offers compelling evidence that protectionist sentiments have been gaining influence in the United States.

**Looking ahead: more protectionism?**

These trade policy developments highlight three major trends which — particularly when combined with persistent US trade and current account deficits — point to the prospect of further

increases in protectionist trade actions during the Bush presidency.

First is the growing tendency to institute product- and sector-specific import restrictions, usually through the device of VERs or other managed trade arrangements, rather than through specific legislated import relief measures passed by Congress. The proportion of US import trade covered by managed and special trade arrangements has been on the rise and seems set to increase further in the 1990s in light of intensifying import competition in the US market.

A second longer term trend is the gradual erosion of presidential discretion and — to a lesser extent — leadership in the formulation and administration of American trade policy. The US Constitution gives Congress rather than the President the ultimate right to make trade laws and impose tariffs and other trade barriers. For most of the postwar period Congress delegated a great deal of its authority over these matters to the Executive Branch. Since the late 1960s, however, US legislators have been playing a progressively more active role in establishing US trade policy priorities, revising the trade laws, and pressuring the Executive Branch to provide assistance to American industries facing increasingly tough foreign competition. Presidential authority and leadership on trade is threatened by greater Congressional involvement in commercial policy issues as well as by deep-seated skepticism among many legislators about the basic soundness of American trade policies during the past decade. The trend toward greater Congressional control of the trade policy agenda will probably continue during the Bush administration, in part because the Democrats have strengthened their hold over both houses of Congress. One probable result is that Congress will make additional efforts to narrow presidential discretion in administering the trade laws, particularly in handling import relief cases — as was recently illustrated by the 1988 *Omnibus Trade and Competitiveness Act*.

Finally, the expansion of the European Community (EC) to include twelve members, and the more influential role of Japan in the world trading system, have lessened the ability of the United Stated to impose its viewpoints and trade policy priorities on other countries. To a considerable extent these developments have also undermined the overall US leadership role in the GATT regime. Today, the 12-nation EC is by far the world's largest import market, and West Germany alone exports more than the United States. Despite President Reagan's efforts to reassert American global influence, the erosion of US dominance within the postwar trade system — which began in earnest in the 1970s — picked up steam in the 1980s. Past practice suggests that a United States less able to get its way in international trade issues could become more inward-looking, unilateralist and protectionist.

**Conclusion**

In summary, the large US trade and current account deficits, coupled with increased Congressional assertiveness on trade issues and the growing inclination to rely on managed trade arrangements to contain import growth, may create conditions which lead to the imposition of more trade restrictions as well as to the development of generally more protectionist US trade policies in the 1990s. The probability of such an outcome will be higher if the currently stalled GATT Uruguay Round negotiations — and the severe US-EC conflict over agriculture that cast such a cloud over the Montreal Mid-Term GATT Review in December 1988 — do not reach a successful conclusion in the early 1990s. Similarly, the likelihood of increased US protectionism will be greater if President Bush and the Congress are unable to reach a workable compromise on the US budget deficit. While Canada may enjoy a measure of protection from some of the uncertainties surrounding future American trade policy thanks to the recently implemented bilateral Free Trade Agreement, Canada's medium-term economic prospects will nonetheless be strongly affected by how the United States chooses to deal with its serious external and domestic economic imbalances in the years ahead. □

# Reagan's effect on students: a survey

by Steven K. Holloway

Publics learn lessons from the foreign policies of their leaders. The "lessons of Munich" shaped the post-WWII generation's view of the Soviet Union just as surely as détente shaped the '70s generation. For the Americans Vietnam taught a lesson enshrined as the "Vietnam syndrome": that military intervention is not always a solution. Indeed, viewed from the Canadian perspective, Vietnam was also a learning experience for Canadian publics: it helped Canadians to develop a distinctive image of themselves as less militaristic and jingoistic than the average American.

The Reagan years are now over. Reagan came to office with a strong ideologically-based agenda and the hope of establishing a long lasting conservative base in American public opinion. What lessons have been learned by the public after eight years of an aggressive, nationalistic Reagan presidency? Were lessons of détente and Vietnam unlearned? To answer these questions we must examine the beliefs of the young generation now in college to whom these events are as remote in history as WWII or the Korean conflict. For this generation Reagan must be considered a formative element. We should also ask to what extent US political culture has "spilled over," creating a Canadian learning effect in our student population. Has "Rambo foreign policy" found a following in Canada?

This paper presents the results of a survey of the foreign policy attitudes of first-year college students in some Canadian and American universities. Several hundred students were asked a variety of questions concerning their feelings towards the Soviet Union, Ronald Reagan and the values he has been seen to endorse. Studies conducted in Canada of political socialization suggest that children acquire most of their political learning and values between Grade Six and high school. Thus the freshman classes of 1986 and 1987 would have experienced the Reagan agenda during their most impressionable years. They would be the generation most likely to have absorbed Reagan's lessons. By examining the responses of students whose political beliefs were being formed during the first part of the Reagan presidency, we can gain some insight as to the lasting impact of Reaganism on the public attitudes of both countries. We can also observe and compare the impact in the two countries: have Canadian students been any less influenced by the Reagan agenda?

### The Reagan agenda

The ideas and impressions formed during the early teenage years can be quite persistent. Individuals organize their views of the world according to underlying beliefs and images of other nations and actors and their assumed motivations. Once adopted, a deeply held belief can be quite impervious to being contradicted by new evidence. We tend to hear what we want to hear: we distort our perceptions at times to make new information consistent with our beliefs and images. Beliefs and attitudes about world events have a direct influence on the foreign policies of nations through two means. First, the future policymakers grow up in that common public culture of ideas. Second, public attitudes are transmitted to governmental policymakers through election campaigns and public opinion polls and through the actual selection of new leaders by election.

A common generational set of beliefs develops from a shared experience of dramatic historical events. For the generation of the '30s and WWII (to which Reagan belongs), the traumatic events of the war against Hitler instilled a series of "lessons." Wars were seen to be caused by the internal logic of totalitarian regimes and could not be forestalled by a policy of appeasement. This is, of course, the "lesson of Munich." The entire logic of NATO and Western containment theories for the Soviets have sprung from this lesson.

By contrast the '60s generation formulated its ideas in the post-Cold War years of Vietnam and détente. This generation finds expression in the peace movements and green parties. Among the beliefs one might attribute to this group are a more benign assessment of Soviet intentions, a desire for disarmament, and a granting of greater priority to North-South over East-West issues.

Reagan came to office in the crisis atmosphere of Afghanistan and Iran and responded to each in a '30s generational mode. He heightened a renewed Cold War in relations between the superpowers by the bellicose accusations made against the "evil empire" during his first term. Reagan's legacy seems to be the creation of new lessons for the '80s. I would summarize these lessons or attitudes by the following principles of Reaganism: be tough, be well-armed and beware.

### "Beware of the USSR"

I shall begin with the last admonition, beware of Soviets, and Communist regimes in general. It is sometimes forgotten that Reagan pledged during the 1980 election campaign to restore relations with America's true friend, the Republic of China in Taiwan. Reagan was steered away from this disastrous course only after major diplomatic protests from Beijing and a grudging acceptance of the usefulness of a "China card" against the No.1 Communist enemy. Even so, relations with the Peoples' Republic never again attained the warmth that existed under the Carter administration. Reagan's portrayal of the struggle in Central America in stark ideological terms revealed the strength of Cold War images in his cognitive apparatus. His commitment to arming

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"freedom fighters" around the globe recalls the pledge of the Truman doctrine and Dulles's "Roll back communism." As the Irangate affair demonstrated, the Contras were the pet interest of a somewhat disengaged President. This suggests that the second term "thaw" in relations with the USSR was a thin veneer, required by Gorbachev's great popularity, over deep anti-communist convictions.

The first term Reagan administration did all that it could to keep its Cold War agenda before the public. Reagan used his presidential forum to harangue the public about totalitarian dungeons and to play up evidence of Soviet malfeasance in arms control, Afghanistan, South East Asia, Poland and Central America more than a more moderate Oval Office might have. In the case of Grenada, he demonstrated how to pull off an "apparently" successful coup against an "apparently" repressive Marxist regime. How could any adolescent growing up under Reagan not receive the message?

**"Be well-armed"**

The other two attitudes, be tough and be well-armed, flow directly from the "lessons of Munich." Hitler used disarmament talks to buy time for his own rearmament campaign: Reagan at first presumed the same of the Soviet arms proposals. Likewise, Reagan's original goal of superiority in arms flows directly from Churchill's belief that only Western superiority in arms would restrain an expansionist USSR and preserve the peace. Reagan fostered an image of a revitalized and rearmed "arsenal of democracy." Berating the Carter administration for allowing Western defences to slip dangerously, he reinstated glamorous weapons systems such as the B1 bomber and anti-missile warfare, tried to revamp the tarnished image of the Vietnam war, restored covert operations to the CIA, and badgered Japan to increase its military spending to the point of creating a serious crisis for Prime Minister Suzuki. Reagan's dramatic military action against Libya and Palestinian terrorists in the *Archille Lauro* affair seemed to re-establish military force as a viable policy option. Rambo as the ultimate GI Joe is a powerful symbol of this remilitarization. Clearly Reagan wanted to see the US public cured of the "Vietnam syndrome."

**"Be tough"**

Being tough extends to all parts of foreign policy, not just relations with the USSR. Of course it begins with the supposed need not to show any "hint of irresolution," either to the salami tactics of the Soviet bloc or to the new threat of hijacking and terrorism. In the nuclear era "toughness" is needed to demonstrate the political will for a credible nuclear deterrence and to avoid being bluffed in a Cuban missile-style confrontation. But it went further with Reagan, who even argued US self-interest against allies. This penchant for petty self-interest torpedoed the Carter-Trudeau agreements on acid rain and fishing boundaries. It also helped to delay the Law of the Sea and Andrew Young's rebuilt bridges to the UN and the Third World.

**Student survey**

To what extent has the generation now entering college learned the three lessons of being tough, rearmed, and wary of the Soviets? In part to gauge this learning process I conducted a survey of several universities from the fall of 1986 through to early 1988. Several items on those surveys attempt to measure student attitudes on Reagan's foreign policy and the three lessons sketched above. Students entering university in 1986 would most likely have been entering Junior High school when Reagan won the 1980 election. By examining the responses to these survey items we can gain direct evidence of the Reagan legacy with this generation of students.

A wide geographic range for the surveys was sought. The first survey conducted in the 1986-87 academic year included three Canadian schools and one American (the numbers of usable surveys completed are shown in parenthesis): St. Francis Xavier, Nova Scotia (275), Dalhousie, Nova Scotia (117), University of Winnipeg, Manitoba (198) and Ohio State University (126). This sampling was considered insufficient and so a second round of surveys were mailed between October 1987 and January 1988, resulting in the following additional surveys: St. Francis Xavier (2nd round, 171), Memorial University, Newfoundland (77), University of Toronto, Ontario (118), Arizona State University (120), University of Pennsylvania, Lockhaven (104), Holy Cross, Massachusetts (25) and University of Maine (79). Since the survey covers two years, the percentages reported here are based on grouping the data by country and school year. On items dealing with the popularity of Reagan it is possible that external events such as the Iran-Contra hearings in the summer of 1987 affected the second year. The total numbers of students surveyed for the 1986-87 year are 589 Canadian and 126 American and for the second year (1987-88), 366 Canadian and 328 American.

In all cases, I attempted to survey only first year courses. I had two reasons for doing so. Not all high school students proceed to university. By catching those who do at the beginning of their college education, I hoped that their attitudes reflected the common political perceptions of the current 17- to 19-year-old generation, whose crucial beliefs were set during the Reagan years. My second reason for basing the study on first year courses was to avoid the impact of upper level courses in international relations, which might dramatically change some student attitudes.

**Results**

I began by examining attitudes about Reagan's foreign policy in general. One item on the survey asked the respondent to indicate agreement, disagreement or neutrality on the statement "I generally find myself agreeing with Reagan's foreign policy." The percentages agreeing and disagreeing for all four groups are indicated on Table 1.

In both years a majority of the American students approved of Reagan's foreign policy, though the degree of support declined dramatically in the second year. This decline may have been the result of media coverage of the Iran-Contra affair and Reagan's lame-duck status. Nonetheless, it is surprising that on the whole, despite Irangate, young Americans seem to support Reagan- style foreign policy.

Has there been a spillover effect among Canadian students? The Canadian students were almost evenly split on support for Reagan in the first year (only 4 percentage points of difference), but swung more decidedly anti-Reagan in the second year. St. Francis Xavier as a bench mark shows a very modest shift, with the pro-Reagan dropping from 45 percent to 43 percent. Clearly there is some support for Reagan among Canadian students, but it is not nearly as pronounced as in the US.

**Up toughness!**

Next I examined support for the "be tough" lesson of Reaganism. Three items on the survey asked for agreement, disagreement

or neutrality on the issue of toughness: 1) "To be effective in world politics, the leader of a nation must project an image of toughness," 2) [among the attributes he/she should possess] "the President should project an image of being a tough opponent," and 3) "We should not give into terrorist demands." All three of these items could be seen as measuring resoluteness and an internalization of the "Munich lesson." The percentage agreeing with each of the toughness items appears on Table 2.

Projecting a tough image was popular in both countries but more so in the US. The necessity of being tough on the world scene was supported by 68 percent and 56 percent among US students in the two years respectively. It is interesting to note that this item (as with all items in this group) shows a decline in popularity matching the general decline in the popularity of the President's foreign policy. On the second item, the students were given a list of images the leader should project such as "peacemaker" and "wise statesman." In this context "tough opponent" drew even more agreement, 84 percent and 74 percent in the two years respectively. In Canada for both items there were more students endorsing toughness than opposing it, and "tough opponent" drew a strong majority in favor. But Canadian attitudes on this dimension again were not as strong as US ones. Only on the issue of giving in to terrorist demands were American and Canadian attitudes nearly identical.

**How strong militarily?**

"Be well-armed" is an attitude I attempted to measure in a number of ways. The most direct manner was to ask whether military strength needs to be built up, cut back, or kept at its current level. In order to generalize and avoid the question of US "overspending" or Canadian "underspending," I framed the question on the survey as "Western military strength." The first item on Table 3 shows the percentage that wanted a buildup of Western military strength.

I also wanted to compare the military values of the two student populations in a more general way. One section of the survey asked about acceptable backgrounds for leaders. Item 2 on Table 3 shows the percentage that agreed that "the military" was an acceptable career background for the President or Prime Minister. Finally I wanted to measure the acceptability of a military career more directly. I asked students whether they would be proud to have a son enter a military career. I chose the word "son" because of the continuing dominance of men in military occupations and thus avoided confusing the issue with sex-career stereotypes. This is presented as the third item on Table 3.

The items on Table 3 show little change between the two years, suggesting that these items measure deeply held beliefs unlikely to change from year to year. On the issue of building up military strength, American and Canadian students seem almost equally uninterested, with only a quarter supporting escalation. On the other two items profound cultural differences emerge. A military leader was acceptable to more than half of the US students but was rejected by Canadian students by nearly a 2:1 margin. Similarly, the American students were more supportive of the idea of a military career for their sons. The size of the difference and constancy of the attitudes over the two years suggest that these may be deep cultural differences unrelated to the popularity of Reagan.

**Less anti-USSR**

Table 4 presents the survey responses to Reagan's call to be wary of the Soviets. The first item refers to Soviet intentions and

## Student attitudes in the US and Canada

(in percentage of those responding)

**Table 1**

**REAGAN'S FOREIGN POLICY**

| | US | | Canada | |
|---|---|---|---|---|
| | Agree | Disagree | Agree | Disagree |
| 1986-87 | 67 | 24 | 38 | 42 |
| 1987-88 | 52 | 33 | 35 | 45 |

**Table 2**

**"TOUGHNESS"**

| | | US Agree | Canada Agree |
|---|---|---|---|
| 1) Be tough | '86 | 68 | 52 |
| | '87 | 56 | 48 |
| 2) Tough opponent | '86 | 84 | 67 |
| | '87 | 74 | 65 |
| 3) "No" to terrorists | '86 | 85 | 81 |
| | '87 | 83 | 79 |

**Table 3**

**MILITARY ATTITUDES**

| | | US | Canada |
|---|---|---|---|
| 1) Build up arms | '86 | 28 | 26 |
| | '87 | 27 | 21 |
| 2) Military leader okay? | '86 | 58 | 30 |
| | '87 | 54 | 30 |
| 3) Son into military | '86 | 58 | 39 |
| | '87 | 58 | 39 |

**Table 4**

**COLD WAR ATTITUDES**

| | | US | Canada |
|---|---|---|---|
| 1) USSR destruction intention | '86 | 20 | 19 |
| | '87 | 16 | 14 |
| 2) Trade nothing | '86 | 13 | 10 |
| | '87 | 10 | 11 |
| 3) Get closer to USSR | '86 | 78 | 61 |
| | '87 | 84 | 64 |
| 4) Get closer to Cuba | '86 | 40 | 21 |
| | '87 | 37 | 16 |

the respondent was offered three options. One of the choices read "When all is said and done, Russia is determined to conquer Western capitalist countries." As the Table shows, a small hard-core of anti-Soviet sentiment continues to exist in both countries. At most 20 percent of the 1986 US group were hardliners by virtue of their assessment of Soviet intentions, and only 13 percent refused any trade with the USSR. Canadian figures were even smaller and all anti-Soviet feelings declined between 1986 and 1987, with the exception of Canadian trade attitudes.

In part this decline can be traced to a "counter-learning" through the young generation's experience of Gorbachev and reform. Stalin or even Brezhnev are at best dim memories for this age group. This effect can be seen even more clearly in two survey items which asked whether the respondent wanted relations with the USSR and Cuba to be "closer," "more distant," or remain the "same." As Table 4 shows, the American students overwhelmingly wanted closer relations with the Soviets and the desire for détente had increased. The fact that the Americans students outrank the Canadian students in this sentiment may be due less to suspicions of the East bloc than to a feeling that US-USSR relations are currently worse than Canadian-USSR relations. That this result derives from the "Gorbachev factor" can be seen by the lower popularity of improving relations with Cuba in both countries.

**Conclusion**

The problem we are left with is to square this rejection of Reagan's core anti-communism attitude with the continuing popularity of his foreign policy. This contradiction reminds one of the paradox the media has been citing throughout his administration, of public rejection of his policies despite high personal popularity ratings. The media is fond of explaining this paradox by the "nice guy" factor, the claim that Reagan's supposedly "easy going" personality made him popular. But this theory is refuted by the fact that an even nicer guy, Jimmy Carter, was accused of being irresolute in the face of Iranian and Soviet challenges and soundly rejected at the polls.

Clearly my findings on "toughness" contradict the "nice guy" explanation. The survey shows that a decisive majority of American and Canadian students believe that the "tough opponent" image is an asset in today's world. This desire for toughness may be linked to feelings of insecurity in the face of terrorism and foreign conflict. It seems to be a desire for toughness for its own sake, not related to a right-wing Reagan agenda. In other words, it is Reagan the "tough guy" that is appealing to the American students.

"Tough guy" does not necessarily translate into "hard-liner" in the traditional Cold War sense. Indeed the students seem to be more responsive to the lessons learned from recent Soviet domestic events. Gorbachev's reforms strike at the center of the Reagan doctrine on authoritarian and totalitarian governments. The core principle of this Kirkpatrick idea is that totalitarian leopards to not change their spots. Yet both the USSR and the Peoples' Republic seem to be undergoing dramatic change, leaving the key justification for anti-communism in ruins. At present it is the "lessons of Gorbachev" which the American students are studying.

**Slow down or build up**

Similarly there is little support for further arms escalation or the Reagan buildup among the American students. This is true in spite of the fact that among the American students military values seem quite high. It is in this arena of military values which the Canadian and American students seem most clearly to be distinct. Military leadership has no base historically in the Canadian nation. While George Bush reminded the American public of his "war hero" credentials in the past election, Canadian leaders rarely make such an appeal. Consider Mackenzie King's great suspicion of the military establishment. Is this difference the result of different historical experience, of greater US involvement in military actions, or of the US's role as leader of the Western bloc?

So the Reagan attitudes to the Soviets and to arms spending have not been adopted by the younger generation. Nonetheless, Reagan's foreign policy is endorsed by a majority of American and a third of the Canadian students. This difference must in part be laid to nationalism, the desire by the Americans to support their leader. What remains is best attributed to Reagan the "tough leader." If Reagan has a legacy, that is it. □

# Structural adjustment in Africa

by D.S. Copeland

In response to Africa's precipitous economic decline in the 1980s, financial institutions, international development banks and the community of Western donors have offered a standard remedial prescription. Under the euphemistic banners of "structural adjustment" or "policy reforms," African nations have been asked to perform major surgery — on themselves. Whether this procedure will result in restored health or auto-evisceration remains unclear. The stakes, in any case, are enormous.

At first glance, the typical package of adjustment measures appears to be a logical response to Africa's well-documented problems. Although there is some scope for tailoring individual country programs to specific domestic situations, virtually all programs include:

- elimination of subsidies, dismantling of price controls, and implementation of cost-recovery;
- "rationalization" of the state sector through privatization, firings, wage cuts and closures;
- liberalization of the economy, guided by "market forces" domestically and "comparative advantage" internationally;
- promotion of commodity exports and foreign investment; currency devaluation and interest rate increases.

Those familiar with the evolution of political thought in advanced economies over the past decade will recognize much of this. Beneath the international veneer is a platform informed by many of the values and concepts popularized by theorists of the "New Right," whose ideas remain controversial even in developed countries. When this neoclassical formula, with its doctrinal certitude and distinctly laissez-faire bent, is applied to Africa, the political content of economic relations is strikingly revealed. To date, the costs of adjustment, in terms of human misery, have been enormous, with health and educational budgets, assistance programs for the urban and rural poor, and welfare measures conscripted to serve on the front line of expenditure restraint.

### New debate

For these and other reasons, there have been a number of signs recently that the once near-unanimous support for structural adjustment is fracturing. In this debate two discrete trends have emerged, one involving a reformist re-examination which seeks to modify adjustment programs by making them more sensitive to human considerations, and a radical critique which rejects adjustment as inimical to the long-term interests of developing countries. To begin with an evaluation of the former, a review of the proceedings of an international conference held in Khartoum, Sudan, in March 1988 may provide some helpful insights.

This meeting, attended by scholars, officials and delegates from twenty-five African countries, was the second in a series of conferences organized by the UN Economic Commission for Africa (ECA) to monitor the progress of the United Nations Program of Action for Africa's Economic Recovery and Development. Although billed as the "International Conference on the Human Dimension," the focus of the meeting was a consideration of the social costs of structural adjustment. As the majority of sub-Saharan African countries are currently engaged in some form of adjustment program, the timing of the conference could not have been better.

Participants at Khartoum expressed particular concern over the debilitating effects of adjustment measures upon those in society least able to defend their own interests. These vulnerable groups, including women, children, the old, sick, displaced and disabled, have suffered disproportionately as a direct result of the implementation of "policy reforms." It was concluded that adjustment programs limited to the imposition of short-term austerity measures were not only unacceptably destructive, but ultimately myopic and self-defeating.

The principal issues broached at the conference are summarized in the "Khartoum Declaration," which asserts that the human and social component must be accorded the highest priority in any discussion of economic recovery. The Declaration insists that programs of adjustment which fail to acknowledge the central place of the human dimension in their design and implementation cannot be considered as legitimate or acceptable to the international community.

> We, the delegates here assembled, will not abide economic rationales, will not tolerate economic formulas, will not apply economic indices, will not legitimize economic policies which fail to assert the primacy of the human condition. Nutritional imbalances are as crucial as trade imbalances, and high infant mortality rates require as immediate action as high rates of inflation.

### Going it alone — with help

Notwithstanding the content of the commentary on adjustment, events in Khartoum had a broader significance. There was, for example, a shared recognition that the moment had arrived for Africans to take primary responsibility for, and control over, their own destiny. The need to attain food security and self-sufficiency and to deal with the problems of excessive population growth, lack of employment opportunities, and urban bias were all widely acknowledged. Even the multilateral financial institutions, which in the past had been not very sympathetic to African concerns,

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showed some sensitivity to both the depth of the crisis and their own role in its origins.

The participants supported the belief, now almost universally shared, that any improvement in Africa's prospects would require increased (and concessional) aid flows. Perhaps more importantly, they agreed that a variety of internal reforms, both economic and political, were essential, and that development assistance, while necessary, would not in itself be sufficient in the struggle to overcome underdevelopment. On this crucial point, the Declaration contains the outline of a far-reaching action plan, and includes explicit reference to the need for:

- devolution and democratization of political power;
- popular participation in decision-making;
- reconstruction of the political apparatus to reduce instability;
- elimination of corruption, oppression and discrimination; defence of human rights and freedoms.

The Khartoum document stopped short, however, of asking whether these political goals were compatible with the economics of adjustment. If a relationship were suspected, it was never elaborated.

In this respect, Khartoum served to underline the extent to which the promoters of structural adjustment (the IMF, the World Bank and Western donor countries) have been able to control the parameters of permissible debate. Although this group was subject to some searching criticism, virtually all participants accepted the orthodoxy of adjustment as a precondition to renewed growth. Surprisingly, this hypothesis escaped virtually unchallenged. Lacking entirely was a consideration of what might otherwise have been the central issue: are structural adjustment and the human dimension complementary, or might they be contradictory? In an international system dominated by corporate values and generally more solicitous towards capital than labor, can humanity be nurtured or sustained through programs of extreme austerity? What are the alternatives? Finally, whose interests, precisely, are served by structural adjustment? Is there a hidden agenda?

**Humanizing adjustment**

Rather than grappling with these difficult questions, conference participants instead directed their energies toward finding ways to integrate human considerations into adjustment programs in the hope that this might moderate adjustment's most damaging effects. Within the framework of the status quo, those at Khartoum succeeded in probing the outer limits of reform, but went no further. The exercise was metaphorically similar to trying to find ways to grow a garden after having deliberately created a desert. As such, an important opportunity was lost.

The Khartoum meeting was also instructive as a discouraging reflection upon the extent to which the nature of international economic discourse has changed over the past decade. In the full bloom of the North-South dialogue and proposals for a New International Economic Order a decade ago, the objective was transformation of the global economy along practical, yet humane and responsive lines which would better (and more justly) serve the needs of the developing world. Ten years later, these goals have been displaced, if not discarded, in favor of an agenda which might charitably be described as circumspect. In response to the economic crises of the 1980s, a distinctive variety of "realism" has prevailed over the humanist ethic, all very much in the spirit of hardened hearts and narrowed minds. Those with the fewest options, the vulnerable and the impoverished, have been asked to pay, and on terms which are more the result of dictation than dialogue. This point was made clearly at Khartoum, but other, more profound issues were left begging.

**One good paper**

In keeping with the tenor of the discussions, very few in the mass of scholarly papers prepared for the meeting demonstrated any willingness to step outside the received wisdom and pose critical, fundamental questions. One paper, however, prepared by Professor Akilagpa Sawyerr, Vice-Chancellor of the University of Ghana, entitled "The Politics of Adjustment Policy," provided a refreshingly candid analysis based upon the Ghanaian experience. This contribution is of singular interest because Ghana is in the midst of what is perhaps the most comprehensive and long-standing adjustment program in Africa, and is frequently help up as an example of successful "policy reforms." That being said, the human suffering has proven so severe since the program began in 1983 that the international community had to be persuaded to pledge $85 million in February 1988 towards PAMSCAD, the "Program of Action to Mitigate the Social Costs of Adjustment." As a model, austerity appears less appealing when domestic social costs are transformed into international economic liabilities.

Dr. Sawyerr's radical critique is based upon the central thesis that structural adjustment programs suffer from inherent internal contradictions and thus offer little promise of overcoming underlying constraints to economic development. These programs strengthen the position of those who benefit from market forces, while further eroding the position of the poor. Furthermore, he contends, it is only military or authoritarian regimes which will be able to muster the repressive force necessary to keep the adjustment programs in place. Rather than encouraging fully integrated, self-reliant, self-sustaining and evenly balanced development, "policy reforms" tend to reinforce patterns of dependence, external dominance, disarticulation and regional disintegration. Their implementation results inevitably in an upward shift in income distribution, and favors the trading and commercial classes at the expense of the urban poor and rural subsistence cultivators, who in most cases constitute the greater part of the population. Dr. Sawyerr attributes these effects to the political orientation of the principal architects of adjustment, the International Monetary Fund and the World Bank, which, quite understandably, tend to act in the interests of their major contributors. Structural adjustment is therefore seen to carry much unacknowledged ideological freight and to serve ends far beyond those associated with increased economic efficiency and growth. Under the inoffensive label of interdependence, adjustment results in the further integration of individual African countries into a global system in which they are accorded a permanently subservient position.

**Personality of debt**

Dr. Sawyerr's comments on debt — which has been identified, along with deteriorating terms of trade and stagnating aid and investment flows, as a fundamental impediment to recovery — are especially interesting. Structural adjustment and Third World indebtedness are intimately related, in that adjustment programs typically encourage exports (usually agricultural or extractive) in order to increase foreign exchange earnings, which may in turn be deployed to service the debt. Sawyerr writes:

It is recognized that African countries are affected in broadly similar ways by external debt. They have, therefore, begun to take common positions on the approach to the debt crisis. Yet the industrialized countries still insist that they are only prepared to consider and apply debt-relief measures on a case-by-case basis. Since it is easier in these bilateral discussions to treat different countries differently, often in response to non-economic factors, there is a strong temptation for African countries which expect to get special treatment to break ranks....The result is that in spite of the clear desire of African countries...to plan and act in concert in these matters, Western industrialized countries are able to pressure them into adjustment programs which lock them individually into the Western orbit. This weakens the drive by African countries to coordinate the attack on the crisis and to link up with other Third World countries in a meaningful push for the reshaping of the international economic order.

Total African debt, which hangs as a yoke over millions of desperately poor people, amounts to less than half of the amount lost on North American stock exchanges in a single week in October 1987. That event caused barely a ripple in measurable economic performance or institutional stability. Despite the small, if symbolically significant, steps announced last June at the Toronto Summit, creditor nations remain insistent upon case-by-case negotiations (at the London and Paris Clubs) and rigid conditionality in exchange for new or rescheduled financing. In combination with the creditors' cool response to the Organization for African Unity's proposed international debt conference, Africans must find these attitudes particularly discouraging.

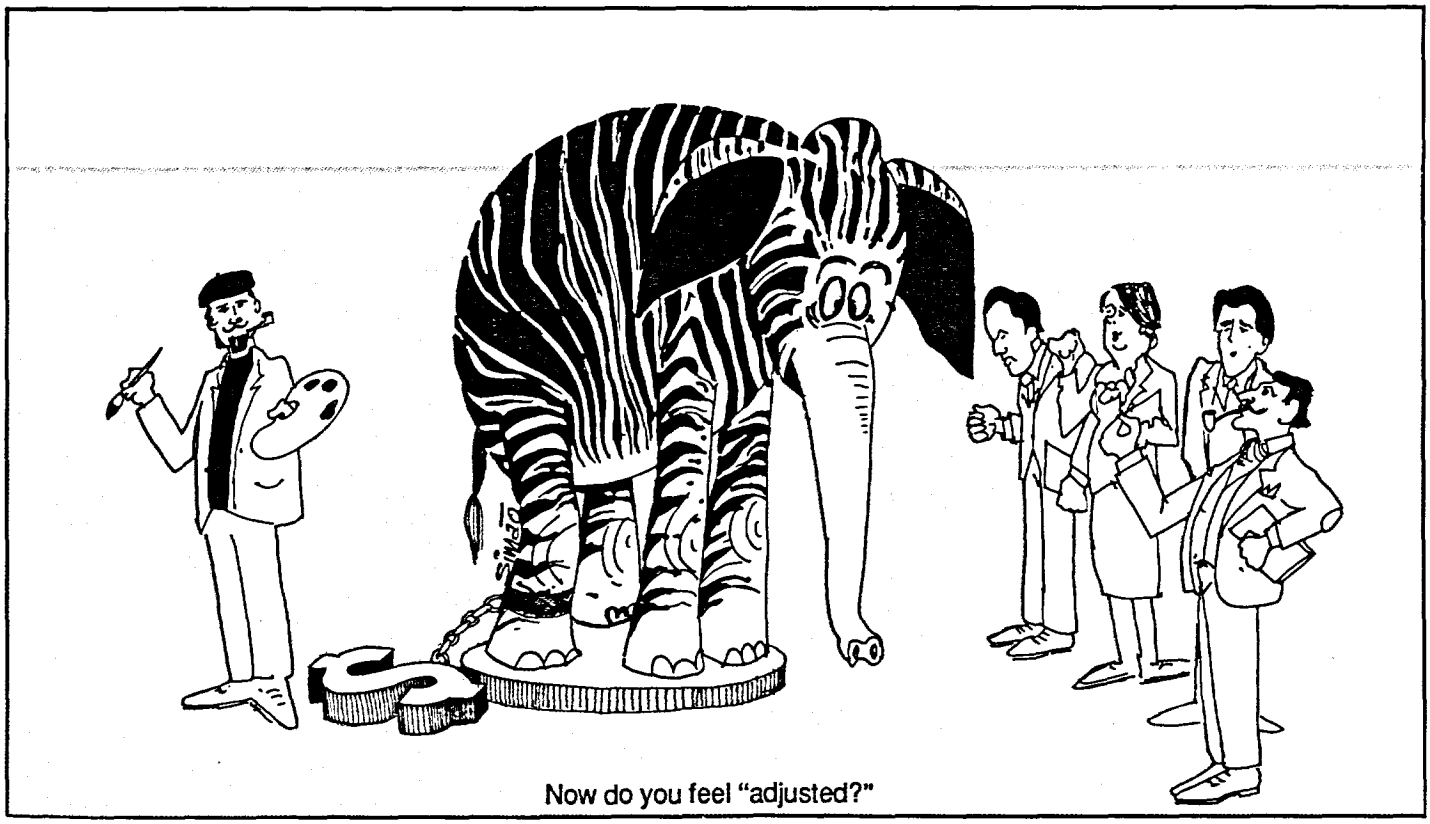
**Assumptions of "adjustment"**

Dr. Sawyerr's analysis provides a solid basis for further inquiry. However, to comprehend fully the consequence of adjustment, it is necessary to examine the central assumptions, to discard those claims which cannot be substantiated, and to scrutinize carefully what remains.

In broad terms, structural adjustment is supposed to lead to increased efficiency and restored economic growth — the old rationale of short-term pain for long-term gain. Yet there is reason to doubt that these "reforms" can deliver on the promise of growth; and growth alone, in the absence of adequate distributive mechanisms, is no guarantee of a people's well-being.

While the observation may appear facile, it is often overlooked that any program which savages the population and stunts human resource development is unlikely to give rise to prosperity. In those instances where economic gains have been registered — something achieved in very few cases and only after years of steep decline — it is worthwhile to recall that even the most impressive statistics are of little significance without some indication of who benefits or how the surplus is divided. For example, if the gains of expanded economic activity are exported through profit remittances, dividend payments, transfer pricing, or licensing arrangements, or used to service the debt, the benefits accruing to the vast majority of producers may be negligible. In the case of higher farm gate prices for agricultural products, which is a common feature of adjustment programs and is frequently touted as proof that tillers will be positively affected, the results are often skewed in favor of vested interests and the status quo. In many African countries small-scale cultivators have little or no surplus to sell; instead, it is the plantation operators and agribusiness interests who are in the best position to take advantage of increased returns, improved infrastructure and enhanced access to essential inputs such as credit, fertilizers and pesticides.

Structural adjustment in fact encourages many characteristics which have long been identified with persistent underdevelopment. Foremost among these is the reliance upon a few export crops or commodities as the primary source of economic growth.



SIMON ALVES

Now do you feel "adjusted?"

This locks individual African countries into a dependence upon declining markets in industrialized states, and holds them hostage to the wild swings which typify commodity price movements. Rather than instigating movement away from neo-colonial patterns of trade and exchange, those patterns are instead being reinforced. At the same time, adjustment programs tend to work against many of the elements which favor sustainable development. These include regional economic integration and South-South trade internationally, and diversification of the product mix, an appropriate degree of industrialization, and attention to the basic needs of the population internally. As long as the international system is organized according to the demands of "interdependence" and "economic liberalization," significant progress towards self-sufficiency or self-reliance will remain elusive.

**Costs of "adjustment"**

Inefficiency, mismanagement and economic deterioration are serious problems in Africa, and there can be no doubt that they must be dealt with. Yet in answer to the question of whether adjustment is the most appropriate remedy, a growing body of evidence suggests that it is not. If nothing else, the short-term orientation of adjustment programs renders them ill-suited as a substitute for longer-term development planning. Unfortunately, the trauma engendered by the economic equivalent of shock treatment has displaced most other activity in the policymaking field. Even the World Bank, in its recently published *World Development Report: 1988*, concedes: "Adjustment to date has been at best a matter of running harder to stay in place." At worst, it has been a disaster and nowhere has it succeeded in reversing economic decline without exacting an unacceptable social toll.

In response to these grim circumstances, African governments are seeking more appropriate strategies which may yield sustained and balanced recovery. Among the most promising of these initiatives is the ECA's "African Alternatives" project, under which a series of scholarly papers has been commissioned and an international advisory board convoked to refine the analytical framework and define possible options. The findings will be presented to the ECA Conference of Ministers in April 1989, and may then be forwarded to the OAU summit for consideration in May. Should this endeavor succeed in situating adjustment both historically and theoretically, and include concrete proposals for action, much that is worthwhile will have been accomplished.

**Key players make rules**

Through the medium of structural adjustment the community of Western states has found a potent means by which individual African economies can be brought into conformity with the "imperatives" of international economic relations, human and social costs notwithstanding. Although demonstrably lacking as a strategy of economic development, adjustment does make sense as the product of power politics and as the direct result of a bargaining relationship characterized by gross asymmetry. Simply put, underdeveloped countries are being forced to "adjust" to metropolitan requirements. In the grand scheme of things it is unnecessary to seek conspiratorial explanations, only the consensus of those engaged in the logical pursuit of their interests. Adjustment becomes more intelligible when understood as a technology of control.

In examining the origins of deepening underdevelopment, educational, demographic and environmental factors are not to be discounted. Nor are the debilitating effects of war, repression and corruption. It would nevertheless be a serious shortcoming to overlook the central influence exerted by key players in the international political economy. At this juncture adjustment is their chosen instrument, and through it a whole range of dependent relationships has been reinforced. These relationships in turn condition, and in some cases determine, the nature of ruling regimes. From this understanding it is possible to reflect with clarity upon the present and to begin to explore alternative paths. □

# New Israeli government and peace

by David Newman

Now that Israel has finally formed its new broad-based national unity administration, attention has once again focused on the options facing the Shamir-Peres government for reaching an equitable solution to the Palestinian problem. Until the last minute it had been unclear whether Likud leader and Prime Minister designate, Yitzhak Shamir, would announce the formation of a narrow right-wing government, based on the support of no fewer than three ultra-right and four religious satellite parties, or whether he would succeed in reaching an agreement with the Labour Party leader, Shimon Peres, to renew the shaky coalition between Israel's two largest political groupings.

Shamir himself had come out unequivocally in favor of reaching such an agreement, despite the successful outcome of parallel negotiations with the smaller parties. Under a narrow government, the Likud — which by virtue of being the largest single party in the new Knesset with 40 out of a total 120 seats — would have been able to go ahead with their strong arm policy concerning the West Bank and Gaza Strip, to include a ruthless stamping out of the Intifada, the establishment of over thirty new civilian settlements and even the possible annexation of the region to Israel.

**Making a government**

However, faced by strong internal and external pressures, Shamir opted for a more moderate constellation. Internally, the establishment of a narrow-based government was dependent on the Likud's acquiescence to the demands made by its potential coalition partners, particularly the religious parties (together holding eighteen seats), for ministerial posts and budgetary allocations which were beyond any semblance of these parties' representation within the country. Their excessive demands, including promises concerning coercive religious legislation, left an extremely sour taste amongst both Israeli citizens and world Jewry. Shamir was clearly influenced by the many delegations calling for an end to his proposed "sell out" to a religious — in some cases non-Zionist — minority. Moreover, the task of keeping seven smaller satellites in a state of harmony amongst themselves was daunting. A decision by any one faction to leave the government would have endangered the small parliamentary majority on which the new administration would have had to rely for its support.

Externally, the process of government formation coincided with major events within the diplomatic sphere. At the same time as negotiations were underway within Israel, the PLO was making major advances within the international community. The declaration of an independent State of Palestine at the Algiers Summit, Yassir Arafat's appearance at the special United Nations session held in Geneva, followed by the formal establishment of contacts between the United States government and the PLO, all served to strengthen feeling within Israel that a united front was necessary in meeting the task at hand. While Likud and Labour policies concerning the future of the occupied territories is vastly different, there is a consensus — amongst the respective party leaderships at least — on their rejection of an independent Palestinian state located between Israel and the Jordan. Mainstream opinion within both parties also rejects any form of negotiations with representatives of the PLO, seen as being a terrorist organization whose ultimate objectives are the total destruction of the State of Israel.

**Shamir versus Peres**

Notwithstanding, both Shamir and Labour Party leader Shimon Peres faced strong opposition within their own parties to the formation of another broad-based government. The experience of the previous four years had led both leaders to declare publicly their outright rejection of another national unity administration, owing to the deep differences of opinion between Shamir and then Foreign Minister Peres concerning the peace process. This had resulted in a paralysis of government within the diplomatic sphere, with neither side able to promote its own policies. The world had been subject to a series of double messages emanating from Jerusalem, with Prime Minister Shamir and Foreign Minister Peres each dispatching his own messengers and promoting different policies in the name of the State.

Right-wing hawks within the Likud party, headed by former Defence Minister Ariel Sharon, argued that a strong-arm policy was needed in dealing with the Intifada, and that a Likud government should embark on a renewed settlement drive within the West Bank and Gaza Strip. Coalition with the Labour Party would, in their view, prevent the adoption of a strong, clear cut response to recent events and would threaten Israel's de facto annexation of the occupied territories. For their part, Labour Party doves also expressed strong opposition to a further period of broad-based coalition. It was necessary, they argued, to form a fighting opposition which would clearly define their differences of policy with the Likud administration and which would provide an alternative, more moderate, Israeli voice within the international community. This group included members who — in contrast to Labour Party policy — were prepared to negotiate with the PLO provided the latter were to cease and renounce any form of terrorist activity.

Despite the mounting opposition, both Shamir and Peres remained steadfast in their resolve to establish the broad-based government and both finally succeeded in attaining a majority within their respective party committees in favor of the coalition accords. In most respects, the new government is little more than a continuation of the outgoing administration. There have been only marginal changes in the distribution of ministerial portfolios

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between the parties. Most ministerial incumbents have remained within the government, although the Likud has introduced some younger party members to replace three outgoing senior ministers. For its part, the Labour Party has — with one exception — retained its entire team of ministers. Surprisingly for a country which attempts to represent itself as an enlightened Western democracy, not a single woman has been given a place in the inflated 26-seat cabinet.

**Who's who?**

Three major changes have been made between the old and new administrations, changes which indicate the direction government policy may take both in internal and external affairs. First, Prime Minister Shamir will remain in his post for the entire four year period, in contrast to the rotation policy carried out during the previous administration. As leader of the largest party and, more importantly, as the only leader able to get together an alternative government, the Likud insisted that their man remain as head of government. For his part, Peres has been accorded the role of Deputy Prime Minister — to fill in when Shamir is absent. With Shamir occupying the top post and the Defence Ministry remaining in the hands of Labour Party No. 2, Yitzhak Rabin, Peres was offered first choice between the two remaining senior cabinet posts — Foreign Affairs or Finance.

While Peres himself would have preferred to continue as Israel's Foreign Minister, in which role he could have promoted an alternative peace policy to that of Shamir, pressure from within his own party resulted in his switching to the Ministry of Finance. Peres is no newcomer to the economic world, having been the main architect — during his 2-year period as Prime Minister from 1984 to 1986 — of the policies and reforms which had stabilized the Israeli economy. Since the implementation of all policy decisions, including issues such as establishing new settlements in the West Bank, must ultimately receive approval from the Treasury, Peres will also be able to leave his imprint on crucial matters of foreign affairs.

The Ministry of Foreign Affairs has been filled by former Defence Minister and Ambassador to the United States, Moshe Arens. Arens is considered to be Shamir's closest political ally. As Foreign Minister, Arens will espouse the hard-line Likud view of the Arab-Israel conflict and will act in close coordination with Shamir himself. He will also be supported by his Deputy, Binyamin Netanyahu — the previous Israeli Ambassador to the United Nations and newly elected to the Knesset on the Likud ticket. Thus Israel's message to the world will take on a more unified and increasingly non-compromising stance.

**Meeting the changed conditions**

Despite Peres's insistence that he will continue to be active in the international sphere, clearly the Shamir-Arens duo will take the lead in preparing the Israeli response to the gradual legitimization of the PLO as the sole representative of the Palestinian people. This response will focus, in the first instance, on Israel's outright rejection of holding talks with the PLO and outright opposition to the creation of a new sovereign entity west of the River Jordan.

The fourth senior post, Defence, has remained in the hands of the Labour Party's No. 2 and former Prime Minister (1974-77), Yitzhak Rabin. It was Rabin who, more than any other Labour leader, promoted the idea of a broad coalition rather than going to opposition. Rabin's policies in subduing the Intifada have earned him the ungratifying title of "Likud Defence Minister" in many circles. While Shamir was eager to prevent Peres from remaining in the Foreign Ministry, he was equally prepared to have Rabin continue in his present role. Since his reappointment, Rabin has already come under intense criticism from within his own party for the order enabling the wider use of plastic bullets in combating the Intifada.

Even some of the Likud leaders now understand that the game rules have undergone a significant change as a result of recent events. They realize that they can no longer ignore the demographic problem as though it did not exist, nor can they allow the situation to arise in which Israel would be totally isolated within international opinion. With this in mind, a variety of proposals have been heard in the corridors of power during recent weeks. These have included the Peres proposal to hold free elections among West Bank and Gaza Palestinians in an attempt to create a Palestinian leadership with which Israel was prepared to hold talks. Other senior politicians have proposed declaring unilateral autonomy for the Palestinian Arabs and allowing them to manage their own economic, social and cultural affairs within the overall frame of continued Israeli control of the territories.

While these proposals have emanated from within the Labour Party, they could prove to be acceptable to some of the Likud leadership under present conditions. The formal policy of the Likud is the implementation of autonomy as laid down in the Camp David Accords between Israel and Egypt. Despite the fact that both Prime Minister Shamir and Foreign Minister Arens were among those who opposed party leader Menachem Begin's peace accords with Egypt, they have recently adopted the "Camp David" slogan, not least because they believe that the United States — as a cosignatory to the Accords — will support their implementation. Shamir has promised a major Israeli initiative in the near future, while Foreign Minister Arens has already met with his counterparts in the superpowers and most Western nations, including senior representatives of the Soviet Union and China. More practically, Shamir has not opposed the recent Rabin initiative in sounding out local Palestinian leaders concerning the holding of elections. With Peres embroiled in forming a new economic policy, Rabin has taken the initiative — with the somewhat silent approval of the Likud — of pushing forward his own proposals for the West Bank.

While none of these proposals is entirely new, their recent re-emergence is no more than an attempt to react to the changing international circumstances of the past twelve months. Had they been adopted ten years previously, they may have been considered far reaching by international opinion. But their implementation today would be no more than closing the stable door after the horse has bolted. Autonomy within the framework of overall Israeli sovereignty, or elections which do not allow the participation of the PLO, are insufficient to meet the challenge meted out by the declaration of the Palestinian State or the United States' readiness to hold talks with the PLO. Clearly, the game rules have been irreversibly changed. For their part, local Palestinian leaders are unlikely to approve any Israeli-sponsored policy without consulting with the PLO leadership.

**Superpower relations**

The role of the superpowers is equally important. Israel is not yet clear what to expect from President Bush and his new Secretary of State, neither of whom is known for the same unlimited support for Israel that was characteristic of President Reagan and

Secretary of State George Shultz. While the United States recognition of Israel's right to exist within secure boundaries is unlikely to change, the new American administration is likely to bring strong pressure to bear on Israel along the lines of some form of international or multinational negotiations.

Israel's readiness to change its stance concerning an international peace forum will be influenced by the changing relations with the Soviet Union. During the past two years, the Soviet Union has made increasing signs of rapprochement with Israel. This reached a recent peak when Israel returned a hijacked Russian plane to the Soviet Union, followed two weeks later by much-praised Israeli aid to the earthquake victims of the Armenian Republic, and most recently the reopening of the Israel Embassy building in Moscow for use by the recently-arrived Israeli consular delegation. While Peres, as Foreign Minister, attempted to promote Israel's participation in international negotiations, the right wing in Israel has always rejected this proposal on the grounds that they would be outnumbered in a sea of hostile negotiating partners. Moreover, all Israeli leaders refuse to recognize the right of countries which do not have diplomatic relations with Israel to have a say in the determination of their fate. A decision by the Soviet Union to formally renew full diplomatic ties with Israel would mean increased pressure on these countries to take part in international negotiations. For its part, Israel is likely to insist on the establishment of full diplomatic relations between the two countries as a precondition for the Soviet's participation in an international forum.

**A little more flexibility**

The heterogeneous structure of the new Israeli administration allows for a certain degree of flexibility in their decision-making process. On the one hand, a Shamir-Arens government could use the broad coalition to demonstrate "national unity" in their steadfast refusal to negotiate with the PLO or even to permit Israeli participation in an international forum. Alternatively, readiness to soften their previous hard line stance could be brought about through accepting a limited solution proposed by the Labour partners within the government, such as unilateral autonomy or the holding of elections in the West Bank. In the latter case, Shamir would face tough opposition from within his own party, particularly from amongst those who have accused him of selling out to the Labour Party. At the same time, he would be supported by the Labour Party and other parties of the left who would be unable to oppose any form of peace move, however limited. It must be remembered that the Camp David Accords were opposed by many within Begin's Likud Party, while receiving blanket support from the opposition Labour benches.

Thus paradoxically, the Likud leadership has a better chance of pushing through a limited proposal than does the Labour Party of achieving more far-reaching accords. It is extremely unlikely that a Labour Party-sponsored peace initiative would be approved by the Cabinet. In addition to the equal number of ministerial posts held by the two major partners, five additional seats have been allocated to three religious parties which have joined the government. Their political stance regarding the occupied territories is closer to that of the Likud than to the Labour Party and they can therefore be expected to support Shamir in any showdown over peace proposals. This, despite the seeming face of "national unity," the new Israeli administration in effect provides a formidable base for the Likud leadership to pursue their own hard line policies. While under present conditions this will not involve formal annexation of the occupied territories or the mass establishment of new Israeli settlements, it does mean that there is unlikely to be any meaningful Israeli-sponsored peace initiative in the foreseeable future. □



# Afghanistan's agony

by Miron Rezun

Not surprisingly, the Geneva agreement on Soviet troop withdrawals from Afghanistan has set the stage for even greater turmoil and instability in the region. If peace ever really emerges, it may be with two Afghanistans, divided along the Hindu Kush mountains, with Soviet hegemony in the north and the fractious *mujahedeen* in the south. The present superpower agreement, supported by Pakistan and the Soviet-backed government of Afghanistan, was never seen as a legitimate accord by the Afghan *mujahedeen* (holy warriors).

With the Soviet troop withdrawal it was widely believed that the Communist regime led by Najibullah (or Najib) had no chance of surviving an anticipated onslaught by the *mujahedeen* guerrillas. The latter had vowed, despite the pact, to continue their Islamic holy war. Gulbudin Hekmatyar, the most outspoken rebel leader, compared Najib's regime to a "ramshackle wall whose only studs are Soviet forces. Once those studs are removed," he said, "the wall will collapse." Hekmatyar's intent is the creation of a fundamentalist Islamic society and government, similar to Khomeini's Iran, though it was to be Sunni and backed by Zia-ul Hak, the President of Pakistan.

There are interesting paradoxes in Hekmatyar's plans. He is widely suspected of being more interested in taking power in Kabul himself than in getting rid of the Soviet-backed regime. Not all the rebels think alike, and the Pakistan-based resistance leaders and the commanders in the field have not always agreed. When not assisted by mercenaries, foreign money and equip-

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ment, or Soviet defectors (who are themselves generally Moslems), these rebels have been led by a half-dozen volatile and competitive rivals, who are Sunni fundamentalists and whose only common bond is an abiding hatred of the Soviets and the Afghan communists.

**Groups and groupings**

The main Afghan rebel group, Barhanudin Rabbani's *Jamiat-i-Islami* party, exists in an uneasy rivalry with Hekmatyar's *Hizbe-i-Islami*. These are challenged in turn by Younis Khalis's *Hizbe-i-Islami Afghanistan* and the National Islamic Front of Afghanistan, led by Pir Sayyed Ahmad Gailani, whose only claim to fame is that he is a hereditary Sufi saint. Then there is the more quixotic *Ittehad-i-Islami*, led by Rasul Sayyaf, a Wahhabi Moslem, who gets enormous financial support from the Saudis. Finally, there is the National Front for the Rescue of Afghanistan, led by Sigbatullah Mojadedi, a Westernized academic with monarchist leanings who comes from a prominent religious family. To be sure, in 1986 these groups had concluded a solemn alliance called the Islamic Unity of Afghan Mujahedeen, with a supreme council composed of the leaders of the principal parties. But all this bogus unity gave them was some credibility — probably some justification of increased arms shipments from the US.

Considering the deeply rooted grievances of the rival partisan groups, their temporary unity was always an illusory one, even as they savored the forced withdrawal of a superpower's superior military forces. Hekmatyar's Khomeini-style radicalism contrasts with Rabbani's more moderate approach, a fact that in the past had resulted in battles with serious casualties between the feuding groups. On at least two occasions Hekmatyar's forces, blocking the Andarab route in the winter skirmishes of 1983 and 1984, severed the supply lines to Rabbani's Jamiat stronghold. It was estimated that over a 5-year period at least six million Afghans had become refugees due to these internecine guerrilla actions. As the Russians began departing from Afghanistan, Rabbani urged the guerrillas to refrain from harassing them, arguing that it would be a squandering of resources. But with the battle for Kabul already in progress as early as August of 1988, as Soviet and Afghan government forces withdrew from the outermost of three defence rings around the city, the emotional Hekmatyar set about shelling the capital — firing no fewer than 170 rockets in a single week against a defenseless civilian population. Even the most popular field commander, Ahmad Shah Massoud, a member of Rabbani's faction, agreed to stop attacking the departing troops. Temporarily, the competing guerrilla groups did agree under Pakistani pressure, to a coalition government in Kabul. They then deliberately sabotaged it by choosing a nonentity, who lacked any broad support, to lead it. Their Machiavellian tactics resemble the broad tradition of Afghan politics, just as the Parcham and Khalq factions, which make up the Afghanistan Communist Party, have been fighting each other since 1965.

**Role of Iran**

At the same time, Iran was deliberately sending mixed signals over Afghanistan. Expressing its Shia Islam, Iran has shown hostility to Afghani fundamentalism, which is expressed in a Sunni tradition. Only 20 percent of Afghans are Shi'i Moslems and these are not Pushtuns, the majority Afghan ethnic group. Nor does there appear to be any Shi'i Moslem leader in the whole resistance movement. This will explain why the Pushtuns are unlikely to elect a leader who is not of their tribe, such as the field commander Ahmad Massoud, who is a Tadehik. Similarly, there is evidence to suggest that the Afghans in Iran, who are primarily refugees, are treated as third class citizens.

On the other hand, there is evidence of a potential rapprochement between Iran and the Soviet Union. A beleaguered Iran, for a long time confronted by US military might in the Persian Gulf, and having fought a losing war of attrition with Iraq, could very well give serious consideration to Soviet policy initiatives. While in late 1987 Tehran forcefully rejected a Soviet proposal to return the deposed and aging Zahir Shah to the Afghan throne, at least as the titular head of a coalition, it nevertheless appears that the Iranians have been appreciative of the Soviet refusal to vote for an American-initiated arms embargo against Iran.

**Deals and dealings**

There are those who believe that Kabul, the Afghan capital, will fall like the proverbial house of cards as soon as Soviet troops are gone; indeed, evacuation permits, allowing entry to the Soviet Union to top Afghan communists, are said to have been issued. Speculation has been rife that mass Afghan army desertions would accompany the Soviet withdrawal, with some Afghan army commanders intimating their intention to surrender to the resistance to avoid further bloodshed. And rumor also has it that the celebrated "Lion of the Panjshir," Commander Ahmad Shah Massoud, operating in northeast Afghanistan, already has a non-aggression pact with the Soviets. But Massoud has given the lie to these reports, arguing that it was President Najibullah who tried to coax him into a coalition, offering him a choice of top government posts in exchange for peace. Massoud has vowed to fight on and is waiting for a final showdown with government forces in Kabul.

If that comes to pass, Western analysts and observers, and, for that matter, their Soviet counterparts, would be faced with a series of interrelated questions that have to be answered prior to the formulation of any policy for so unstable a region. For example, how long is President Najib supposed to hold on to Kabul; and, for that matter, does it really matter? Already there is much speculation that the new Soviet Ambassador has been trying to persuade the Communist Party's factions to settle their differences and start talking to the rebels about sharing power. How long could Kabul possibly survive if it were to lose access to the Salang Tunnel, the huge Soviet-built highway through the Hindu Kush, connecting Kabul to Mazar-i-Sharif, the principal city in northern Afghanistan, and leading directly to the Soviet Union?

**Soviet entrapment**

It is almost inconceivable that the Soviets, the alleged masters of the ability to think three moves ahead, would withdraw from Afghanistan without creating conditions that would enhance their future policy options. For example, what action ought to be taken to stave off threats to the Soviet Moslem republics in the event of an ultimate fundamentalist *mujahedeen* victory in Afghanistan? How could the Soviets rationalize a total withdrawal to allies in Eastern Europe, other Middle East countries and, for that matter, the rest of the world?

Afghanistan has been referred to as the "Soviet Vietnam," and the circumstances do resemble the American Vietnamese quagmire. The Soviet problem, as was the Americans' in Vietnam, has been one of fighting a determined adversary of true believers. While Vietnamese nationalism was based on a burning desire to reject a series of Japanese, French and US occupiers, that of

Afghanistan is founded in Islamic fundamentalism.

This fundamentalist nationalism, aided by the almost impossible logistical and manpower requirements necessary to subdue a dedicated force of *mujahedeen*, and internal Soviet demands for reform, overwhelmed the superior Soviet military forces. The Soviet face-saving withdrawal, motivated by a desire not unlike that of the Americans in Vietnam to cut substantial losses in a "no-win" situation, raises several important questions about Afghanistan's future territorial integrity.

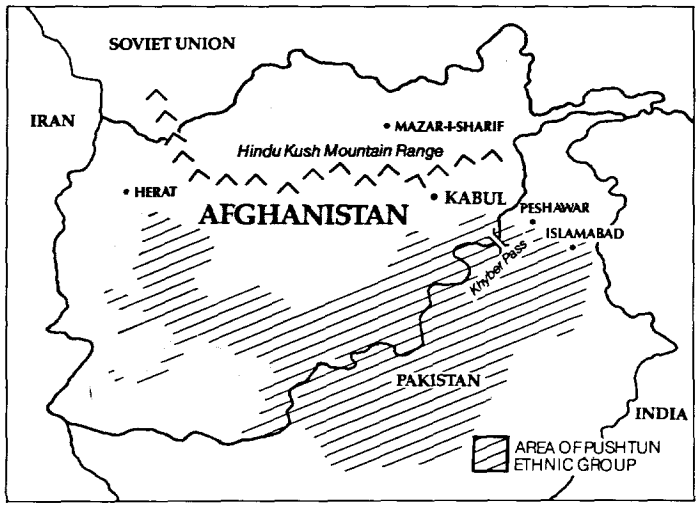
In the protracted Afghan war the Soviets experienced particular difficulty in containing the *mujahedeen* within territories adjacent to the Pakistan border. They were forced to concede several other areas to the rebels, while concentrating their efforts on controlling major urban areas, particularly Kabul. One can now imagine the Kremlin leadership, in conjunction with the Soviet General Staff, developing contingency plans for successive defence lines. Having conceded southern border areas to the rebels, Kabul becomes the second line of defence — provided that it can be held for an appreciable length of time. Should it fall to the rebels, the Soviets will be faced with a number of unpalatable choices. Should they entirely evacuate the Communist regime, granting it sanctuary elsewhere, as the Americans did with Chiang Kai-Shek on Formosa in 1949, and with some of their supporters after the fall of Saigon in 1975? Conversely, in a face-saving gesture to their allies in other parts of world, would the Soviet Union be prepared to re-settle several hundred thousand supporters of the Communist regime in refugee camps in the USSR? Recognizing that this latter alternative is not acceptable, the Soviet-backed defence line may be moved to the north of Hindu Kush, re-establishing the Afghan Communist Party and whoever the future leader of that government might be, in Mazar-i-Sharif, the capital of northern Afghanistan.

**Afghan secret police**

However, even if the Parcham-Khalq (Afghanistan communist) regime's forces prove to be very weak, plagued by desertions and militarily effective only behind fortifications, the present Kabul government will still have the dreaded *Khad* as an instrument of control and terror long after the Soviet withdrawal. Westerners rarely hear of this organization — what is it and what will be its importance in post-withdrawal Afghanistan?

Khad, the acronym for *Khalidamate Aetilaati Daulati* (State Information Service), has had between 25,000 and 30,000 agents, employees and informers. It is patterned after and organized by the Soviet KGB. President Najibullah, Khad's former head, granted it enhanced status, when he replaced Babrak Karmal as the Communist Party leader. Najibullah made it the Ministry of Internal Security, an instrument of coercion, terror and espionage. While theoretically accountable to the Afghan Politburo, Khad is virtually controlled by KGB liaison officers operating under diplomatic cover at the Soviet Embassy in Kabul.

While Khad was under tight Soviet control, with at least fifty-seven Soviet advisers attached to each directorate, its indigenous Afghani leaders were Parchmite communists, who used Khad to suppress their Khalq rivals. Evidence suggests that Khad, through interrogations, tortures and assassinations, had conducted a reign of terror against the Afghan resistance. However, its main contribution to regional instability was clandestine activity directed against Pakistan. Through infiltration of refugee camps near Peshawar in Pakistan, Khad not only encouraged the Pushtun and the Baluch to oppose General Zia ul-Haq's military administration, but also fostered hostility by local Pakistani communities toward the refugees. There is little doubt now that this espionage and intelligence service, believing that a Pakistani arms dump at Islamabad and Rawalpindi held supplies destined for the Afghan guerrillas, was behind the depot's demolition, an act that killed 94 and injured more than 1,000 in April 1988.




**Zia's assassination**

Similarly, the blame for the assassination in Peshawar of at least twenty-seven guerrilla commanders, in the period from the war's beginning to January 1988, was laid squarely at the feet of Khad. In addition, Khad conducted an ingenious misinformation campaign. Its actions, such as forging Hekmatyar's orders of the day, caused partisan leaders to admit that they were often its unwitting agents. But the greatest coup to date brought off by this secret policy was when, on August 17 of that same year, Pakistan's President Zia ul-Haq was killed in a mysterious explosion shortly after his aircraft took off from a remote airport near the Indian border. With him perished General Akhtar Abdul Rehman, chairman of the joint chiefs of staff committee, along with US Ambassador Arnold Raphel. The assassination of the Pakistani leader had most likely been planned for weeks, if not months. If Najibullah had planned this, he must have foreseen it as a blow to the Afghan resistance, particularly to Hekmatyar, Zia's protégé.

It is unlikely, however, that the Khad would have also wanted to eliminate the Americans, which was probably an unavoidable accident. But the CIA continued funneling arms to the Afghan rebels while Soviet troops were pulling out, and the fighting around Kabul had been very intense. It was therefore the perfect time to dispose of Zia ul-Haq. It must be pointed out that the only other enemies the Pakistani leader had would have come from the internal opposition led by Benazir Bhutto, perhaps even the Indian government; but neither of these is regarded as maliciously efficient enough to pull off anything as spectacular as the Afghan Khad.

Why? The reason is apparent. Zia had simply wanted his own fundamentalists in Kabul, even at the expense of the moderate factions among the guerrillas, and this was leading to increased tension, not only within the Afghan ranks, but within the United Nations, which was becoming more and more irritated with Pakistan's blatant breaches of the Geneva agreement. One of these violations was Pakistan's sudden involvement in the fighting: Pakistani officers would go into Afghanistan to direct operations, or to supervise the use of missiles and Stingers against

Afghan and Soviet aircraft. The Pakistanis often penalized the local commanders who did not fall in with their plans. A rift was beginning to appear between the commanders in the field and the Pakistan-supported rebel leaders. The dissensions were felt and discussed at the council that was set up in Islamabad about the time the Soviets withdrew their military forces. None of this was lost on the Soviet authorities still in control in Afghanistan. The Soviets must have seen Zia as the leading obstacle to a dignified and speedy retreat of their forces from the war-torn land. In this sense, the surgical strike was reminiscent of the Israeli Mossad's assassination of Abu Jihad in Tunis just a few months before.

So Zia's removal makes Soviet withdrawal easier. But there are still problems for them that would be relieved by partition of Afghanistan along the Hindu Kush.

**Divided Afghanistan?**

This divide-and-conquer scenario is supported by a number of factors — mainly geographic and ethnic. Afghanistan is divided naturally into north and south by the Hindu Kush, the formidable mountain range cutting across the country from the Wakhan Corridor near China to the north of Herat near the Iranian frontier. Hindu Kush is more than a geographical demarcation; it is, perhaps more importantly, an ethnic dividing line. To the north, right next to the Central Asian Soviet Republics (Turkmen, Uzbek and Tajik), one finds ethnic groups of Turkic descent, Uzbeks and Turkmans, Tajiks and Hazaras, who speak an Iranian dialect.

All Afghans tend to see the world in the context of ethnic and tribal loyalties; they have never been united, except in the face of a common enemy, and even this unity, as the war has demonstrated, has been short-lived. Indeed their nation, like the Arab, remains to be created. It is unlikely, considering that one of the motives of the 1979 Soviet invasion was to preempt the contagion of Islamic fundamentalism from entering the Soviet Central Asian republics, that the Soviets would overlook the dangers inherent in an Islamic regime in Kabul. The Soviets' intent may be to establish Najib, or another puppet, in Mazar-i-Sharif, thereby establishing a buffer zone just below their southern borders.

Such a division would not be without precedent: consider the partition of Ireland, Germany, Korea, Yemen and Vietnam. Accordingly, the Soviet planners may be rationalizing some form of partition as their fallback position, hence accomplishing several goals in both domestic and international politics. By retaining the north, they would have something to show for their heavy loss of human life, estimated to be in the range of 15,000 killed. At the same time, the Soviets would send an international signal that the Brezhnev Doctrine is at least alive — if not all that well. Finally, the Soviets could regard their action as establishing a buffer around their southern borders, a move of crucial importance should south Afghanistan succumb to Islamic fundamentalism. This move could serve as an ideological justification, not only for Soviet citizens, but also for an exasperated political leadership, after a brutal 9-year war. Nations or communities who are ethnically and linguistically kin and living on both sides of a frontier will always be drawn to each other culturally. This is certainly true of the Armenians and Kurds, both of whom have yet to achieve statehood and whose populations live within more than one state.

**After partition?**

Should the partition of Afghanistan take place, what are the implications for the West and for stability in the region? If the Afghan communists were to transfer their headquarters to Mazar-i-Sharif, behind (north of) the natural barrier of the Hindu Kush, the various ethnic groups in the south could engage in a war to liberate their homelands. The question arises as to whether the Pushtuns will pursue their struggle to the north of the Hindu Kush and whether the Turkic groups could muster sufficient force to match the Soviet and Afghan forces, particularly since the latter would be operating in a more hospitable area, with greater access to Soviet supplies.

The West has used Pakistani territory for logistical supply and support to the *mujahedeen*. Should the rebels liberate Kabul, it, along with other major towns, could become a target for the Afghan communists in the south, who would then contend the existence of an international war between two sovereign countries. Any Western attempt to supply arms to a *mujahedeen* regime in Kabul might elicit a Soviet accusation that the US was reneging on the Geneva agreement. The Soviets have insisted on a non-aligned, neutral Afghanistan as a condition of their withdrawal. During his visit to the United Nations in New York last December, Mikhail Gorbachev spoke of a possible UN peacekeeping role in Afghanistan. Similarly, any attempt by the West to supply the *mujahedeen* in the south, would give the Najib regime in Mazar-i-Sharif a legal pretext to invite the Soviets back in. Despite Soviet denials that they would be back, they may be forced to return against their will. In any case, with hegemony in the north, the Soviets will be in a position to either grant or withhold support at will to competing groups. They may view this as preferable to mediating between the two feuding factions of the Afghan Communist Party, the reason they invaded Afghanistan in the first place.

**Suffering not over**

One can only be sympathetic with the rebels, given the tasks to be faced by them after the Soviet withdrawal. There is a distinct possibility of a complete breakdown in social order, with attendant anarchy and massacres as old scores are settled. The re-establishment of a strong central government appears to be problematic, if not impossible, in the short and medium terms. Also, there is evidence that resistance field commanders are already attempting to consolidate their positions; the Soviets may have concluded separate agreements with some of them. From this action may emerge a patchwork of self-rule areas, a Balkanization of Afghanistan, which could reduce ultimately the Pushtun monopoly on power. Again, Iran, now that it has ended its war with Iraq, may come to the assistance of a Shi'i minority such as the Hazaras.

The 9-year war, with its terrible casualties, has scarred badly what is essentially a primitive society. With an estimated one million Afghans killed, the direct loss of human life exceeds the losses in all the Arab-Israeli conflicts, the Algerian War of Independence and the Iran-Iraq war; it is almost equal to all the post-1945 Indo-China wars, including the American war in Vietnam. The plight of the survivors is only marginally better: six million languishing in refugee camps and three million without homes. Altogether, the dead, the fled and the dislocated amount to half the prewar population of fifteen million!

Nor will the Afghan suffering end with the Soviet withdrawal. It may very well be paralleled by a "settling of scores," adding more to those grim statistics. Afghans are in dire need of humanitarian aid for the almost insurmountable tasks of refugee re-settlement, rural reconstruction and the establishment of political stability. But if the competing factions cannot find common ground that will lead to some semblance of unity, the war will continue. □

# From *perestroika* to ethnic nationalism

by Gary E. Popp and Syed Tariq Anwar

The most fundamental and vital issue of Russian society in the future will not be New Economic Planning or *glasnost*, but rather the rise in ethno-nationalism due to the polyethnic and multinational character of the Soviet Union. Today, national disintegration is not just around the corner, but ethnic unrest in the southern republics of Azerbaijan, Armenia and Georgia serves as a strong reminder to Mikhail Gorbachev and party leaders that this is a growing problem. This could be called an internal Russian bomb in the form of 120 nationalities and ethnic groups in fifteen republics. Most of these groups tend to retain their strong feelings of cultural identity. These minority citizens are separated from the majority Russians by culture, language and lifestyle, and have developed nationalistic self-consciousness.

From the Baltic republics to Soviet Central Asia, the year 1988 brought unrest, discontent, demonstrations and the worst postwar ethnic bloodshed. The severity of this issue has highlighted the problem of controlling the Soviet multiethnic society. To the west are Balts (Estonians, Latvians, Lithuanians) and Ukrainians. To the southwest are the Caucasian republics. To the south are central Asians (mostly Muslims, such as Uzbeks, Kazakhs and Turkmans.) About twenty-two of these ethnic groups have populations of over one million people each. It has been suggested that "there are thirty-five other areas within the Soviet Union where irredentist claims are as strong as those over Nagorno-Karabakh" in Azerbaijan.

### Great Russians and others

At present, Russians constitute a 51 percent majority of the Soviet Union's population of 285 million. But future population trends strongly predict that the present Soviet minorities will predominate. According to US Census Bureau figures, ethnic minorities will constitute 52 percent of the Soviet population by the year 2000. On the other hand, Russians will decrease to a 48 percent minority, and perhaps as low as 40 percent by the year 2050 (see Table 1). The next Soviet census is scheduled for early 1989, which is sure to reveal these demographic changes, strongly reflecting population increases among the minorities in Central Asia — a destabilizing development. For the last thirty years, Soviet party leaders have encouraged homogenization through modernization and political indoctrination in attempts to weed out old ideas and ethnic loyalties. Most of the ethnic minorities had maintained strong regional identities and could not be easily acculturated and assimilated into Soviet nationalism. This article examines this complex issue and looks at probable future changes which may bring new political formulations of nationalities policy. According to some observers, within two to three decades ethnic nationalism may constitute political legitimacy. If this happens, the non-Russian majority will surely seek more autonomy and expressions of ethnic identities.

**Table 1**
**PROJECTED POPULATION OF USSR AND SELECTED ETHNIC MINORITIES (1985-2000)**

| | YEAR '000s | | | AVERAGE CHANGE (percent) | | |
|---|---|---|---|---|---|---|
| | 1985 | 1995 | 2000 | 1985-90 | 1990-95 | 1995-2000 |
| **USSR TOTAL** | 277,856 | 299,620 | 308,936 | 0.8 | 0.7 | 0.6 |
| **SLAVS** | | | | | | |
| Russians | 142,013 | 146,620 | 147,282 | 0.3 | 0.2 | 0.1 |
| Ukrainians | 51,259 | 52,696 | 53,121 | 0.3 | 0.2 | 0.1 |
| Byelorussians | 10,091 | 10,769 | 11,003 | 0.7 | 0.5 | 0.4 |
| **BALTS** | | | | | | |
| Estonians | 1,473 | 1,497 | 1,506 | 0.1 | 0.1 | 0.1 |
| Latvians | 2,528 | 2,541 | 2,542 | 0.0 | 0.0 | 0.0 |
| Lithuanians | 3,510 | 3,723 | 3,805 | 0.6 | 0.5 | 0.4 |
| **MUSLIMS** | | | | | | |
| Uzbeks | 1,825 | 21,081 | 27,246 | 2.9 | 2.7 | 2.4 |
| Kazakhs | 16,787 | 18,221 | 20,752 | 1.6 | 1.3 | 1.2 |
| Azeris | 6,850 | 7,652 | 9,167 | 2.2 | 1.9 | 1.6 |
| Kirgiz | 4,163 | 4,673 | 5,733 | 2.3 | 2.1 | 1.9 |
| Tadzhik | 4,546 | 5,260 | 6,805 | 2.9 | 2.7 | 2.4 |
| Turkmans | 3,308 | 3,797 | 3,580 | 2.8 | 2.5 | 2.3 |
| **OTHERS** | | | | | | |
| Georgians | 5,460 | 5,742 | 6,203 | 1.0 | 0.8 | 0.6 |
| Moldavians | 4,266 | 4,471 | 4,786 | 0.9 | 0.7 | 0.6 |
| Armenians | 3,346 | 3,640 | 4,131 | 1.7 | 1.3 | 1.1 |

Source: *Population Projections by Age and Sex for the USSR, 1970-2000*, Bureau of Census, Series P-91, No. 26, September 1979.

### Ethnicity — a complex issue

The fundamental nature of ethnicity encompasses two areas. The first is ascriptive or primordial, where the main emphasis is on an early socialization process. This develops links between ethnicity and ancestry. The second area carries situational characteristics, where ethnic boundaries are acquired and are reversible. Soviet ethnic nationalism is a complex social system involving interactions between these two areas. Hence, its composition is multinational or polyethnic in character, with continuous interac-

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tions among various ethnic groups, a process which often produces rivalries and tensions. Soviet multinationalism consists of fifteen "equal" union republics, each with its own name. The largest unit is Russia, with 76 percent of the USSR's territory and 52 percent of its total population. The smallest is Estonia. Some multinational union republics are divided into territorial administrative political units, such as territories, provinces and districts.

It is within fifty-three national territorial units where Soviet polyethnic or multinational character prevail in the form of self-assertiveness and ethnic development. Soviet constitutional changes in 1977 gave all powers to the Union. But overall, ethnic minorities are thought to have significant potential in the long run for acquiring power bases and may eventually disintegrate the Soviet state; although for the foreseeable future the problems in Russia are political in nature, not those of survival or dominance. Hence, the prospects look bleak for the realization of the old Marxist-Socialist dream of making a "supranational" Soviet people. The ethnic nationalistic forces demand greater autonomy and opportunities to reinforce ethnic identity in fifteen diverse republics. These polyethnic forces will create a different Soviet Union during the next twenty to thirty years.

**Table 2**

**DISTRIBUTION OF THE POPULATION OF THE USSR: 1980-2000**

(Figures may not add to totals due to rounding. Projections assume no migration during 1980-2000)

| AREA | 1980 | 1990 | 2000 |
|---|---|---|---|
| USSR (Percent) | 100 | 100 | 100 |
| RSFSR* | 52.0 | 50.0 | 47.7 |
| Northwest Region | 5.0 | 6.4 | 4.4 |
| Central Region | 10.8 | 10.0 | 9.2 |
| Volga-Vuatra Region | 3.2 | 3.0 | 2.8 |
| Central Black Earth Region | 3.0 | 2.7 | 2.5 |
| Volga Region | 7.4 | 7.1 | 6.9 |
| Northern Caucasus Region | 5.9 | 5.8 | 5.6 |
| Urals Region | 6.0 | 5.8 | 5.5 |
| Western Siberia Region | 4.9 | 4.8 | 4.6 |
| Eastern Siberia Region | 3.1 | 3.1 | 3.0 |
| Far Eastern Region | 2.6 | 2.5 | 2.5 |
| UKRAINIAN | 18.9 | 18.0 | 17.2 |
| Donets-Duepr Region | 8.0 | 7.5 | 7.1 |
| Southwest Region | 8.2 | 7.9 | 7.6 |
| South Region | 2.7 | 2.6 | 2.4 |
| BALTIC REGION | 3.0 | 2.9 | 2.8 |
| Lithuanian SSR | 1.3 | 1.2 | 1.2 |
| Latvian SSR | 0.9 | 0.9 | 0.8 |
| Estonian SSR | 0.5 | 0.5 | 0.5 |
| Kaliningrad Oblast | 0.3 | 0.3 | 0.3 |
| TRANSCAUCASUS REGION | 5.4 | 5.9 | 6.3 |
| Georgian SSR | 1.9 | 2.0 | 2.0 |
| Azerbaijan SSR | 2.3 | 2.6 | 2.9 |
| Armenian SSR | 1.1 | 1.3 | 1.3 |
| CENTRAL ASIAN REGION | 9.9 | 12.0 | 14.4 |
| Uzbek SSR | 5.9 | 7.2 | 8.8 |
| Kirgiz SSR | 1.4 | 1.6 | 1.8 |
| Tadzhik SSR | 1.5 | 1.8 | 2.1 |
| Turkman SSR | 1.1 | 1.3 | 1.5 |
| Kazakh SSR | 5.8 | 6.3 | 6.7 |
| Byelorussian SSR | 3.6 | 3.5 | 3.5 |
| Moldavian SSR | 1.5 | 1.5 | 1.5 |

* Russian Soviet Federative Socialist Republic

Source: *Population Projections by Age and Sex for the USSR, 1970-2000,* US Bureau of Census, Series P-91, No.26, September 1979.

**Changing demographics**

By the year 2000, the present ethnic Russian majority will become a 48 percent minority (see Tables 1 and 2). This reduction is a result of lower birthrates among Russians. The Russians, Balts, and Ukrainians are very much concerned about their declining birthrates. In the long run, this ethnic tension could be a major setback to Gorbachev's reform process. At present, Muslims number about forty-five million, or 16 percent of the total Soviet population. The majority of the Muslim population is located in the southern republics of Uzbakistan, Kazakhstan, Turkmenistan, Azerbaijan, Tadzhikistan and Kirghizia. This group believes that religion and nationalism are an integral part of national life. This is also taking the shape of Pan-Islamic Solidarity. In some regions, the politics of Islam has created conspicuous amalgamations of fanaticism, puritanism and political affiliation. This can be attributed to the Soviets' traditional unresponsiveness to ethnic problems and demands.

The vast majority of Soviet Muslims belong to the Sunni faith. However, if one closely examines the ethnic communities, it becomes obvious that most of them exhibit some anti-Russian and anti-Soviet behavior. The present ethnic unrest started from national Armenian demands that Nagorno-Karabakh in Azerbaijan be administratively attached to the Armenian Republic, which has been rejected. This area is 75 percent ethnic Armenian, and was annexed to the Soviet Republic of Azerbaijan in 1923. In an unusual development for the USSR, the presidents of these two Republics openly engaged in a bitter debate in a recent session of the Supreme Soviet, the country's parliament. Problems of ethnic nationalism are not restricted to Armenia or Azerbaijan, but have been spreading to the Baltic republics of Lithuania, Latvia and Estonia to Vakutia (Siberian region) and the Ukraine. These disturbances could eventually lead to a backlash by Russian nationalistic organizations such as "Pamyat," which in turn may create difficulties for the Soviet leadership.

**Regional imbalances and economic reforms**

Gail Lapidus suggests that the future population increase in Central Asia will put tremendous pressure on the Soviet leadership to allocate substantial investments and resources for jobs and industries. There may develop regional economic disparities in the form of unequal job opportunities and declining standards of living, and perhaps eventually ethnic tensions. Lapidus further discusses possible strategies and goals of national self-assertion from the Soviet point of view. This includes allocation of resources from the center. The Soviets' use of repression and coercion due to wide diversity of ethnic interests only encourages ethnic consciousness. Timothy Colton also raises questions about the future labor supply, changes in which could delay the reform process. Central Asia will develop surplus labor, while the Russian and Ukrainian republics face labor shortages because of low birth rates. Two solutions can be envisioned for this problem. Central Asian workers could be imported into Slavic republics, or the second option would be to redirect new investment and capital towards the Muslim regions of Central Asia. Either action might trigger ethnic tensions and discontent, and ultimately could increase economic malaise in the Soviet system.

The central power structure which helps combine the party and the government is a key factor in preserving the multinational characteristics of the Soviet State. In the future, the power structure may be affected by a reorganization of the Central Committee, the Council of Ministers and related government bodies. It will be a Herculean task to preserve totalitarian rule and bring harmony among the various ethnic groups of Soviet society. This problem will be heightened with the rise of elite ethnic leaders. These leaders will want to legitimize local ethnic demands and have access to greater autonomy and power. A major question is "how will the Soviet leadership devise and maintain mechanisms to provide equal representation to its heterogeneous and multinational ethnic minorities?" This will be one of the toughest issues ever faced by the Soviet leaders. A recent Rand Corporation study states that "ethnic cleavages in the Soviet armed forces continue to be deep, particularly between Muslims and ethnic Russians and other Slavs."

**The future**

In the seventy years since the Bolshevik revolution, the USSR has gone through evolutionary as well as radical revolutionary changes. Lenin's programs of the New Economic Policy were in force in 1921. Stalin's collectivization process of 1928 reversed Lenin's initiative. In 1957 Khrushchev was decentralizing the economy and establishing regional and economic councils within the context of encouraging private initiatives. His reforms were reversed with his ouster in 1963. Later Brezhnev brought his socialist economic philosophy aimed at strict centralization. This crippled the Soviet economy in many areas. In 1985 Gorbachev developed a more realistic view by introducing rapid structural changes and some fundamental modification in Soviet society and the economy. Additional constitutional changes were introduced in 1988, and provided for a large tricameral Congress of the People's Deputies of 2,250 members and a much smaller standing legislature. The 450 members of the smaller Supreme Soviet will have broad law-making authority and will be headed by an Executive Director, expected to be Gorbachev.

Bringing about these changes is a massive task full of hurdles and obstacles in the form of opposition from party conservatives, from eighteen million disgruntled bureaucrats and from ethnic nationalism. *Perestroika* and *glasnost* policies both raise nationalism questions. The Soviet Union is still not ready or capable of solving ethnic problems. The next few years of predictable unrest could complicate Gorbachev's efforts to consolidate power. These difficulties could mean a loss of control by the Kremlin over some minority republics. If not dealt with effectively, some chronic symptoms of the Soviet Union's decline as a superpower could accelerate over the next thirty to forty years. Nations need considerable flexibility to run multinational societies, and the Soviet leadership has been inflexible in the past. Ineffectiveness in this area may prevent future economic reforms.

**Table 3**
**COMPOSITION OF ETHNIC MINORITIES**

| SLAVS | BALTS | MUSLIMS | OTHERS |
|---|---|---|---|
| Russians | Estonians | Uzbeks | Georgians |
| Ukrainians | Latvians | Kazakhs | Moldavians |
| Belorussians | Lithuanians | Azeris | Armenians |
| | | Kirgiz | Buryats |
| | | Tadzhiks | Komis |
| | | Turkmans | Maris |
| | | Bushkirs | Udmurts |
| | | Balkars | Chuvash |
| | | Tatars | Yakuts |
| | | Chechens | Jews |
| | | Dargintsy | Mordvinians |
| | | Kumyks | Kalymk |
| | | Lezgins | Karelians |
| | | Ingush | Osetins |
| | | Kabardinians | Yuvins |
| | | Avars | Altay |
| | | Adygir | Khakas |
| | | Karachayev | Komipermykas |
| | | Cherkess | |
| | | Karakalpak | |
| | | Abkhazy | |

**Will there be enough flexibility?**

The ongoing developments in the Soviet Union and Gorbachev's *perestroika*, *glasnost* and *demokratizatsia* are likely to dominate the Soviet Union's politics over the coming decades. One result will be of frequent ethnic upsurge and turmoil. The fifteen republics will oppose reforms which they regard as Russian domination. In the coming years, the relationships with minorities will be confrontational and non-cooperative, leading to even deeper nationalism. Although some Baltic republics support Gorbachev's *perestroika*, they demand more national autonomy. These republics feel that future constitutional and political reforms may put even more power in the hands of the Kremlin. Overall, remedies lie not in the short term, but demand broad comprehensive long-term solutions.

We suggest that in the future there will be an increase in negotiating, trading, conciliation and compromise between Gorbachev and his Russians and the ethnic minorities, with rewards for collaboration and loyalty. Future events will severely test the ability of the totalitarian system and of centralized planning to cope with the complexities of a polyethnic society. □

# Letters to the Editor

Sir,

In his observations about the world and my book *No Sense of Evil: the Espionage Case of E. Herbert Norman,* Michael G. Fry spends considerable space deluging us with ad hominem and unrelated comments. The reader is left wondering exactly on what I base my suspicions about the political behavior of Lester Pearson and the loyalty to Canada of Ambassador Egerton Herbert Norman, who committed suicide in Cairo in April 1957.

As to Pearson, who does not have the reputation of having gone out on a political limb for anyone, his extended support and protection of Norman when Norman was under suspicion by Western security agencies is certainly out of character and odd in the extreme. Specifically, however, suspicions about Pearson in Washington surfaced on August 14, 1951, when the American Elizabeth Bentley, who had defected from a Russian spy ring, gave sworn testimony in secret sessions before the Senate Internal Security Subcommittee. During the war, a Communist agent she was running in the Canadian Legation, Hazel Sise, told her that the sensitive and secret information he was giving her for transmission to Moscow came from Lester Pearson. However, Bentley made it clear in her testimony that that was only what Sise alleged. The American government, however, took it seriously.

The testimony, which was kept under tight security in Washington, was made available to John Diefenbaker. This could only have been done on the very highest authority of the American government. Whether it was Truman-Acheson or Eisenhower-Dulles is unclear. From that point on, and despite what Fry asserts, Washington approached Pearson with the greatest circumspection. In 1953, the Eden government raised heaven and earth to have Pearson appointed Secretary-General of the United Nations. By the spring of 1956, however, well before the Suez crisis, Eden opposed Pearson's appointment as Secretary-General of NATO. Within the 3-year period, I would suggest to Fry, Eden was alerted, either by his own security people or through the Americans, about Bentley's testimony. Pearson's antics during the Korean ceasefire negotiations at the UN, his support of Norman, as well as his actions on other occasions, appeared to lend support to Bentley's testimony. No amount of sophistry by Fry can escape the fact that Pearson was suspect by his two major allies. These suspicions may have been unwarranted, but he was so perceived. Fry's claim that I made no attempt to weigh the evidence is absurd, for I am an experienced academic, and as he himself admits, I have "written effectively enough on other subjects."

As I discuss in the book, because of intelligence tradecraft and modern technology, a point Fry conveniently ignores, unmasking agents of a foreign power is extremely difficult. My qualifying phrases in the book, "it appears," "it is suggested," and so on, are not unreasonable and certainly an attempt to leave open other interpretations, if Fry and others wish to raise them, as indeed he has.

My study of Norman was not an attempt to write a biography. It was an attempt to investigate whether Norman could have been an agent of a foreign power, as the subtitle suggests. In doing so, I did not ignore his early life, the values he absorbed, and his own prejudices, inclinations, and the period he lived in. One of Fry's objections appears to be that books of this nature should never be written until all the evidence is in. That is debatable. If Fry finds my book objectionable, he can remedy the situation by writing a better book. His doubts that the book has any value and whether it will "find a place in the literature" were not shared by the unidentified vetters for Random House, who, I suspect, are better versed in the "great game" than he is.

Teaching in California, Fry appears to be unaware of additional evidence about Norman recently recounted by the able and experienced Canadian foreign correspondent, Eric Downton. In his memoirs, *Wars Without End,* Downton informs us that when he interviewed Norman in the early 1950s, Norman admitted knowing in Tokyo during the war the eminent Russian spy, Victor Sorge. By this point Sorge had been unofficially seconded into the press bureau of the Nazi German embassy. The King of Canada was at war with Nazi Germany and it boggles the imagination that Norman would have maintained contacts with an enemy of the King without instructions from External Affairs. Indeed, he never appears to have reported back his contacts with Sorge.

Likewise, Kim Philby admitted to Downton that he knew Norman "vaguely" at Cambridge and had had a "chat with him in Cairo, not long before his death." What did they discuss? Philby filed no published news stories from Cairo during this period. Nor did Norman ever mention that he had seen or talked with Philby. Since Philby was not a child of altruism, and since his appearance in Cairo had an element of risk to it in view of the suspicions about Norman, the question is why would Moscow send him to Cairo? Is what they discussed in any way connected to Norman's repeated comment during this period, which Fry ignores, that he had to commit suicide to "protect Mike Pearson?" What we can say is the following: that during his lifetime Norman was in contact with five clearly identified members of the Russian intelligence services — Guy Burgess, Chi Ch'ao-ting, V. Frank Coe, Kim Philby and Victor Sorge. That any one of us would know a single member of the Russian intelligence services is remote. That we should be in contact with five shatters the laws of probability.

One could pick Fry up on certain glaring omissions. He never mentions that the government has refused to answer the questions posed dealing with the Norman case. The government, I would suggest, is morally obligated to clear his name and, although presented with the opportunity, has failed to do so. Indeed, when questions about Sorge-Philby-Norman were posed by David Kilgour in 1988, the Minister for External Affairs ignored and did not answer the questions, contrary to the rules of the House.

I suspect that Fry's real objection to the book is that I have raised doubts about the loyalty of two stalwarts of the Canadian pantheon. The evidence available and the documentation released forced me to come to no other conclusion. The coverup and the stonewalling, as reflected in the non-response to the questions posed in the House, will no doubt continue. But I am sure more information about Norman and Pearson will surface in the future. The truth will out

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# Book Reviews

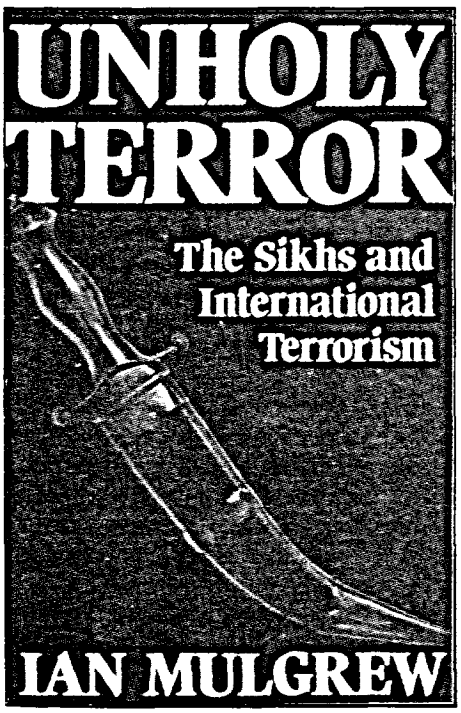
## One Indian separatism

by Maxwell Brem

***Unholy Terror: The Sikhs and International Terrorism*** *by Ian Mulgrew. Toronto: Key Porter Books, 1988, 250 pages.*

The very sensational title given to this book, with its double accent on the word "terror," belies what is actually a fairly thoughtful account of the violent tendencies within the Sikh overseas movement. But first let it be said that, like people everywhere, most members of the Sikh community abhor violence; those supporting terrorist acts are a tiny minority.

Ian Mulgrew is a Vancouver-based journalist who reported on the Air India bombing disaster of June 1985 for *The Globe and Mail*. This and other events prompted him to begin an investigation of the links between the Sikh community in Canada and the movement to establish a Sikh homeland in India. His chapter on the evolution of Sikhism and the struggles for political autonomy, first against the British and then against the modern Indian state, suggest a sympathetic and well-read observer.




The book as a whole, however, is not a scholarly work and should not be judged as such. Its style is much closer to narrative journalism, with a heavy emphasis on personalities and aberrant events, of which there are plenty of both. After discussing the Indian political scene, the author turns his attention to the Sikh communities in North America and the ruptures caused by the Khalistan cause. He shows how events such as the storming of the Golden Temple traumatized hitherto standoffish Sikh expatriates in the United States and Canada, propelling some of them into committing criminal acts. This resulted in various police cases and trials, which are described and commented upon at perhaps too great length.

The enlistment of recent Sikh immigrants in the militant sects is one aspect of Mulgrew's tale that continues to have overtones as Canada increases its immigrant population. But here again one must remember that very few such individuals are involved in criminal acts, compared to the many who are law-abiding and productive newcomers. Mulgrew barely touches on how these events have affected Canada's official relations with India. On this, he offers no new information.

Although the first half of the book contains much detail on Indian politics, it is also a somewhat confusing kind of reportage to inflict on readers who do not know the Indian scene well. Mulgrew quickly passes over many names and events, and the overriding impression is of extreme political disorder. This may in fact be the case, but readers need a better guide.

And what if the separatists succeed in establishing a new state of Khalistan (a prospect that seems remote at this stage)? Would the mass of the people be better off than they are in present-day India? There is no evidence in the book either way, the question is not posed. Therein lies a vacuum — not only in the book, but, one suspects, in the extremists' cause.

*Maxwell Brem was formerly a program director at the North-South Institute. He now works as a private consultant in Ottawa.*

## Newest ingredient in foreign policy

by Amyn B. Sajoo

***Human Rights in Canadian Foreign Policy*** *edited by Robert O. Matthews and Cranford Pratt. Montreal: McGill-Queen's University Press, 1988, 379 pages, $37.95 (cloth), $15.95 (paper).*

Amidst a daily stream of reports about assaults on human dignity and freedom the world over, an ethos of "rights talk" has emerged as the favored mode of expressing socio-political demands against authority. While rooted in ancient religious and philosophical conceptions, the language of human rights today draws upon the post-World War II body of international agreements and declarations aimed at promoting basic individual and collective rights and freedoms against incursion by the state. By endorsing that body of agreements and declarations, Canada and the great majority of UN member countries have made their compliance an international matter — beyond the purely sovereign affair it has traditionally been.

Professors Matthews and Pratt of the University of Toronto, both veteran analysts in this field, have assembled over a dozen articles by academics and activists in the very first book on Canada's record of promoting international human rights. At the outset, Matthews and Pratt adopt a policy focus on the "basic rights" of individuals — to subsistence, freedom from arbitrary arrest and detention, freedom from torture, and freedom from extrajudicial execution. Underpinning this focus are Canadian treaty obligations on promoting human rights, and our interest in a world order conducive to "liberal and pacific" values.

The scope of this 3-part volume is impressive and reflects the complexity of a relatively recent field of inquiry. The "domestic context" is considered in an original essay on Canadian public policy (Robert Manzer), a provocative but not very convincing survey of perceived Canadian interests (Kim Richard Nossal), and a com-

petent exposition of the policy process (Allan McChesney and Victoria Berry). Parts Two and Three trace the interplay of rhetoric and action in our multilateral and bilateral policies, showing beyond any doubt that Canada lacks a coherent approach to seriously promoting what successive governments have claimed to be a profound commitment to human rights principles.

**Linking social and economic objectives**

Thus the articles on "International Financial Institutions" (Renate Pratt) and on "Development Assistance" (T.A. Keenleyside) reveal the inconsistency between restricting *bilateral* aid to countries that are "gross and systematic violators," while giving them far more substantial aid through *multilateral* banks and the IMF. Our ambivalence about treating social and economic rights on the same footing as civil and political rights has long been manifest at the International Labour Organisation, though "awareness of the link between social objectives and economic development in poor countries" is dawning on Canadian policymakers (Kalmen Kaplansky). Nor, as Ernie Regehr argues in the chapter on "Arms Sales," is Canada quite prepared to forgo substantial export revenues by effectively prohibiting military transfers to egregious violators in the Third World.

Our performance has been somewhat better at the United Nations — notably at the Commission on Human Rights, the central policy organ, and at the Committee on Human Rights, which oversees the implementation of the 1976 International Covenant on Civil and Political Rights. But our voting pattern in the former, especially on Central America, suggests excessive United States influence (John W. Foster); and the Committee enjoys too narrow a mandate at this stage to have any incisive impact on violators (Cathal J. Nolan). Perhaps the most promising multilateral platform is also the one most subject to ideological abuse, namely, the East-West Helsinki Process. Although many have questioned the substantive achievements of that forum after thirteen years of review meetings from Vienna to Ottawa, Gordon Skilling makes a good case for its enduring value as a channel for focused (and patient) dialogue, especially in the present climate of *glasnost*.

Two contrasting answers are offered to the perennial question about how forceful we should be in our advocacy of human rights, even in dire situations. In the case of Central America, Frances Arbour finds Canadian policy to be ad hoc and poorly linked with our political and economic relations to such countries as El Salvador and Guatemala, in part out of deference to what is thought of as "America's Backyard." However, the same cautiousness and reluctance to condition bilateral relations on human rights behavior is credited with preventing a deterioration of the situation in Poland in 1980-81, in particular through lessening the pressure on Moscow (Stefania Szlek Miller). While the truth will never be known in that particular case, it hardly persuades as an example of promotional fortitude on the part of the West in general, or Canada in particular.

Still less satisfactory is the chapter on "Black Africa and South Africa" by Rhoda Howard, whose premise is that apartheid deserves greater policy attention than other human rights violations in Africa because its *effects* are worse (as opposed to the argument that apartheid is uniquely odious in *principle*). There is not even a passing reference in the entire discussion on "Black Africa" to the genocide in Burundi of over 200,000 Hutu, or to the manipulation of food supplies in Ethiopia and Sudan as an instrument of coercion, or to the salutary adoption in 1981 of the African Charter on Human and Peoples' Rights as a regional response to international norms. The author also seems unaware of specific international obligations that require Canada to attend to both severe violations in black Africa and apartheid in South Africa.

**Ignored subjects**

Indeed, the volume as a whole persistently ignores critical legal elements of the human rights foreign policy nexus, such as the implications of ratifying relevant international instruments, the role of customary international law in creating human rights obligations for violators and promoters, and the role of courts (national and international) in the promotional process. Relatedly, the question is never asked as to whether a legislative approach to promotion might be appropriate in Canada, as it is for the United States, Norway and Sweden.

The editors give a fulsome airing to conventional political science queries about "constraints" and "objectives" in policymaking in the concluding chapter, and rightly so. But as through most of the book, the weight accorded to national sovereignty as a barrier to human rights promotion disregards the fact that this complex legal political concept has undergone what John Humphrey called a "revolution" in traditional thinking about the power of governments. Then again, there is what R.J. Vincent in his splendid *Human Rights and International Relations* (1986) terms the "counter-theme" of individual rights actually consolidating state sovereignty: "instead of being driven out by the *moi commun*, the *moi humain* is coopted by it." Clearly, the debate on human rights and foreign policy, in its theoretical as well as empirical dimensions, has only just begun in Canada as elsewhere.

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*Amyn B. Sajoo recently earned a doctorate in international human rights and Canadian foreign policy at the McGill Institute of Comparative Law in Montreal.*

## Fighting editor

by Clyde Sanger

***South African Dispatches: Letters to My Countrymen*** *by Donald Woods, with foreword by Alan Paton. Markham, Ont.: Fitzhenry & Whiteside (original publisher Henry Holt and Company, New York), 1988, 190 pages, $11.95.*

Most of us are usually wary — and with good reason — of volumes that contain a gathering of old speeches or newspaper articles. Unfortunately, age *does* wither such collections, like a dried pile of autumn leaves. Even the passion of a Diefenbaker fades on the wind of a dozen years.

So why should we think differently of *South African Dispatches*? After all, in 1978 Donald Woods published his major book, *Biko*, the story of the black leader who was beaten to death in prison, and followed it in 1980 with the account of his own adventurous life, *Asking for Trouble*. Richard Attenborough turned the two books into the film *Cry Freedom*. Are we not being taken over familiar ground with this collection of fifty-seven short articles, written between 1975 and 1977 for the East London paper, the *Daily Dispatch*, of which he was editor?

Well, yes we are; but it is enormously worth it. This book gives you the measure

of a remarkably brave journalist, for here we have the words he used to taunt and shame the Vorster government day after day. He was sentenced to six months for refusing to identify a source and laughs it off ("A funny thing happened to me on the way to Christmas"). He had also just been appointed to an official board to check on prison conditions, and says he will be able to inspect facilities both from the outside looking in and from the inside looking out: "That's in-depth reporting for you." In the end he won an appeal on a technicality, but that in no way diminishes the humor or the courage he showed through his long trial.

The temptation is to go on quoting — his ferocious words aimed at "pussyfoot" clergymen, his scholarship about the origins of Afrikaans, his tale (with a stinging finish) of the POW who sank a warship off Tobruk, his sarcasm about the communist bogey, his hilarious memoir of Fighting Father Mac — but one would still lose the brightness and sharpness of his writing. This book contains enough gems to make the diamond mine at Kimberley look dull. No wonder the government put him under a banning order, to silence him. They failed; for he fights on from exile in Britain. But perhaps the best of his writing — "bits of the prophet Amos served up with Rabelaisian sauce," according to Alan Paton — is in this book. Enjoy it.

*Clyde Sanger is an Ottawa author, and editor of the current book* ***Canadians and the United Nations*** (Department of External Affairs).

## Of powers: super and middle

by Joel J. Sokolsky

***Middle Powers and the General Interest (No. 1 in the series Middle Powers in the International System)*** *by Bernard Wood. Ottawa: The North-South Institute, 1988, 31 pages, $7.50.*
***The Soviet Military Challenge*** *edited by Brian MacDonald. Toronto: The Canadian Institute of Strategic Studies, 1987, 200 pages, $13.00.*

These two seemingly unconnected short works do have a common thread. Each implicitly urges the reader to adopt a particular view on the present state of international relations. The two views though, point to different solutions to the world's problems and what Canada ought to do about them.

Bernard Wood's essay is a report on the results of the North-South Institute's research project on *Middle Powers in the International System.* Wood attempts to locate middle powers by using a definition that combines the traditional Gross National Product (GNP) measurement with a more subtle and sophisticated analysis involving "context and roles." Middle powers include regional or sub-regional leaders, leaders in certain functional areas such as international economic management, states which stabilize conflict and those which conduct themselves as good multilateral citizens. Wood also notes, however, that some middle powers simply want to maintain an advantageous status quo or seek multilateral involvement simply to enhance their status rather than to promote stability.

Based upon these criteria, there are some thirty-three middlepowers representing 65 percent of the world's population. It is a diverse group, including nations of the industrial Western north, such as Canada and Italy, several eastern European countries, Latin American, Arab and African states. All of them are or have the potential to meet the challenges of complex interdependence and the need for multilateral management. An approach to global problems which recognizes the importance of middle powers offers a better alternative to rule by the power elite or the "one-nation, one-vote" governance sometimes sought by a majority in the United Nations General Assembly, Neither of these approaches, according to Wood, "seems likely to provide a sustainable base of international stability or efficiency in the face of contemporary challenges."

For Brian MacDonald, the most important contemporary challenge remains the one that has confronted Canada and the West for the last forty years, Soviet military power. This volume, based upon papers given to the spring 1987 seminar of the Canadian Institute of Strategic Studies, marshals considerable evidence in support of the view that the seventies and early eighties witnessed a marked increase in Soviet capabilities. Contributions from noted Canadian, American and British defence analysts such as George Lindsey and Charles Dick, deal with Soviet ground, naval, air and ballistic missile defences developments.

The volume is not, however, simply a diatribe on the danger of Soviet superiority. Contributions by Cynthia Cannizzo and David Jones point to problems faced by the Soviets, for example in ballistic missile defence technologies, as well as to opportunities for arms control. J.O. Dendy discusses some of the challenges Mr. Gorbachev will encounter in restructuring the Soviet economy after years of Stalinist central planning, although he concludes that the military-industrial complex is likely to retain its premier status in the Soviet economy. Overall, despite some marginal changes, the essays suggest that the Soviet military challenge will remain the central preoccupation of the United States and its allies and that the superpower balance of nuclear and conventional military power will continue to dominate international relations.

In the picture drawn by *The Soviet Military Challenge* there is little room for the kind of multilateral mediation and good international citizenship of the middle powers identified by Wood. Their contributions to global stability are likely to remain peripheral, with the power elite, especially the superpowers, retaining the prime, often overwhelming, responsibility for international management. This is not to say that in certain functional areas, and in certain regional disputes, some less-than-great but greater-than-small nations will continue to play a constructive international role.

In this sense the future for Canada, that middlepower par excellence, may be very much like the past. It is worth recalling that the halcyon days of Pearsonian middlepowermanship coincided with the Cold War and the strong alignment of Canada's foreign and defence policies with those of the United States and other Western allies. Canada should continue to support collective Western defence in the face of a continuing Soviet military challenge. But there will be ample opportunities at the UN and elsewhere, for Ottawa to pursue Canada's tradition of liberal internationalism, living up to its full potential as a middlepower in an world of increasingly complex interdependencies.

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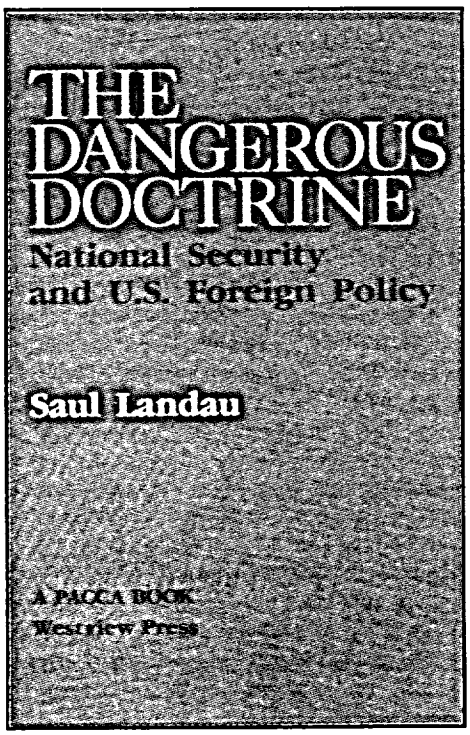
## Making the world safe for America

by Fen Osler Hampson

***The Dangerous Doctrine: National Security and U.S. Foreign Policy*** *by Saul Landau. Boulder, Colorado: Westview Press, 1988, 201 pages, US$29.95 cloth, US$9. 95 paper.*

Students of American foreign policy will find Saul Landau's new book an easy, if ultimately unsatisfying, read. In this short book Landau traces the origins and development of US national security doctrine from Truman to Reagan and the recent fiascoes of Colonel Oliver North and Iran-Contragate.

The book's central thesis is that the United States has sold out its 18th century democratic republican heritage by seeing as its postwar mission the stopping of nationalist revolutions in the Third World. In the "higher cause" of national security, Landau argues, the United States has sent troops and CIA officers to Asia, Africa, the Middle East and Latin America to fight communist forces and defend democracy and freedom. But in the process, it has undermined the very principles for which it stands, threatening democracy both at home and abroad. Successive Presidents have usurped power from the Congress and the American people in an attempt to carry out what Landau calls "the imperial agenda" — a desire to dominate an immense commercial and industrial empire abroad. Foreign wars have been declared and forces sent overseas without the consent of Congress or the American people.




Landau sees the origins of the national security state in the Cold War and the Truman Doctrine. The Truman Doctrine enshrined in NSC-68 led to an expansion of US global commitments in order to contain the communist threat. A vast bureaucracy was created to support US intelligence activities worldwide. With the active support of the White House, but without the knowledge or approval of the Congress, the CIA used covert violence to maintain US control and influence abroad. Landau examines cases of US intervention in Iran, Guatemala, Cuba and Vietnam.

The final chapters of the book deal with the policies of the Reagan administration toward Central America. Landau sees strong elements of continuity with the past in current US policies: "Washington policymakers still assume that they can and should exercise control over another nation and people, just as their ancestors did in 1898 when the marines landed in Nicaragua, Cuba, China, the Philippines and elsewhere. US policymakers see Third World countries as pieces of real estate to be acquired or reacquired, not as independent nations."

Landau's interpretation of the history of US interventionism contains little that is new. More comprehensive and ultimately more persuasive discussions are to be found in such studies as Richard Barnet's *Intervention and Revolution,* Walter LaFeber's *Inevitable Revolutions,* John Prados's *Presidents' Secret Wars: CIA and Pentagon Covert Operations since World War II,* and most recently, Robert Pastor's excellent account of US policies in Central America, *Condemned to Repetition: The United States and Nicaragua.* Moreover, Landau gives little hint of where he thinks US policies, particularly towards Central America, should be headed in the future. Should the United States finally abandon its support for the Contras and give its full and unqualified support to the Central American peace initiative? What kinds of economic assistance, debt relief and political support should it provide to the countries of the region? How can political stability and peace be fostered in the region? With a new administration in Washington these questions have become all important. Unfortunately, Saul Landau is disappointingly vague on how they should be attacked.

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## When DND was reorganized

by Courtney Gilliatt

***The Administration of Defence Policy in Canada, 1947-1985*** *by Douglas Bland. Kingston: Ronald P. Frye & Company, 1987, 252 pages, $21.95.*

John Sweetman in his book *War and Administration* says that "the association of 'administration' with 'power' is crucial to an understanding of its nature. Administration is the means by which power is exercised."

Douglas Bland's book therefore is about the redistribution of power within the Department of National Defence by virtue of the various reorganizations that took place between 1946 and 1985. Brook Claxton, the first postwar Minister of National Defence, created one ministry with one Deputy Minister. Control and administration of the three services was effected by the three service chiefs under the authority of the National Defence Act. Coordination of the three services was done through the Chiefs of Staff Committee under its Chairman, Lieutenant General Foulkes.

This period from 1946 to 1964 Bland, who teaches at the National Defence College in Kingston, calls the Command Era, during which he says clear lines of military command and responsibility existed.

The period from 1964 to 1985 he calls the Management Era. The changes during these years resulted first from the passage of Bill C-90, which created the position of Chief of Defence Staff (CDS) and eliminated the positions of the service chiefs and the Chairman, Chiefs of Staff. The authority for control and administration of the three services was transferred to the CDS. and the National Defence Act amended accordingly. Later, in 1967, Bill C-243 was

passed unifying the three services but not changing the authority or responsibilities of the Chief of Defence Staff or of the Deputy Minister (DM).

The Trudeau government, which came to power in 1968, introduced new thinking on defence issues. These were set forth in the Prime Minister's statement of April 3, 1969, and the White Paper of 1971. Donald MacDonald became Minister of National Defence (MND) in 1970, and in 1971 formed the Management Review Group (MRG). Its original purpose was to study and report on the many problems associated with ship procurement but was subsequently enlarged to include all aspects of defence administration.

The interim report of the MRG resulted in the amalgamation of the office of the DM with that of the CDS under the MND and the creation of four Assistant Deputy Minister positions which were usually to be filled by civilians. The National Defence Act was not amended and so the responsibilities of the CDS and DM remained as they had been, with control and administration of the Canadian Forces clearly the responsibility of the CDS.

Bland is especially critical of this last reorganization, since he believes that it created an ambiguous situation concerning the authority and responsibilities of the CDS and DM, and that the military command authority of the CDS has been downgraded. His point of view seems to have been reinforced by interviews with a number of unnamed officials, but few if any of those most involved were asked for comments, i.e., members of the MRG, or subsequent CDSs, DMs or MNDs.

This book contains some very sweeping statements. For example, on page 80 it states "Under the MRG review, a fundamental transfer of power did take place in DND. Entirely new concepts, long in incubation, came into being. The system that attended the appearance of these concepts radically altered and perhaps curtailed Parliamentary control of Canadian military activities and obscured operational readiness and command responsibilities."

Long fought-over issues again resurfaced such as: what is the role of the civilian authority within DND? What is the role of the Commanders of Commands in the policy process? At what level should policy decisions be made within DND, i.e., at the political or military/bureaucratic level? The forces-in-being versus the mobilization-base concept; and the never-ending needs- versus-resources struggle. The author seems to believe that in most instances these issues have not been satisfactorily resolved in the present NDHQ organization.

The final report of the MRG is quoted extensively, although it was not accepted by DND but was in fact locked away. Those involved in the report were told not to use it as a reference for any future purpose.

That the power structure within the Department of National Defence was fundamentally changed during the period 1946-85 there is no doubt. But I would suggest that there are sufficient criteria to arrive at a much more positive judgment on the efficiency and effectiveness of the present organization as it has evolved since 1946. The author's nostalgia for the so-called Command Era from 1946 to 1964 is, in my opinion, unjustified.

This book with all its faults (including many typographical errors) is a sincere attempt to shed light on a very complex process in an area of vital importance to Canada's security interests.

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## Development rethought

by Heath Macquarrie

***Rethinking Development: Perspectives from the Caribbean and Atlantic Canada** edited by Henry Veltmeyer. 1987, 183 pages.*
***Rethinking Caribbean Development** edited by George W. Schuyler and Henry Veltmeyer. 1988, 195 pages.*

*Both books by the International Education Centre at St. Mary's University in Halifax, Nova Scotia, and priced at $12.95 each or $20.00 for both.*

These companion volumes constitute an ample documentation of a conference held at St. Mary's University in Halifax, on October 25-28, 1984. The gathering featured a number of luminaries in the academic and political worlds. Former Guyana premier Cheddi Jagan told of his ouster by the CIA. The articulate Michael Manley, former, and now once again, Jamaican premier, presented an in-depth examination of development models. Former Guyana High Commissioner Robert Moore, one of the most eloquent persons ever to serve on Ottawa's Embassy Row, was the theme speaker. Kari Levitt of McGill, Ramesh Ramsaran of the University of the West Indies were among the academics participating. From bureaucracy came such people as Tom Kent, provincial civil servants, and representatives of NGOs. Both the roster of the attendees and the agenda were impressively long.

The conference organizers cannot be accused of superficiality. There were five major addresses and fifty-two presentations. Twenty workshops were held. Twenty-five speakers from the Caribbean and a like number from Canada dealt with such development questions as those related to agriculture, fisheries, industrialization and finance. Surprisingly, the US invasion of Grenada in 1983 did not appear to receive major attention, although its impact on intra-Caribbean development must have been traumatic.

Not surprisingly, the politicians seemed the most lively of the participants. Manley had an audience of over a thousand. Jagan retains all the old oratorical magnetism of earlier days. In some of the presentations of the academics and bureaucrats there is a tendency toward jargon. Doubtless had the conference been held in 1988 instead of 1984 this tendency would have been stronger.

I attended my first conference on West Indian matters at Mount Allison University in the summer of 1957. Another was held at Dalhousie University in 1966. Considering the long-time close and special relationships between the Atlantic region and the Caribbean, it is appropriate that Atlantic universities provide such leadership. Our part of Canada has much in common with our Commonwealth Caribbean neighbors. In both areas development problems are in the forefront and the St. Mary's conference wisely gave emphasis to such issues.

But interest in the Caribbean is not confined to Atlantic Canadians. In 1885, Sir John A. Macdonald appointed Sir Francis Hincks as his special adviser on West Indian affairs. A long series of government leaders' conferences have been held since 1912. One of the best and most thorough studies by the prestigious Foreign Affairs committee of the Canadian Senate was that of 1970 which dealt with Canada-Commonwealth Caribbean relations. Over the years Canadian policy in relation to the

states of the Caribbean has been wise and generous. It is now more important than ever that we continue to maintain and strengthen our mutual cordiality. As Robert Moore put it:

> Canada and the Caribbean have one thing in common: hegemony and assertiveness are both their neighbors. They therefore can start from there. We both live in uncomfortable proximity to a superpower but, more than that, we are both peoples who are always looking for alternatives to the breathing presence near us. That is a starting point. Not so much large subventions of massive aid but large subventions of historical understanding and historical imagination are called for.

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## Growing pains — or food?

by Andrew Fenton Cooper

***Satisfying Africa's Food Needs: Food Production and Commercialization in African Agriculture** edited by Ronald Cohen, Boulder, Colorado: Lynne Rienner Publishers, 1988, 244 pages, US$25.00.*

There appears to be no sign of fatigue in the outpouring of books dealing with Africa and the food question. Predictably, the bulk of this recent literature conveys an extremely grim message. It is interesting, then, to review a book with a somewhat more positive perspective. The individual chapters in this edited collection reinforce the view that the food problem in Africa can only be explained by reference to human as well as natural factors. The impact of colonialism on African food production is not ignored. In a comprehensive critique of the "mono- cultural legacy," Goran Hyden points to the manifold problems associated with the past — not only economically in terms of a distorted agricultural structure and a dualistic approach to research and development, but politically in terms of the stunted growth of non-governmental institutions in the policymaking arena.

Yet, in common with the general scholarly trend, greater emphasis is paid to internal than to external forces in analyzing the African food crisis. Certainly, the priorities of most of the post-independence governments seem in retrospect to have been mistaken. Particularly problematic has been the pronounced urban bias of many of the African governments — a bias which, as Michael Lofchie suggests in this volume, reduced the role of agriculture to that of "a source of cheap food for the cities and as an economic surplus with which to finance the cost of urban industries."

In keeping with the multi-modal (or plural) approach favored by the editor of this collection, a wide variety of long-term solutions to the food problems of Africa are presented. Most of the contributors share a sense of disillusionment about how state agencies have operated in practice with regard to the buying and selling of agricultural commodities, viewing them as inflexible and inefficient. However, despite the fact that almost all the contributors give considerable weight to private sector development, they have not been converted en masse to a program of all-out liberalization and privatization. Rather, it is acknowledged throughout the book that the state must have an important role in the revitalizing of indigenous agricultural development.

The reform efforts the contributors propose all tend to involve statist activity of some sort, whether in the form of providing infrastructural development, research and development, the supply of technical packages, more direct administrative controls, or some degree of protection vis-à-vis imports of foodstuffs from surplus-producing countries.

Interestingly, the People's Republic of China is held up as one possible model for African agricultural development. One can readily understand the reasons for the appeal of the PRC. By implementing a program of massive reform — through a system of flexible liberalization — the PRC made some remarkable increases in yields in grain, rice, oilseeds and corn in the early 1980s. Through this "agricultural revolution" the PRC had not only freed itself to a large extent from a dependence on external suppliers, but built the basis for the development of a number of small-scale industries situated in rural areas. Although there have been some recent setbacks in Chinese agricultural production, necessitating the re-introduction of rationing and a continuing need for the importation of grain, it seems unlikely that the PRC will revert to the stagnation of the 1970s.

On the economic side, Ronald Cohen and his collaborators are generally quite persuasive. Unlike many writers on the subject of African agriculture they are not obsessed by the idea of "big is beautiful" with reference to the introduction of Green Revolution ideas to the continent. Nor, however, do they see much appeal in the idealistic notion of a complete return to a form of traditional peasant farming. What they advocate is diversity, with agricultural production being promoted through the smallholder sector as well as large commercial holdings. As Cohen argues in his introduction, "There are great risks in depending on advice that argues for single solutions to multilevel, mercurial problems whose determinants are often context-determined, that shift over time."

What is largely missing from an otherwise solid volume is a more penetrating examination of the political dimension of the food problem in Africa. Some mention is made of the idea of the "soft" state. But there is little elaboration on the problem of the declining efficiency and capabilities of the state in Africa. Will the state keep to a reform agenda if there is a backlash (through riots, demonstrations and strikes) in the urban centers against the higher prices and declining living standards prompted by those reforms? So far, it must be said, the African record in this regard does not seem a good one. Just as significantly, the whole question of whether the African state will be able to find the means to cope adequately with an increasing degree of inequality in rural Africa (highlighted, for example, by the buying up of small holdings by commercial farmers), needs to be more thoroughly considered. If a revised form of differentiation is the best way forward for Africa economically, the considerable social and political implications of an approach of this sort cannot be skimmed over; these difficulties, it seems clear, can only be tempered by more attention being given to new forms of participation by rural interests in agricultural decision-making.

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internationalcanada

# The events of December 1988 and January 1989

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Supplement to International Perspectives March/April 1989


Canada

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

# Bilateral Relations

## USA

After three years of negotiations and a federal election fought mainly on the issue, the period December 1988 and January 1989 witnessed the granting of Royal Assent to Bill C-2, the Canada-United States Free Trade Agreement Implementation Act and its coming into effect on January 1, 1989.

### *Free Trade Agreement*

International Trade Minister John Crosbie announced that with the Canada-United States Free Trade Agreement Implementation Act (FTA) having received Royal Assent on December 30, Canada and the United States were to proceed with an exchange of diplomatic notes in Washington and Ottawa on December 31, in order to bring the FTA into effect on January 1, 1989. "Years from now, I believe it will be said of this generation of Canadians that we made the right choice, that by choosing Free Trade we not only adopted better rules for trade with the US, we also affirmed our belief in a strong and sovereign Canada," Crosbie added (External Affairs *News Release*, December 30).

The *Globe and Mail* editorial on December 31 stated that business and governments would have to work smartly to deliver on free trade's potential, not only with the United States but multilaterally. Eyebrow-raising investments might be necessary for new equipment and market expansion. And finally the editorial advised the federal and provincial governments to give higher priority to educational and labor market policies.

#### *Dispute Settlement Panels:*

Several Canadians were appointed to serve as panelists on the binational dispute settlement mechanisms established under Chapter 19 of the Free Trade Agreement (FTA). This chapter would provide for binding binational panel dispute settlement in anti-dumping and countervail duty cases. The government also announced the appointment of five retired judges from which members would be selected to serve on extraordinary challenge committees established under the FTA (Government of Canada *News Release*, December 30).

Within a few days of signing the Free Trade Agreement, the Minister for International Trade, John Crosbie, on January 4 announced that Canada was taking initial steps under the dispute settlement provisions of the FTA with respect to trade in plywood and wool. "The Canadian government considers the US decision to delay the agreed tariff cuts on plywood, waferboard, oriented strand board and particle-board to be inconsistent with the US obligations under the FTA," the Minister stated. As a result of the US decision, Canada suspended tariff reductions on plywood and the related products and was to seek a satisfactory resolution to the issue under the dispute settlement provisions contained in Chapter 18 of the FTA.

According to Crosbie, Canada was also to consult the US on the definition of wool for the purpose of administering the tariff rate quotas on textiles and textile articles established under the Agreement. The tariff rate quotas placed limits on the availability of FTA tariff preferences for Canadian and US textile and apparel products made with yarns and fabrics from third countries.

The first step in a Chapter 18 dispute settlement process was the request for bilateral consultations. If these consultations did not resolve a dispute within thirty days, either party might refer the case to the Canada-United States Trade Commission. If settlement was not reached in this forum within a further thirty days, Canada could request the establishment of a panel of experts to render an objective and independent judgement on the case (External Affairs *News Release*, January 4). There would be five panelists, two from each country and a fifth who would be picked by lot (*Financial Times*, January 9).

At the root of the complaint were Canadian regulations that prevent the use of plywood in which the layers of wood were not completely stuck together throughout the sheet. The Canadian wood industry was to argue that the rule was in place to ensure high quality and safety standards. American producers said that it was just a way to keep US-made plywood out of Canada. As a result, the *Financial Times* stated that Washington had refused to implement cuts on duties against Canadian plywood that were scheduled to take effect under the free trade pact. Ottawa had taken similar action in retaliation.

The wool dispute arose from interpretation of extremely complex quotas for exports to the United States of Canadian clothes made with foreign textiles. The quotas existed to prevent third countries from using Canada as a back door to avoid US quotas under the international Multi Fibre Agreement. Ottawa was concerned about the American definition of wool in enforcing the import quotas (*Financial Times*, January 9).

In a letter to the editor in the *Ottawa Citizen* on January 26, Senator Philippe Gigantes wrote that "Mr. Mulroney accepted a sop offered by Washington: replacing appeals to US courts against US protectionist actions by an appeal to binational Canada-United States panels." He added that these panels would decide whether protectionist US trade actions would be applied to Canadian exports within the letter of protectionist US laws. But, the Senator argued, US courts had done this job with scrupulous equity before the free trade deal was signed. The problem never was with the US courts, but with US laws which still applied to Canadian exports, Senator Gigantes observed.

***Canadian Dollar:***

The Canadian dollar was at an impressive level of US$.841 on the first day of trading for 1989. Some currency traders partially attributed the strength of the Canadian dollar to the FTA and a strong economy.

Implementing the Free Trade Agreement on schedule had "put the currency in the spotlight in a positive sense" and that had helped the rise, according to Barry Davenport, Vice-President of foreign exchange at the Bank of Montreal. International money traders viewed the Free Trade Agreement as beneficial for Canada and its currency, even though the deal was to be phased in over ten years and economic benefits would take time to develop. A wide gulf between Canadian and US interest rates was enticing offshore investors to pump money into Canada to get a better rate of return (*Toronto Star*, January 4). But Laurent Thibault, President of the Canadian Manufacturers' Association and also an economist, warned that if the dollar reached US$.85, two-thirds of his members would face serious competitive pressures. In 1988 the dollar had jumped more than seven cents against the US currency to above 84 cents (*Toronto Star*, January 13).

***Ice Cream:***

In the House of Commons on December 22, Vic Althouse (NDP, Mackenzie) wondered why Minister for International Trade John Crosbie was asking the General Agreement on Tariffs and Trade to investigate the US ban on importing Canadian ice cream since 1970 when the government had told Canadians throughout the election campaign that the Free Trade Agreement would provide "assured access" to the US market. Mr. Crosbie replied that in early 1988 Canada had imposed controls on yogurt and ice cream. The United States objected to the import controls Canada had imposed in respect of ice cream and yogurt and brought a complaint before GATT under Article 11. Canada, therefore, brought its own complaint before the GATT that for the last fifteen years the US had not permitted the importation of any ice cream from Canada. Crosbie added that the FTA did not mean that there would not be trade disputes between the US and Canada in the near future.

The complaint under the rules of the GATT centered on a Canadian decision to add ice cream and yogurt to the import control list. Canada had hoped this would protect its industry from an avalanche of cheaper American products once the Free Trade Agreement eliminated tariff barriers. According to the *Western Producer* of January 5 the Americans claimed that border controls allowed under the deal applied to the basic product — milk — rather than to products manufactured from it. The *Western Producer* added that the challenge had Canada's dairy producers on edge.

London's *Financial Times* wrote on January 19 that the case had attained broader significance because of the terms in which the complaint had been couched. Ice cream, the argument ran, should not be included on the GATT-approved Canadian import control list because it was a processed food and not a dairy product. If the argument was judged to hold water, it might pave the way for controls to be lifted on other processed products on similar grounds. Items currently included on the import control list included cheeses, yogurt and various poultry products. Clearly, the *Financial Times* added, if too big an import window was opened, the marketing board system could become untenable. Last year Canada allowed less than $1 million worth of foreign ice cream to be imported into the $500-million-a-year Canadian ice cream market.

***Investment:***

Beginning January 1, Investment Canada scrutinized only purchases of companies with $100 million in annual sales, up from $50 million. Thresholds in this category would continue to rise annually until 1992, when they would disappear. The review threshold for direct acquisitions would remain at $5 million for buyers of all nationalities until January 1990, when it would rise to $25 million for Americans. It would climb to $100 million in 1991, and crest at a new ceiling of $150 million in 1992. The *Financial Post* reported on December 31 that the raised thresholds were part of the FTA and the foreign investment philosophy of the Progressive Conservative government. The trade deal did not relax acquisition rules involving all Canadian firms. Proposed takeovers of firms in cultural industries (such as publishers) were to be reviewed, no matter what the size of the target company, and indirect purchases were not to be allowed in this category. Thomas D'Aquino, President of the Business Council on National Issues, said in an interview published in the *Financial Post* on December 31, that he hoped "the evolution of Investment Canada under free trade will strengthen its role as an instrument for what I would call responsible investment."

***Readjustment Programs:***

The President of the Ontario Federation of Labor (OFL), Gord Wilson, led a delegation for a meeting with Premier David Peterson on January 25 at which the Premier promised labor leaders that Ontario's social programs would not be eroded under the free trade deal. The OFL warned that Ontario would "resemble the industrial wasteland of north England or the American rust-belt" if the provincial govern-

ment did not produce a sound readjustment plan for helping workers who would lose jobs or benefits because of the trade agreement. Protections proposed by the OFL included: a board to review plant closings; an insurance fund to cushion people who lost their jobs after bankruptcies; a worker-management commission to improve retraining programs and set provincial training strategy; a special tax on employers to pay for retraining; a minimum severance benefit of one week's pay for each year of service and an unemployment insurance payment supplement up to 90 percent of take-home pay during retraining; and a more advanced notice to workers of shutdowns, such as twenty-six weeks' notice where more than twenty-five workers were to be laid off over a twelve-week period (*Toronto Star*, January 26).

At the federal level, Donald Fullerton, Chairman of the Canadian Imperial Bank of Commerce, advised Ottawa to refrain from hastily dishing out special assistance or subsidies to workers who would lose their jobs as a result of free trade. At a luncheon with reporters on January 5, Fullerton stated, "We had better understand what the marketplace is going to do before we set up all sorts of programs that will interfere with the marketplace" (*Toronto Star*, January 6).

When he appeared before the Senate Foreign Affairs Committee on December 29, the chairman of the commission set up by the Prime Minister to study the readjustment programs for workers affected by the FTA, Jean de Grandpré said, "In this scenario, there would be a tax incentive in the same way that there are depreciation rates for equipment. There would be a tax incentive to train and retrain employees in the sense that employers would be keeping their workforces up to date in the same way as they attempt to keep their equipment up to date" (*Financial Post*, January 4). Creating special programs to help those who lost their jobs because of free trade would create two classes of jobless in Canada was the reason de Grandpré gave for telling the Senate Foreign Affairs Committee that he would hesitate to recommend special worker-adjustment programs for FTA-related unemployment. (*Globe and Mail*, December 30).

The commission was made up of de Grandpré, two other businessmen, a university president and the president of the Canadian Federation of Labour (*Globe and Mail*, December 16). The commission decided not to release an interim report on the impact of free trade on jobs.

An editorial in the *Toronto Star* on January 4 entitled "Depreciating human chattel" stated that if one asked a businessman in charge of giving Ottawa advice on how best to help workers hurt by the free trade agreement, the answer, "incredibly, is: give business more tax breaks." The editorial claimed that was what Bell Canada Enterprises Chairman Jean de Grandpré seemed to tell a Senate committee in his role as spokesman for the government's advisory task force on free trade adjustment. More disturbing than de Grandpré's plea for business, however, was his superficial treatment of workers as chattel, instead of human beings. The editorial asked, "Why should the government not help victims of free trade directly, instead of bribing business to do the job?"

Bob White, President of the Canadian Auto Workers Union, in a guest column in the *Ottawa Citizen* on December 6, wrote, "What we do want is that issues be placed in the context of alternative jobs being available; of these new jobs being quality, well-paying jobs; of strengthening our universal social programs; of commitment of sufficient resources for training, retraining, and income support; and of mechanisms that ensure workers' input into the specifics of how training is actually carried out."

***Parliament:***

The short 6-paragraph Speech from the Throne read by Governor General Jeanne Sauvé on December 12, stated, "In the election, my government sought and received a mandate for its policies, including the Free Trade Agreement between Canada and the United States" (Senate *Debates*, December 12). The House of Commons then debated and approved the legislation by a vote of 114 to 111 on December 23. The Senate approved it without a recorded vote on December 30. The Liberal Senators abstained. Allan MacEachen (Lib.), Leader of the Opposition in the Senate, told the chamber, "We acknowledge that the Government of Canada has a majority in the House of Commons. It has sent us this bill to have it approved by the Senate. We shall not participate in its approval; we shall not support it. The government members will do that job, but they will also take responsibility in the future for whatever results accrue" (Senate *Debates*, December 30).

Charles Caccia (Lib., Davenport) told the Commons on December 23 that the "so-called Free Trade Agreement will, in essence, lead to economic union between Canada and the US, which in turn will mean becoming less Canadian and more American. It will mean relying more and more on the export of our natural resources, instead of adding value at home. It will mean a weakening of our environmental standards, losses of jobs, and more American investment. The list is long." But Bill Winegard (PC, Guelph—Wellington) argued that "our recent elections centered on free trade. The people decided. Now let's implement the Agreement. Every argument that the opposition has raised has been rejected. The time for talking is over and the time for taking action is now" (*Hansard*, December 23).

The Senate Foreign Affairs Committee presented its first report on the FTA on December 30. The Committee had examined Bill C- 2 and recommended the same without amendments but with comments and recommendations. The Committee had decided to focus its attention on five areas that it expected would continue to be sources of concern in the future: adjustment assistance; agriculture; energy; temporary entry provisions; and the broad and important area of countervail and anti-dumping.

Specifically, the Liberal-dominated Committee recommended that particular attention be paid to: (1) the effectiveness of adjustment assistance programs to help those who would be displaced through the effects of the Free Trade Agreement, difficult though it may be to identify those affected; (2) the working out of arrangements for monitoring the export of energy products to the United States, and in particular the role of the National Energy Board; (3) developments relating to trade in agriculture products and espe-

cially to the impact of the Agreement on the supply management systems and on the competitiveness of Canada's food processors; (4) how the temporary entry provisions for business persons and others were being applied; and (5) the negotiations intended to develop a mutually acceptable code regarding countervail and anti-dumping duties, so as to assure the Committee that social programs and regional development policies were in no way put at risk.

The Foreign Affairs Committee recommended that it be authorized by the Senate to monitor and report on the implementation and application of the Free Trade Agreement in both countries and other related trade developments (Senate *Debates*, December 30). No such arrangement for the monitoring of the Free Trade Agreement was made in the House of Commons.

***Pork:***

In response to a petition filed on January 5 by the US National Pork Producers' Council (NPPC), the US International Trade Commission launched an investigation into whether imports of Canadian pork were hurting US producers. The NPPC claimed that Canadian pig farmers were unfairly subsidized and wanted Washington to recommend countervailing duties to be applied to Canadian fresh, chilled and frozen pork products. Exports of all Canadian live and processed pork rose just 3.8 percent in the January to mid-December 1988 period to 442 million pounds, compared with 425 million pounds in 1987 (*Financial Post*, January 13).

The *Western Producer* reported on January 12 that Glenn Grimes, an economist at the University of Missouri, had calculated that the Canadian subsidy was $3.37 per hundredweight in 1988, which cost American farmers almost US$700 million in lower prices. The roots of the American complaint went back to 1984 when the US industry alleged that federal and provincial stabilization and other programs gave Canadian producers an unfair advantage. They had asked for a countervail duty against both live hogs and pork products but won only on the former (January 12).

In a welcome move, the United States slashed the countervail duty on hog imports from Canada after a government review showed that Canadian subsidies to domestic pig farmers fell sharply after the duty had been imposed four years ago. The US Department of Commerce decided to reduce the duty to 2.2 cents (Canadian) a pound from 4.4 cents a pound. The US decision was likely to put an additional $50 million to $75 million a year into the pockets of Canadian hog farmers from refunds on duties paid in 1985-86 and to cause higher livestock prices in Canada. Since the duty was imposed, the value of exports of live hogs to the US had dropped to about $60 million last year from more than $200 million in 1984 (*Toronto Star*, January 12).

***Wine:***

The *Toronto Star* editorial on January 13 observed that the Province of Ontario continued to add a 66 percent markup on imported wine, but only a 1 percent markup on domestic wine. When the Liquor Control Board of Ontario (LCBO) paid $2.05 for a bottle of French wine, it sold it for $8.10 after the markup and all federal and provincial taxes had been applied. The lower domestic markup, however, allowed the LCBO to pay $4.14 for a bottle of Ontario wine that then retailed for $8.10. The differential in markups permitted Ontario wine makers to charge more for their products to cover higher costs.

The *Toronto Star* editorial observed that "these discriminatory markups violate both the Canada-United States Free Trade Agreement and the General Agreement on Tariffs and Trade." The editorial warned that unless Ontario phased out the differential markups, Canada could face retaliatory action from both Europe and the US. Under the FTA, Canada and the US agreed to phase out the markups over the next seven years. Canada and the European Community reached a similar understanding last month in Brussels. But a week after the coming into effect of the FTA, Ontario was defying the terms of the agreement which called for the immediate elimination of 25 percent of the markup on American wines (*Toronto Star*, January 4). The Chairman of the Ontario Grape Growers Marketing Board, Brian Nash, said in an interview reported in the *Ottawa Citizen* of January 7 that the Ontario grape growers were demanding $156 million in compensation if the province agreed to comply with the wine pricing provisions of the Free Trade Agreement. The payment would be in addition to $100 million already promised by the federal and provincial governments to help the grape and wine industries cope with tougher international competition.

Premier Peterson had suggested that the province be allowed to follow a 12-year plan for phasing out price differences and other discriminatory practices that now shielded the wine industry, which employed nearly 10,000 full- and part-time workers. Part of the plan called for removal of 8,000 of the province's 24,000 acres of grapes in an attempt to create a smaller but higher quality and more competitive industry, according to Val Gibbons, Deputy Minister of Consumer and Commercial Relations (*Ottawa Citizen*, January 7).

The *Globe and Mail* editorial on January 6 observed that Peterson was inviting confrontation with Ottawa, Washington and Brussels outside the parameters of conventional international law. This, the editorial added, "reflects a distinct failure of imagination in dealing with Ontario's wine and grape industry, if not simple pique at having to bend to Canada's broader national interests."

***Fisheries***

Canadian negotiators pulled out of talks with their US counterparts in Vancouver in late January on Pacific salmon fishing allocations. The Pacific Salmon Commission meets regularly to handle issues arising from the March 1985 salmon treaty established by the two countries. The Canadian team decided to shelve negotiations on the West coast salmon treaty while trade talks between Canada and the United States on West Coast landing and grading rules continued in Washington. The West Coast treaty determined salmon interception allowances for US and Canadian fisheries (*Globe and Mail*, January 24).

***Sectoral Advisory Groups***

The Sectoral Advisory Groups on International Trade (SAGITs), which had previously advised the Canadian government during negotiations on the Canada-US Free

Trade Agreement, were re- constituted. The purpose of the re-constituted SAGITs and the previously announced International Trade Advisory Committee (ITAC), would be to provide a two-way flow of information and advice between the government and the Canadian private sector on international trade matters.

The thirteen SAGITs covered the full spectrum of Canadian economic activities. Some 300 prominent members of the business, labor, consumer, academic, research and cultural communities agreed to participate in these advisory committees. While the mandate of the advisory committees included all trade matters, the committees would be called upon mainly to advise the GATT-sponsored multilateral trade negotiations on trade development issues (External Affairs *News Release*, January 27).

### *Textiles*

Administration of the third-country fabric tariff rate quotas (TRQs) for apparel items under the Free Trade Agreement caused delays for importers at the Canada-US border. The Canadian Importers Association's newsletter stated that not only had importers been hit with new rules on certain Import Permits, but Canada Customs had been holding up shipments because its officers were unaware of these changes. In order to administer the TRQs, the Special Trade Relations Bureau of the Department of External Affairs implemented the requirement that all items be quantified in comparable units of measurement. Following protests from importers, Revenue Canada Customs and Excise issued a memorandum to its officers advising them not to hold up shipments if the sole problem was that the quantity could not be verified because the unites of measure were not comparable (Canadian Importers Association *Importweek*, January 18).

### *Drivers Licences*

Canada and the United States reached a bilateral understanding on the reciprocal recognition of commercial drivers licences. The agreement was to allow Canadian commercial drivers to operate in the United States without having to procure any US driver permits and the same would apply to US drivers operating in Canada. On December 29, 1988, letters were exchanged between the Canadian Embassy in Washington and the American Federal Highways Administration giving effect to this understanding.

Since July 1, 1987, it had been illegal for drivers in the United States to hold more than one commercial drivers licence. In Canada, all provinces have had legislation in place for some time prohibiting drivers of commercial vehicles from holding more than one licence (Government of Canada *News Release*, January 20).

### *Editorial Comment*

The *Globe and Mail* observed on December 2 that Canadian business had put itself on the line as never before in the 1988 federal election. It campaigned forcefully for the Canada-US Free Trade Agreement. It promised more and better jobs. It spoke with unusual passion about Canada's ability to compete in global markets. Business would be held accountable for these commitments, as it should be. The editorial concluded that the Free Trade Agreement had created "a window of opportunity for Canadian firms, including subsidiaries, to take and hold this ground. Business need only live up to its golden words in the 1988 campaign." The *Financial Post on December 2 advised that "Canada should now get serious about lowering barriers to the world beyond our continent." The editorial added that while consumers would obviously welcome that, business should show the same zeal for opening doors to other nations as it did for the US deal. The Gazette* (Montreal) stated on December 2 that Canadians remembered the large corporate lobby that promised during the election campaign that free trade would have no effect on social programs. However after the election, the editorial observed, some Quebec business groups started talking about how it was time to shape up, perhaps by moving toward more private medicine. Add the pressure of the trade deal to that of the deficit, the editorial concluded, and "some core Canadian programs look hideously vulnerable."

## Afghanistan

The impending withdrawal of Soviet troops from Afghanistan drew considerable editorial comment. The *Edmonton Journal* on January 16 encouraged the United Nations to avert what bloodshed it could and not allow the attacks from resistance factions to give the Soviets an excuse to miss the February 15 deadline for withdrawal. It added that "The UN should move quickly to establish a peacekeeping force large enough to prevent large- scale slaughter — and persuade the Afghan resistance to accept the peacekeepers. The *Globe and Mail* correspondent reported from Kabul on January 26 that while in the case of Vietnam war there had been a single Vietnam army, there was no unified mujahedeen force. Divided and disorganized, the Afghan guerrillas were unlikely to launch a precise coordinated attack on the city, predicted the correspondent.

The *Globe and Mail* editorial on December 15 stated that the world powers that had spent billions of dollars on war in Afghanistan must now give generously to the cause of peace and security. A decade of conflict, according to the editorial, had stripped an already poor nation of the ability to feed itself or to police the murderous internal armies which were still receiving new shipments of Soviet or US weapons. The *Globe and Mail* editorial concluded that "The Americans used Afghanistan as a testing range for their latest missiles. Aid to guerrilla warriors should now go to teachers, doctors and builders. Billions of dollars were found for war. Something must be found for peace."

## Burma

In the House of Commons on December 16 Jim Edwards (PC, Edmonton Southwest) urged the Canadian government "to continue to publicly condemn the killings and mass arrests by the Burmese army, to further encourage the restoration of democracy in Burma and an end to one-party rule, and to persist in raising the issue of human

rights and national reconciliation in its meetings with Burmese officials and in international organizations."

## India

### *Coal Project*

The Government of India signed a contract valued at $166 million with the Canadian Commercial Corporation to have Met-Chem Inc. (Montreal) provide equipment and services to increase the output of the Rajmahal Open Cast Coal Mine in India. The Export Development Corporation was to provide financing to the buyer to support the sale.

The contract called for Met-Chem Canada to increase the mine's production from one million tonnes per year to 10.5 million tonnes per year. The coal would be used as feed stock for two local thermal power stations. In the course of executing this contract, Met-Chem Canada would supply engineering services and would procure equipment, including mining, power supply, communications and earth moving equipment, along with power shovels, drills, trucks and generators — all from Canada. The sale is expected to generate 5,000 person-years of employment over the 5-year contract (External Affairs *News Release*, January 16).

### *Detention*

"Federal government officials have been stonewalled in efforts to find out why an Edmonton resident is in an Indian jail," wrote the *Edmonton Journal* on December 20. Amarjit Sohi, 25, was arrested in the Indian state of Bihar on November 17 following a visit to his native Punjab. Indian press accounts said that Sohi was being held under the country's anti-terrorism legislation because of suspicion he returned to India to train Sikh separatists. Some press accounts said he had been tortured in an interrogation center before being placed in jail. At least two human rights groups in India had called for his release. Edmonton Southeast MP David Kilgour (PC) said that news accounts about Sohi were at odds with what Indian authorities had told Canadian officials. "To my knowledge, there isn't a scintilla of suggestion...that he had arms in his possession or that he was doing anything illegal or improper," observed Kilgour (*Edmonton Journal*, December 20).

The Director of the Asia Pacific South Relations Division at External Affairs, Garth Pardy, in an interview with the *Edmonton Journal* of December 19 stated that "Our problem is we have no standing because he (Sohi) is still an Indian citizen. There is little we can do besides inquiring about his welfare and ensuring he has a lawyer." Sohi, a Canadian landed immigrant, had studied, worked and lived with his brother's family in Edmonton for seven years.

## Israel

Secretary of State for External Affairs Joe Clark told the Commons on December 16 that Canada already had contacts with the PLO and with other Palestinians which were of particular importance given the developments in the Middle east. Clark, therefore, did not forsee any immediate need for change in the level or nature of those contacts. Bob Corbett (PC, Fundy—Royal) had asked Clark whether Canada planned to raise the level of its diplomatic contacts with the PLO to that of "our American and European allies."

## Jordan

Petro-Canada International Assistance Corporation (PCIAC) announced the signing in Amman, Jordan, of an extension to its agreement with the Natural Resources Authority (NRA) of Jordan. The extension would permit PCIAC to continue the seismic acquisition and processing program in the Sirhan and Northern Highlands areas. This program was started in January 1988 in the Risha area. The new agreement also provided for further Canadian technical assistance to NRA and for continuing training activities until March 1990. PCIAC was to finance the foreign costs of the project, which would utilize contracted goods and services from Canada's oil and gas industry. The NRA would provide for all local costs (Petro-Canada International Assistance Corporation *Communiqué*, December 6).

## Libya

The shooting down of two Libyan military planes by two US F-14s on January 4 and the prospects of a chemical weapons facility starting operation in Libya prompted editorial comment. *The Gazette* of Montreal on January 5 referred to the shooting and wrote that Triopli was maintaining a posture of "injured innocence" while Washington claimed it acted in self-defence. The editorial added that "one cannot take either country's version at face value." Dogfights over the Mediterranean were child's play compared to the horror and devastation that chemical weapons could cause. The editorial suggested that the US allegations were serious enough, and the stakes were high enough, that Libya owed it to the world to back up its denials with real evidence.

But the *Edmonton Journal* editorial on December 21 stated that the United States, one of the greatest stockpilers of chemical weapons in the world, was making a fundamental mistake in its efforts to turn Libya into a pariah among nations for allegedly making chemical bombs. It suggested that a better course would have been to seek the cooperation of all countries, including Libya, in a worldwide ban of such weapons. The editorial conceded that the US rightly expressed concern about the apparent growth in the number of countries now possessing chemical weapons, but suggested that it pursued a counterproductive policy by attempting to isolate Libya, its old enemy, in the world's eyes. In such a deadly serious business, the editorial suggested the best path was to secure international cooperation — in which all countries could have a stake — rather than attempt to isolate one or two countries, such as Libya.

The US too often rattled its saber. But, according to the *Calgary Herald* on January 5, if ever "the sound of blade against scabbard were justified," surely it was now amid

reports that Col. Moammar Gadhafi was building a chemical weapons plant. The editorial added that diplomacy was the preferred course and hoped it would succeed. It encouraged Canada to support those efforts as the US, "in the name of all civilized nations, tries to deny a madman a dangerous weapon."

## Namibia/Angola

***Settlement***

Canada welcomed the agreements signed in New York on December 22 which provided for United Nations supervised independence for Namibia and phased Cuban troop withdrawal from Angola. External Affairs Minister Joe Clark stated that he was delighted, for this settlement would bring closer the long-delayed prospect of freedom for Namibia and offered the hope of peace for Angola. He added that Canada was ready "to play its part to help implement it in all aspects, and to assist in the development of independent Namibia." Angola, Cuba and South Africa had been negotiating under US mediation for over eight months (External Affairs *News Release*, December 22).

## Nepal

The detention of a Canadian citizen, Mervin Budd of London, Ontario, was raised in Parliament on December 22. Joe Fontana (Lib., London East) told the Commons that about two months ago Budd had been arrested in Nepal "for preaching Christianity" and had been held in prison since that time. Fontana termed Mervin Budd a "prisoner of conscience." The Minister for External Relations, Monique Landry, replied that Budd had retained a lawyer and that the Canadian Government would "assume all its responsibilites and give Mr. Budd the help he needs."

## South Africa

***Trade***

Canadian imports from South Africa jumped about 68 percent in 1988. The South Africans had boosted exports to Canada to more than $149 million from $89.4 million the year before. Statistics Canada's published figures covered imports for eleven months of 1988. The final tally for 1988 would not be available until early March. The New Democratic Party's external affairs critic, Bill Blaikie, (Winnipeg Transcona) said the figures "really show just what a sham the government's policy has been. It has been clear in the last year or so that the government did not have the political courage to live up the commitments the Prime Minister made in his first term." And the African National Congress representative in Canada, Yusef Saloojee, said there were alternative sources for the imported items. He asked, "So why go to a country so far away, whose policies you say you abhor totally?" (*Toronto Star*, January 26.)

***Treason Trial***

On November 18, a South African court found four defendants guilty of treason and seven others guilty of other political "crimes") for their role in organizing opposition to apartheid in 1984-85. Several of the defendants were members of the umbrella anti-apartheid organization, the United Democratic Front. They were sentenced to twelve years. Eight others were acquitted. External Affairs Minister Joe Clark said that the entire trial process appeared to be an effort by the South African government "to use the legal system to harass and suppress legitimate opposition" to apartheid. Mr. Clark urged the government of South Africa to negotiate with the leaders of the majority of South Africans instead of looking for new ways to jail them. He also called on the South Africa government to "intervene now to end what has been from the beginning an example of the use of the judicial process to pursue unacceptable political objectives" (External Affairs *News Release*, December 8).

## Spain

***EXPO 92***

Canada announced its participation at EXPO 92 to be held in Seville, Spain. The Exposition with its theme "The Age of Discovery" is expected to attract over thirty million visitors between April 20 and October 12, 1992. EXPO 92 would coincide with the year of implementation of the European Single Market as well as the 500th anniversary of Columbus's landing in the Americas and the Barcelona Summer Olympics (Government of Canada *News Release*, January 12).

## Sudan

"There is total anarchy in the Sudan. Famine and disease are killing thousands of people a year in the south and hundreds more are dying in the war. Millions are fleeing the country," according to Jacob Akol, Communications Director of World Vision Canada, as reported in the *Calgary Herald* on January 25. Sudan's 5-year-old war civil war was between the Sudan Peoples Liberation Army in the south and the Khartoum-based government in the north. The Southam News correspondent in Khartoum reported that the rebellious southern provinces had never accepted a full role in the House of Assembly because of their long-standing opposition to the imposition of Islamic religious law on what they want to be a secular state. The country was at war over this and a host of other grievances and aggravations that stemmed from the historical cultural differences dividing the country's two main racial groups. The correspondent reported that "to the dismay of famine relief workers, the government has sold thousands of tonnes of sorgum to Saudi Arabia for animal feed rather than attempt to deliver it to the starving south" (*Ottawa Citizen*, December 3).

The *Globe and Mail* noted in its editorial on January 26 that the Sudan could feed much of Africa, and the Sudanese could enjoy corresponding prosperity. Under that fertile soil, moreover, lie reserves of oil. It added that there

were some natural misfortunes, such as plagues of locusts, drought and flood, but Sudan's most serious wounds were self-inflicted. It was afflicted with religious divisions, made worse by a government determined to apply severe Islamic laws to the whole country. It was this insistence that triggered the outbreak of civil war in 1983 and sustains it today. The editorial welcomed the US Agency for International Development's plan to ship food to the rebel-held areas in the south after Prime Minister Sadek Mahdi expelled four Western relief organizations and told eight others to suspend operations. "The new aid plan could be regarded as interference in Sudan's internal affairs, but this should trouble only those who feel that half a million or so deaths is a fair price for the imposition of Islamic laws." The *Ottawa Citizen* on January 26 also advised the Sudanese government to stop its attempts "to starve its rebellious southern population into submission." It added that diplomatic protests from countries such as Canada had done little to convince the government in Khartoum of the need to settle the civil war.

## USSR

### *Leningrad Project*

Three Canadian companies, with the financial backing of American businessman Cyrus Eaton Jr., announced plans to build a hotel, shopping and amusement park complex costing $5-6 billion on the outskirts of Leningrad. The complex would be built in three phases over ten years on 100 square kilometers of virgin forest. Edmonton-based PCL Construction Group of companies, the biggest construction company in Canada, would be the main building contractor for the project. A delegation of Soviets, including Leningrad's deputy mayor, visited Canada earlier in the fall to look at projects such as the West Edmonton Mall. Lou Naumoviski, Department of External Affairs officer in charge of trade development with the USSR and Eastern Europe, said that the Soviets were keen to channel foreign money into construction projects. Five other joint projects with Canadian firms had already been signed, the officer added, and another thirty were being negotiated (*Financial Post* December 8).

### *Military Exchange*

In an address to the Conference of Defence Associations in Ottawa on January 27, the Minister of National Defence, Perrin Beatty, said Canada would take a number of steps to improve military exchanges with the Soviet Union. He said, "We have invited officials of the Soviet Union to visit the Defence Research Establishment at Suffield, Alberta, where they can see our facilities and observe the chemical agent destruction process we have been using in Canada....This offer is made without precondition." Mr. Beatty said that in order to encourage increasing confidence between nations the Department of National Defence would conduct military staff talks with the Soviet Union at a senior level and would pursue travel to the Soviet Union as a regular part of the itinerary of the National Defence College. And "as soon as the Russians complete their withdrawal from Afghanistan we will renew reciprocal port visits with the Soviet Union," added Mr. Beatty (National Defence *News Release, January 27).*

### *Earthquake In Armenia*

More than 100,000 people were feared dead and 400,000 were left homeless as a result of an earthquake in the Soviet republic of Armenia on December 5. Prime Minister Brian Mulroney said in Ottawa on December 9 that Canada would spend $500,000 to help survivors of the earthquake (*Toronto Star*, December 10). Ars Babikian, a spokesman for the Armenian Community Centre in Toronto said they were "disappointed and discouraged by the response of the Canadian government, which committed one plane and $500,000 compared with much more generous contributions by other Western countries. Babikian said the Armenian Community Centre had sent a letter expressing their disappointment to Prime Minister Mulroney and External Affairs Minister Joe Clark. The Armenian Community in Toronto had raised $310,00 (*Toronto Star*, December 11).

On December 11, the Secretary of State for External Affairs, Joe Clark, announced that the Canadian Government would contribute an additional $5,000,000 in emergency assistance to earthquake victims in Soviet Armenia. This contribution was in addition to the $550,000 already committed earlier. Mr. Clark noted that Canadian and Soviet officials had been in constant contact since the earthquake, and that the Soviet authorities had made it clear that their first priority for assistance was the provision of medical equipment. Both Soviet civil and Canadian military aircraft flew the emergency relief supplies from Canada. Mr. Clark added that Soviet officials were very appreciative of offers from Canadians to travel to the area to help, but they believed that they had adequate medical and relief personnel on the ground and that no additional foreign personnel were needed (External Affairs *News Release*, December 11). The Canadian government had allocated the bulk of its announced contribution to the Canadian Red Cross which was to respond to priorities as they arose. The Department of External Affairs announced in a *News Release* on December 16 that goods such as clothing and food were no longer required and needs for medical supplies were being met.

In a *News Release* on December 22, the External Affairs department announced that more than 500 tons of relief supplies gathered through Canadian Armenian communities' relief efforts or purchased through Canadian government funds, would have reached or had departed for the Soviet Union. Shipments had included sixteen flights from Canada provided by the Department of National Defence, the Soviet airline Aeroflot, Soviet military authorities, and other chartered aircraft.

The Canadian government's response to the earthquake disaster in Armenia had been sensitive and appropriate, according to the *Ottawa Citizen*'s editorial on December 15. It added that in tragedies such as these, the first priority of a government should be to find out what the stricken country required and then try to meet those needs. Canadians — and their government — responded responsibly and generously to Armenia's disaster in the hope that some lives could be saved.

# Multilateral Relations

## Chemical Weapons

***Paris Conference***

Diplomats from 149 countries gathered in Paris from January 7 to 11 for a conference on chemical weapons chaired by French Foreign Minister Roland Dumas.

The Canadian Delegation was headed by External Affairs Minister Joe Clark. The Conference, hosted by the French government, was to focus international attention on the need to eliminate chemical warfare. The Paris Conference was to reinforce the authority and status of the 1925 Geneva Protocol for the prohibition of the use in war of asphyxiating, poisonous or other gases, and of bacteriological methods of warfare. In addition, the Paris meeting was intended to provide increased impetus to the Conference on Disarmament, which was negotiating a total verifiable ban on the development, production, stockpiling and use of chemical weapons (External Affairs *News Release*, January 3).

External Affairs Minister Joe Clark in his address to the Conference recalled that in April 1915, Canadian soldiers in Flanders were among the first to suffer the terror, pain and death inflicted by chemical weapons. The Minister added, "It is a tragic part of Canada's national memory" (External Affairs *Statement*, January 8).

In the final declaration, the participating states (1) affirmed their "commitment not to use chemical weapons and condemn such use"; (2) recognized the "importance and continuing validity of the protocol for the prohibition of the use in war of asphyxiating, poisonous or other gases and bacteriological methods of warfare, signed on June 17, 1925, in Geneva"; (3) stressed the necessity of concluding, at an early date, a convention on the prohibition of the development, production, stockpiling and use of all chemical weapons, and on their destruction. To this end the participants called on the Conference on Disarmament in Geneva "to redouble its efforts, as a matter of urgency, to resolve expeditiously the remaining issues and to conclude the convention at the earliest date"; (4) the states participating were "gravely concerned by the growing danger posed to international peace and security by the risk of the use of chemical weapons as long as such weapons remain and are spread"; (5) affirmed that the United Nations provided a framework and was an instrument enabling the international community to exercise vigilance with respect to the prohibition of the use of chemical weapons. The conference affirmed full support for the UN Secretary General "in carrying out his responsibilities for investigations in the event of alleged violations of the Geneva protocol"; (6) the participating states "recalling the final document of the first special session of the United Nations General Assembly devoted to disarmament in 1978, underline the need to pursue with determination their efforts to secure general and complete disarmament under effective international control, so as to ensure the right of all states to peace and security" (text of the Declaration as it appeared in the *New York Times*, January 12).

Canada welcomed the concluding declaration of the Paris Conference on Chemical Weapons as a major step on the road to banning these weapons. External Affairs Minister Joe Clark noted that "the international community, as never before, has resoundingly endorsed the objective of a total chemical weapons ban." He added that it was now of utmost importance that Canada and others involved in the negotiation at the Conference on Disarmament in Geneva of a comprehensive and verifiable chemical weapons ban took advantage of this renewed political momentum to bring the negotiation to a conclusion at the earliest possible date (External Affairs *News Release*, January 11).

Soviet Foreign Minister Eduard Shevardnadze announced at the outset of the conference that his country would begin scrapping chemical weapons in 1989 and destroy gas in a special plant now under construction. The Soviet Union was to allow international observers to monitor the operation (*Toronto Sun*, January 10). The *Edmonton Journal* editorial on January 10 noted that the Soviet Union had given "a badly needed impetus" to efforts to control chemical weapons. It went on, "It is a proposal that should be hailed. Unfortunately, the United States so far has made only the traditional response of suspicion and caution....The Americans would do better to welcome their fellow superpower as an ally on the issue."

The Soviet's decision was welcomed only because it marked progress compared with a year ago, when Moscow would not even admit to having such weapons, observed the *Ottawa Citizen* in its editorial on January 11. It added that behind the "public relations bonanza reaped by the Soviets" at the Paris Conference was the sobering reality that nobody really knew the extent of their stockpiles. The Soviets claimed to have had 50,000 tons, but Western experts estimated they might have had up to 300,000 tons of chemical arms in storage. The *Winnipeg Free Press* on January 14 wrote that the Soviet Deputy Foreign Minister Victor Karpov had painted a more realistic and credible picture of Soviet intentions by conceding, at a Paris press conference, that the Soviets did not yet have a plant for destroying chemical weapons. When they did, he thought by late summer, it was to be used for experimental destruc-

tion only. It would begin destroying chemical weapons only in harness with progress in Geneva on an international treaty obligating all other countries to do the same. He said that he could not guarantee that his country would destroy all of its toxic chemicals, nerve gases and blistering agents. The *Free Press* editorial stated that Karpov's frankness was refreshing. It was far more reassuring than the incredible Shevardnadze claim that the Soviet Union would give up a military advantage without a corresponding concession by the United States.

External Affairs Minister Joe Clark had struck the right note at the conference, according to the *Winnipeg Free Press* editorial on January 10, when he made the simple point that all countries should "ban all chemical weapons...get rid of them everywhere and forever." This was a more useful contribution, added the editorial, than that of Arab League member states, who arrived to argue that nothing should be done about chemical weapons without matching nuclear disarmament.

As ever more countries gained mastery of the known techniques of mass destruction, control of the global balance of terror was slipping away from the superpowers, observed the editorial in the *Globe and Mail* on January 11. It added that the capacity to produce chemical weapons did not give the world's poorer nations anything like military parity with the Soviet Union, United States, China and the European powers. But possession of chemical weapons "shrinks the importance of the technological advantage the Western and Soviet bloc nations enjoy." It had been clear for some years that the members of the nuclear club could not maintain forever their monopoly on weapons of mass destruction. But, the editorial concluded, never before had the countries of the Third World "so firmly asserted their right to be weighed in the global balance of power. (See also Policy, Chemical Weapons.)

## European Community

### *Beef Ban*

The Department of External Affairs confirmed that Canada did not intend to pursue any retaliatory actions against the European Community (EC) for its ban on imports of hormone-produced meat for human consumption. Since the ban was amended to exclude pet foods, only about $2.5 million of Canadian exports were expected to be effected (Canadian Importers Association *Importweek*, January 18).

### *Fish Quotas*

The *Chronicle-Herald* of Halifax in an editorial on December 14 stated that the EC had decided to establish quotas for its own vessels in the northwest Atlantic, in waters just outside Canada's 200-mile economic zone. In doing so, according to the editorial, the EC had "arrogantly ignored " recommendations of scientific advisers in the North Atlantic Fisheries Organization (NAFO), — even though both the Europeans and Canada were members of the organization. The EC planned to take 160,000 tonnes of cod outside the zone. NAFO had set aside 13,000 tonnes of cod for the Europeans in the area. The editorial advised that Canada should not allow these vessels to harvest any cod within our waters, when they were pillaging stocks just outside the zone. The real tragedy on the Grand Banks was the dramatic decline in cod stocks both inside and outside the Canadian zone. The *Financial Times* of London reported on December 12 that the European Community fisheries ministers had approved a European Commission proposal that the Total Allowable (Tac) for cod in the North Sea was to be cut by 20 percent in 1989 to 118,700 tonnes and the Tac for haddock was to be reduced by 60 percent to 62,500 tonnes.

### *Provincial Liquor Board Practices*

Canada reached an agreement with the European Community to resolve the long-standing dispute over discriminatory provincial liquor board practices. The negotiated agreement would enable Canada to meet its obligations under the General Agreement on Tariffs and Trade (GATT) panel decision adopted in March 1987 and avoid the imposition of penalities on Canadian exports by the European Community of up to $150 million a year.

A key objective in the negotiations was to obtain the longest phase-out period possible for differential price markups to enable the Canadian wine industry to adjust to a more competitive environment. For example, an extended phase-out (ten years) was achieved for the most vulnerable Canadian wines, those made from 100-percent Canadian grapes in Ontario, British Columbia and Nova Scotia.

The settlement did not require changes to existing beer marketing practices in Canada, but did cover measures related to the listing of beer for sale and provided that the differential price markups that now existed would not be increased. For spirits, all differential markups were to be removed by January 1, 1989. Ontario brandy was the exception: it would have a phase-out over five years.

The dispute between Canada and the European Community dated from the 1970s. Earlier bilateral efforts to reach agreement had been unsuccessful and the European Community took Canada to the GATT in 1984. Three separate negotiating sessions were held in 1988 with the full participation of the provinces. In August and September 1988, the federal government had announced with Ontario and British Columbia a jointly funded $128 million program to assist grape-growers in those provinces to adjust to the increased international competition. (See also International Canada, August and September, Bilateral, USA, Grape Growers.) The European Community accounts for the great majority of imported wines in Canada: in Ontario, for example, European wines constitute about 95 percent of imports compared to 2 percent for US wines (External Affairs *News Release*, December 20).

## Exchange Rate

The Canadian dollar was worth US$.828 at the beginning of December and US$.832 at the end of January.

# GATT

### *Mid-Term Review*

Delegations from 105 countries met in Montreal December 5-8 for a mid-term review of the current round of the General Agreement on Tariffs and Trade (GATT) negotiations. The meeting was the mid-term session of the Uruguay Round of trade negotiations, launched in Punta del Este, Uruguay, in September 1986. Canada's International Trade Minister John Crosbie chaired the opening and closing sessions. Ricardo Zerbino Cavajani, Uruguay's Minister of Economy and Finance, chaired the proceedings of the Trade Negotiations Committee to which all negotiating groups reported.

At a Montreal press conference, Mr. Crosbie stated that "the GATT is the cornerstone of our trade policy — always has been and always will be." He added that the Canada-US Free Trade Agreement "can serve as a catalyst for dealing with some of the thornier issues in the multilateral trade negotiations. In light of the Free Trade debate and the fact that the US market accounts for over 70 percent of our exports, it is understandable that so much attention has been paid in Canada to our trade with the US. But, we must not forget the substantial amount of trade we already have with major export markets such as the European Community, Japan and other major Asia-Pacific markets. The potential for growth of our exports in those markets is immense."

The Minister for International Trade listed what Canada was seeking in the Uruguay Round: (1) reduction or elimination of tariffs; (2) the elimination of non-tariff barriers to trade, such as the misuse of technical standards to block competing products from entering a country; (3) the improvement of GATT dispute-settlement mechanisms so that disputes with trading partners could be resolved in a more timely and effective manner; (4) the liberalization, in a fair and equitable way, of agricultural trade and the elimination of trade-distorting subsidies which had proved to be so costly to Canadian farmers. But the Minister cautioned, "When you are negotiating with over 100 countries on such complex and technical issues, you must be patient. We do not expect dramatic results in Montreal. This is not the purpose of the meeting" (External Affairs *Statement*, December 2).

Such was the despair into which the Montreal trade talks had sunk in their closing stages, reported the *Financial Times* of London on December 12, that a last minute decision to adjourn them until April next year in Geneva was billed as a miraculous success. The *Financial Times* further observed that having themselves utterly failed to break the deadlock between the US and the EC over long-term farm trade reform, the ministers seized with delight on the opportunity to hand the burden on to Arthur Dunkel, Director General of the GATT. All attention was now focused on the question of whether Mr. Dunkel could succeed where Ministers failed — in resolving the US-EC dispute.

"We can't claim this meeting was a success, but neither was it a failure," claimed Trade Minister John Crosbie at the conclusion of the Montreal session of the Uruguay Round. He added, "It was not designed to deliver dramatic results. We knew we weren't going to solve the world's trading problems in a few days and nights" (*Financial Post*, December 10.

GATT could not agree on freeing intellectual property (copyrights and patents), lifting barriers on textiles, or implementing safeguards to protect industries from being overwhelmed by imports. On these too, countries were to confer over the next four months. There were, however, accords on adopting institutional reform, streamlining dispute settlements, lowering tariffs and quotas, and liberalizing trade in services and tropical products. But issues were linked to progress in agriculture, and when that fell through, so did everything else (*Financial Post*, December 10). In Montreal, politics triumphed, at least for then. The Europeans, mindful of farmer protests at home, simply refused to accept US demands that subsidies distorting trade in farm products should be eliminated (*Ottawa Citizen*, December 10).

Prime Minister Brian Mulroney, in his address to the 900 delegates at the conference, stated that "Either we move ahead resolutely towards a freer and more effective multilateral trading system or we slip inexorably backward toward a more insidious form of protectionism" (*Financial Post*, December 6).

### *Agricultural Subsidies*

Agriculture dominated the 15-item agenda. Ultimately, the differences between the Americans, who wanted the elimination of farm subsidies, and the Europeans, who wanted only to reduce them, were too great to overcome. Those farm subsidies were to cost the US and EC US$51 billion in 1988. (*Financial Post*, December 10).

Canada and twelve other grain-exporting countries tried to bridge the gap but failed. In Canada, aid to farmers amounted to nearly $4 billion in 1987 and $3 billion in 1986 (*Ottawa Citizen*, December 10). Trade Minister Crosbie told a final news conference in Montreal that Canada had placed a high priority on long-term reform of agricultural trade. "Despite the concerted efforts of Canada and other countries to forge a consensus on the goal of long-term agricultural trade reform, the gap between the European Community and the US was just too great to bridge" (*Globe and Mail*, December 10).

The Minister of State for Agriculture, Pierre Blais, told the annual convention of the Union des Producteurs (UPA) in Quebec City on December 2, that Canada had a more flexible position than the United States on the issue of subsidies. Canada, he said, believed only subsidies that distorted international trade should be reduced. The Minister repeated that it was important to maintain GATT Article XI and to ensure that abuse did not occur. With respect to Canada's position in multilateral negotiations, Mr. Blais stressed that this country's supply management programs and import restrictions were totally in keeping with the GATT (Agriculture Canada *News Release*, December 2).

# NATO

The *Toronto Star* reported on December 20 that a study by the Canadian Institute for International Peace and Secu-

rity (CIIPS) reported that from 1983 to 1987 Canada spent 2.17 percent of its GNP on defence. The United States had spent 5.98 percent; Britain 5.01 percent and West Germany 32.0 percent. The Institute also stated that in absolute dollars, Canada's military budget ranked 15th in the world. And Jane's 1988-89 *NATO Handbook* observed that "Canada makes one of the lowest defence efforts in NATO." The 209-page publication added that Canada had been "a quiet, distant member of the alliance in recent years" (*Toronto Sun*, December 21).

The *Toronto Star* editorial on December 5 wrote that the CIIPS report also noted that in the 1980s Canadian military spending had jumped 50 percent. The Institute added that on a per capita basis, Canada (28th in the world) spent roughly the same as Australia and West Germany and nearly three times as much as Japan. The editorial concluded, "So it depends on how you read the figures." Robert Fowler, Assistant Deputy Minister for Policy in the Department of National Defence, conceded that "Canada is at the bottom of the NATO heap" when "it comes to manpower," but noted that the size of the forces had actually increased to its current 87,000 from the 1975 nadir of 75,000. The number of soldiers, sailors and airmen slid beneath 1 percent of the nation's labor force in 1988, to the lowest level since the Second World War (*Globe and Mail*, January 18).

## United Nations

### *Illicit Traffic in Narcotic Drugs*

Canada signed the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances in Vienna on December 20. The Convention was negotiated over the previous three weeks during a United Nations Conference attended by 104 countries. The new Convention greatly enhanced worldwide cooperation by making international criminal offences of drug trafficking, money laundering and the illicit cultivation of narcotic plants. It also established procedures to facilitate extradition of drug offenders and the confiscation of proceeds derived from drug offences. Mutual legal assistance and other forms of cooperation among police forces, customs agencies and health officials were strengthened (External Affairs *News Release*, December 20).

### *Human Rights*

A Canadian, Professor John P. Humphrey of McGill University, was awarded a United Nations Human Rights Prize on the occasion of the fortieth anniversary of the Universal Declaration of Human Rights. Dr. Humphreys is the first Canadian so honored. He was to receive the award in New York, where he was also to speak for Canada at a special plenary session of the General Assembly. Dr. Humphreys was the first Director of the United Nations Human Rights Division and was instrumental in the preparatory work and drafting of the Universal Declaration, which was adopted by the UN General Assembly in 1948 (External Affairs *External Affairs*, December 8).

In his address to the General Assembly on December 8, Professor Humphrey observed that no other international instrument had ever better reflected the aspirations of mankind as the Universal Declaration on Human Rights. It had inspired a whole new body of international law, including the two United Nations Covenants on Human Rights. Professor Humphrey added that "Human rights are directed to the protection of the dignity and worth of the human person. But human rights law also has another purpose. History tells us that there is a close relationship between respect for human rights and the peace of nations. The catalyst that brought about the references to human rights in the United Nations Charter and later the adoption of the Universal Declaration was indeed the gross violations of these rights that occurred during and immediately before the Second World War. Two of the main purposes of the United Nations, as proclaimed by Article 1 of the Charter, are to maintain international peace and security and to promote respect for human rights. That association is no accident" (Canadian Delegation to the United Nations *Communiqué*, December 8).

### *Security Council*

External Affairs Minister Joe Clark announced that Canada would officially begin its fifth 2-year term as a non-permanent member of the United Nations Security Council on January 1, 1989. Under the monthly rotating system for chairing the Security Council Canada would assume the role in October 1989 (External Affairs *News Release*, December 30).

# Policy

Audrey McLaughlin (NDP, Yukon) informed the House of Commons on December 16 that the lives of the people of the far North were at risk. According to the Member, "uncontrolled use of pesticides, chemicals, and toxic substances in the Soviet Union and Europe" had brought pollution to the Arctic which threatened the food supply of the Inuit. She asked for the source of the pollution to be determined and removed and called on the government to fulfill its commitment to constitute the Canadian Polar Research Commission and to commence circumpolar negotiations for an Arctic pollution treaty.

McLaughlin asked the Minister of National Health and Welfare, Jake Epp, in the Commons about reports that the staple food supply of the Inuit was in jeopardy owing not to a 1-time environmental event, but to accumulation of deadly toxins over a long period of time. The Minister informed the House that it was three years ago when the government began to assess the extent of organic pollutant contamination in the Arctic food sources. He added that there had been a suggestion for consideration of a circumpolar conference on Arctic pollution (*Hansard*, December 19).

## Chemical Weapons

### *Paris Conference*

Secretary of State for External Affairs Joe Clark led Canada's delegation to the conference of Chemical Weapons in Paris, January 7-11, 1989 (External Affairs *News Release*, January 3).

"Canada's goal is to have all nations ban all chemical weapons, — to get rid of them everywhere and for ever," Mr. Clark told the Paris Conference. He added that Canada sought a comprehensive ban, that prohibited not only the use, but the production and stockpiling, of chemical weapons. "Specifically, we can condemn the use of chemical weapons, and commit ourselves not to use them," promised Clark. He added that as a party to the 1925 Geneva Protocol, Canada had accepted fully its obligations on chemical weapons use. "Our policy is clear: Canada does not intend at any time to initiate the use of chemical weapons; Canada does not intend to develop, produce, acquire or stockpile such weapons, unless these weapons are used against the military forces of the civil population of Canada or its allies. What does this mean? First, it means that Canada is applying its obligations under the Protocol to Parties and non-Parties alike. Second, we have adopted a firm policy of non-production to help achieve a comprehensive ban on chemical weapons. Third, Canada has already advised other nations of the destruction of the bulk, useable chemical warfare agents which it had stockpiled during the Second World War" (External Affairs *Statement*, January 8). [See also Multilateral, Chemical Weapons, Paris Conference].

The Minister of National Defence, Perrin Beatty, told the Conference of Defence Associations in Ottawa on January 27 that "Our goal is to rid the world of chemical weapons." He added that in February, for the first time, the Department of National Defence would send a Defence Science Counsellor to contrubute to the chemical arms control negotiations in Geneva. The addition of this scientist to the team would strengthen Canada's commitment to banning chemical weapons (National Defence *News Release*, January 27).

### *Canadian Forces*

*The Province* (Vancouver) reported on December 9 that artillery shells believed to contain deadly chemical agents had been shipped to British Columbia from Alberta in 1947 to be dumped in the Pacific Ocean, according to two former Canadian servicemen. One of the retired servicemen, Patrick Thomas, 61, had passed the information on to New Democratic Party researcher Andrew Mitrovika. Most of the shells had come from the research base in Suffield, Alberta, which was set up during the Second World War to test deadly nerve and mustard gases and biological agents, according to the information provided by the servicemen. The Minister of National Defence, Perrin Beatty, in a letter released by the NDP, stated that there were no military records of dumping chemical agents in the Pacific in 1947. The letter added that the Atlantic was considered the "easiest, safest and most economical means of getting rid of the mustard gas. It would not now be permitted." Ed Norrena of Environment Canada was reported to have said in 1984 that the mustard gases posed no serious threat to human or ocean life, since leaks would be diluted and eventually neutralized by the vast ocean waters.

A few days later, on December 13, Assistant Director-General for Research and Development at the National Defence headquarters in Ottawa, Col. Conrad Mialkowski, admitted that shells containing mustard nerve gas had been dumped about 160 kilometers off the coast of British Columbia following the Second World War. Mialkowski said the shells were in an ocean trench well off the continental shelf and are 2,500 meters deep. The temperature was about zero degrees and the shells were under 25,511.5 kilopascals (3,700 pounds per square inch) of pressure (*Vancouver Sun*, December 14).

William Barton, a former Canadian ambassador to the United Nations, had conducted a review on the Canadian forces' nerve gas research and recommended improved safety procedures, but said the program had not posed any danger to health or the environment. Barton conducted the review of the research program at Canadian Forces Base Suffield in southern Alberta. The review also looked at international development and use of chemical weapons, also found that the expertise developed through

the research had made Canada a world leader in chemical weapons disarmament. National Defence Minister Perrin Beatty, who had ordered the review in August 1988, accepted Barton's sixteen recommendations to tighten up the program's safety management. The purpose of research at CFB Suffield was to protect Canadian troops from chemical weapons developed by other nations. The research at the facility had been conducted since 1941 (*Toronto Star*, January 25).

Opposition MPs were quoted in a story in the *Ottawa Citizen* on January 26 as stating that the review ordered by the National Defence Minister failed to deal with the danger to nearby residents from testing on the outdoor range at Suffield. Liberal health critic Sheila Copps (Hamilton East) demanded that the government set up an inquiry to recommend steps to ensure future chemical and biological defence testing would not jeopardize residents downstream. The New Democratic Party's environment critic, Jim Fulton (Skeena), stated that the review was not based on consultation with anyone outside the military establishment. He added that some scientists had expressed concern that the downwind drift of toxic vapors from the testing site could have endangered people and animals fifty kilometers away (*Ottawa Citizen*, January 26).

## Conventional Armed Forces

Canada agreed to participate in the new Negotiations on Conventional Armed Forces in Europe. The mandate for this negotiation would provide for talks among the twenty-three states that are members of the North Atlantic Treaty Organization (NATO) and the Warsaw Pact. The talks would be aimed at strengthening security in Europe through the establishment of a stable balance of conventional armed forces at lower levels.

Secretary of State for External Affairs Joe Clark noted that the Negotiation on Conventional Armed Forces in Europe was expected to begin in Vienna in March 1989, within the context of the Conference on Security and Cooperation in Europe (CSCE). The Minister expected the new negotiations on conventional forces would focus on those weapons systems which were capable of mounting large-scale offensive operations and of seizing and holding territory, and effectively eliminate the danger of surprise attack in Europe. Europe was a heavily militarized region, with over five million men and women of the armed forces of two opposing military alliances facing each other (External Affairs, *News Release*, January 16).

The *Ottawa Citizen* in an editorial on January 17 stated that when the representatives of the Warsaw Pact and the North Atlantic Treaty Organization sat down for talks they would have to negotiate the elimination of the most threatening aspects of each other's military position, agree not to deploy or modernize forces during the negotiations, and set limits on troops numbers and armament. The editorial added that both the United States and the Soviet Union had "pressing economic reasons to reduce defence spending. And superpower relations were as good as or better than ever before. The setting for a deal was right. "The political will of the parties must now prove equal to the occasion," stated the *Ottawa Citizen*.

## Defence

### *Submarine Acquisition Project*

A Gallup poll released on January 21 suggested that 69 percent of Canadians were opposed to the government plan to buy nuclear-powered submarines, with only 22 percent supporting it. Canadian government had announced in its 1987 Defence White Paper the intention to purchase a fleet of ten to twelve nuclear-powered submarines at an estimated cost of $8 billion.

And a report released by the foreign affairs and defence committee of the Senate of France said that the costs of producing the nuclear submarines were already running almost 22 percent over budget. "Canadian decision-makers, particularly those responsible for ensuring we don't get into something we can't sustain, should pay very close attention to this" observed John Lamb, Executive Director of the Canadian Centre for Arms Control and Disarmament (*Toronto Star*, December 12).

An editorial in the *Winnipeg Free Press* on December 13 stated that the latest information from France on the cost of its submarines might give the Department of National Defence cause for second thoughts, were the French Rubis to be the one selected. The main advantage of the Rubis, which was acknowledged to be smaller, noisier and lacking in under-ice capabilities, was that its price tag was considerably less than that being asked for the larger, quieter British Trafalgar. The editorial added that reports from France indicated that this advantage was rapidly disappearing. The French Senate report gave two reasons for the sharp increase in projected costs: initial estimates by experts were too low; as well, designers were attempting to make the boats quieter, to develop better detection equipment and to improve the quality of materials being used in their construction. The editorial advised that before another move was made, the Department of National Defence must persuade its minister that its cost figures were accurate. And the new figures should be made public and should be convincing to more than the tight-knit group of senior officers who now supported the program. The *Winnipeg Free Press* concluded that "Too many Canadians remain unconvinced that buying nuclear-powered submarines is a prudent expenditure of scare defence dollars."

The *Winnipeg Sun* editorial on December 6 observed that years of neglect had left our navy embarrassingly weak. It added that the case for some kind of submarines was a strong one. They would be an important addition to NATO, while helping Canada maintain sovereignty in the North. "But," the editorial cautioned, "despite the obvious need, we have to take a sober second look at the whole issue. The navy must be refurbished. That means megabucks no matter what we buy. But are nuclear-powered subs the best way to go? The Tories haven't convinced themselves, much less the rest of the country." The *Cal-*

*gary Sun* editorial, however, suggested that Canada had to get something going, if only so that the navy had something to float in bigger than a bathtub. It added "Not only would nuclear subs be an important addition to NATO, they would help us maintain sovereignty in the North. That's the *only* reason the Americans are opposed."

Northwest Territories leader, Dennison Patterson, speaking to reporters following an Arctic policy session at McGill University's Centre for Northern Studies and Research, said, "We could build an awful lot of roads, docks and airstrips for $8 billion." He got support from Mary Simon, President of the Inuit Cicumpolar Conference and a native of Kangiqsualujjuaq in northern Quebec, who said, "We are concerned about the militarization of the Arctic in general" (*Toronto Star*, December 2).

## East-West Relations

In a speech to the United Nations on December 7, Soviet leader Mikhail Gorbachev announced that Soviet forces would be reduced by 500,000 and promised that Soviet forces in Eastern Europe would adopt a purely defensive posture. Prime Minister Brian Mulroney termed the announcement "a positive contribution to arms control and improvement in East-West relations" (*Toronto Star*, December 8).

Only five years ago, the détente of the 1970s was everywhere in ruins, Secretary of State for External Affairs Joe Clark told a meeting at the University of Calgary on January 13. But "Today, the skies are a lot clearer. The Soviets are leaving Afghanistan, they are destroying their SS-20 missiles and last weekend in Paris they announced their decision to destroy chemical weapon stockpiles....In military terms, despite Mr. Gorbachev's very welcome initiatives to reduce the huge Soviet military machine, the West still must face formidable and ever- improving Soviet forces. Each year, the USSR spends somewhat between 15 and 20 percent of its GDP on defence." According to Mr. Clark whatever the motive, or the momentum, the Soviet Union was moving from the worst sort of closed society toward a more free and open system. He observed that we might be entering a new and more "fluid era," where East-West difference were much less "sharply etched" (External Affairs *News Release*, January 13).

Canada had been altogether "too cautious in responding to the bold disarmament initiatives" taken by Soviet leader Mikhail Gorbachev, noted the editorial in the *Toronto Star* on December 10. "And since the United States can't do much until President-elect George Bush takes over in January, why doesn't Canada show some leadership?" asked the editorial.

## Peacekeeping

Canada's contribution to peacekeeping was highlighted by the Minister of National Defence, Perrin Beatty, in a speech in Ottawa on January 27 to the Conference of Defence Associations. The Minister said, "We will continue and improve where possible our contribution to peacekeeping, remembering that global uncertainty can produce challenge and instability from any quarter. Although there has been no major global confrontation for more than forty years, nor has there been global peace." The Minister observed that "important peacekeeping challenges loom on the horizon and we must be prepared. Clearly, limits of 2,000 members of the Canadian Armed Forces (for peacekeeping purposes) may be insufficient in the world of tomorrow and we must organize the army of the future to respond quickly and effectively to peacekeeping challenges" (National Defence *News Release*, January 27).

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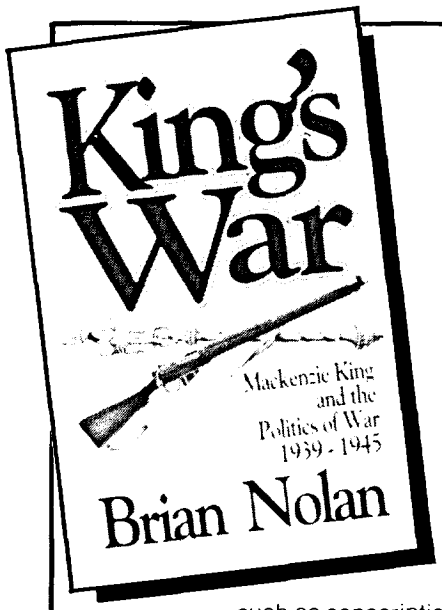


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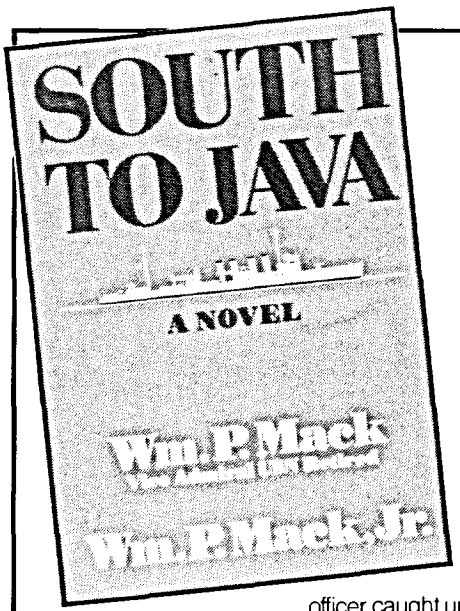


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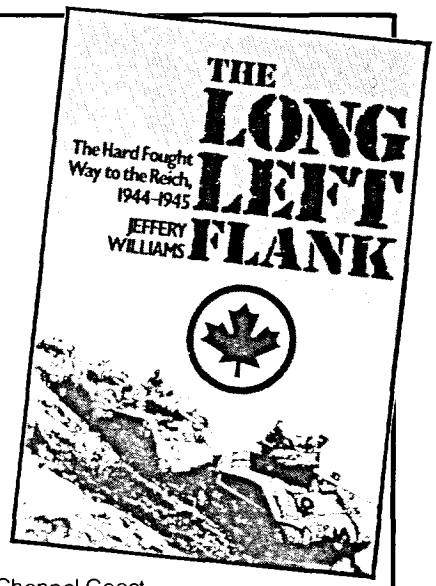


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EDITED BY JOHN MYLES



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## *Editor's Note:*

*We regard extremists as dangerous, and we frequently regard fundamentalists as extremists. It is that kind of association that makes it effortless for us to equate the Shi'a branch of Islam with extremism, and to see the majority Sunni branch as innocently mainstream. Only recently (at the level of the non-expert) have we been discovering that not all the fundamentalists are Shi'a. Afghanistan is demonstrating that daily, and in this edition of* ***International Perspectives*** *we examine a similar phenomenon in Egypt, the most populous country in the Arab world, and one that we do not naturally associate with pan-Islamic nationalism. Howard Skutel of Montreal shows us the origins and current state of growing Egyptian fundamentalism.*

*Another Middle Eastern issue that commands our attention in a sporadic way is Cyprus, where Canadian troops have been involved almost since independence nearly three decades ago. That is communal strife of a most tenacious kind, and in the first of two articles representing that division, we have the view of a Turkish Canadian, Fuat Borovali of the University of New Brunswick.*

*Gorbachev's impact on the international security scene has created some questioning of the earlier ways of looking at the maintenance of Western security. One Canadian who is engaging in that new looking — after forty years of NATO — is John Halstead, professor and former diplomat. He has a proposal for a new concept of security.*

*On the other side of that corroding "Iron Curtain" a different kind of ferment is taking place that has become the favorite sport of today's world watchers. "Can Gorbachev bring it off?" A Canadian student of that undertaking is John Battle of Columbia University, who sees Gorbachev facing extreme difficulty in finding the support he needs in the unready Soviet infrastructure. It could defeat him.*

*Another debate without end — like all of the above — is the efficacy of sanctions, both generally, and especially in relation to South Africa and the demolition of apartheid. Robert Henderson of the University of Western Ontario notes some results of the pressure.*

*Book reviews are becoming a more substantial part of this journal. That is especially true of this issue, where a larger than usual budget of notices is enhanced by a Review Article by Ottawa journalist W. A. Wilson on the definitive book on John Diefenbaker's foreign policy by former diplomat Basil Robinson.*

*An announcement: The Department of External Affairs has decided to discontinue "International Canada," their supplement to* ***International Perspectives*** *for the past seven years. It is being seen in this issue for the last time.*

# A new concept of security

by John G. H. Halstead

This year NATO celebrates its fortieth anniversary. The allies have solid grounds for satisfaction but none for complacency. They have secured peace in freedom for themselves for the longest period in modern history. They have applied successfully the hard-won lessons of two world wars: first, that to prevent war one must be strong enough to deter any attack from a potential adversary and thus to ensure that aggression will not pay; and second, that war prevention must have a political as well as a military dimension. Hence, NATO's 2-track policy of defence/deterrence and dialogue/détente, and the importance of NATO in the management of East-West relations.

NATO's very success is now one of its problems, however. It has led some people to overlook the causes and to take the reasons for granted. But the essential elements on which Western security has rested since the Second World War are not self-generating. There are three: the rough East-West balance of power, global stability and transatlantic solidarity — and they have in fact been undergoing important modifications over the years.

Take the East-West balance of power. In the early postwar years the Soviet superiority in conventional forces was more than compensated by the American superiority in nuclear forces. This has been steadily eroded, as the Soviet Union has built up its nuclear arsenal, so that today there is overall nuclear parity. But the Soviet Union has also maintained its conventional superiority in quantitative terms, while closing the gap in qualitative terms, and it has developed a naval capability to project power worldwide. The balance of power cannot, of course, be considered as a purely military equation — economic and political factors must also be taken into account, and these favor the West. But the essential fact is that, while the East has not achieved a decisive edge, the West no longer has one; the balance is dynamic, not static.

**Growing interdependence**

The global picture has also been undergoing profound change. For one thing, the world's nations are more and more interdependent, while the bipolar pattern of the two superpowers has been giving way to a more diffused power structure, as other power centers in Western Europe, the far East and the Third World have emerged. In particular the economic power on which the leadership role of the United States is based has been declining in relative terms. At the same time there has been a breakdown in the American national consensus on security questions. The Vietnam war dealt bipartisan foreign policy a blow from which it has still not recovered.

As for transatlantic solidarity — ultimately perhaps the most important of the three elements — it has also been affected by the shift in the balance of power within the Atlantic community. On the European side the allies have organized themselves into a trading bloc which is the biggest industrial rival of the United States. Their economic power will be further enhanced by completion of the internal market planned for 1992, and they are speaking more and more with one voice in foreign policy. Yet they remain dependent on the United States for their defence. On the US side there are two dangers: over-commitment and unilateralism. In defiance of the decline in US predominance, Americans continue to have too great expectations of their ability to influence events abroad and of the support forthcoming from friends and allies. There is too easy an assumption that others will be grateful for American help and there is resentment when they are not. The temptation then is to say "To hell with them!" and to try to go it alone.

On both sides there has been a reluctance to adapt to the new realities of greater equality. The Americans accuse the Europeans of criticizing US policies, and of failing to carry their fair share of the defence burden. The Europeans charge the Americans with failing to take adequate account of European views, and of using their leadership position to exact economic concessions. It is not a good basis for a healthy partnership.

**New clear dilemma**

Parallel to these changes, NATO's military "track" has evolved from a strategy of "massive retaliation" to "flexible response." But today NATO finds itself in a nuclear dilemma, as a result of the combination of Soviet-US nuclear parity and Soviet conventional superiority. On the one hand, there is the chiefly American viewpoint that, if deterrence fails, it would be better to fight a limited conventional war than an all-out nuclear war; the nuclear threshold should therefore be kept high enough to avoid the risk of nuclear war in time of crisis. For this purpose and to make the deterrent credible to the Soviets, the Americans want NATO's conventional capabilities to be improved as much as possible and the link to the US strategic deterrent not to be automatic.

On the other hand, there is the mainly European viewpoint that neither nuclear war nor conventional war is an acceptable option, since Europe would be devastated in either case; the nuclear threshold should therefore be kept low enough to make it clear to the Soviets that *any* aggression would lead to nuclear

*John Halstead is a former Canadian Ambassador to the Federal Republic of Germany and to NATO, and now Distinguished Research Professor at Georgetown University in Washington, D.C. He was Paul Martin Professor of International Relations and Law at the University of Windsor in 1987-88. This article is based on a lecture given at the University of Windsor in 1988.*

war, with unacceptable costs to the aggressor. For this purpose and to make the deterrent credible to the Soviets, the Europeans want to tie NATO's defence in Europe as closely as possible to the US strategic deterrent.

At the same time, NATO's political "track" has evolved with the ups and downs of the superpower rivalry. Recently the pendulum has swung back to an easing of East-West tensions, due in the main to the US-Soviet rapprochement which followed Gorbachev's coming to power. In the last four years Gorbachev has set developments in train, with his so-called "new thinking," which are of enormous potential significance not only for the Soviet Union but also for the West. Apparently convinced that the survival of the Soviet system is at stake, he has given top priority to getting the Soviet economy moving again and for this purpose he has been seeking economic and political renewal at home and stability abroad.

**Gorbachev's revolution**

Abroad he wants the Soviet Union to present a new face, more open to dialogue and less confrontational. As the fundamental principle of his new political outlook Gorbachev has said that nuclear war cannot be a means of achieving any goals, political, economic or ideological, and that even a non-nuclear war between "major powers" would now be comparable with a nuclear war in its destructive effect. He asserts that security can no longer be assured by military might alone and that it must be sought through political decisions and disarmament. He recognizes that economic, political and ideological competition between capitalist and socialist states is inevitable, but he insists that it can and must be kept within a peaceful framework, which necessarily envisages cooperation. Perhaps the most notable result so far of this new approach is the Intermediate-range Nuclear Forces (INF) Treaty signed at the Washington summit in December 1987.

Gorbachev has inspired new thinking in the Soviet military establishment about such concepts as "reasonable sufficiency" and "fundamental parity" and the primacy of defence in military doctrine. This new emphasis can be seen in Warsaw Pact training exercises but has yet to be reflected in force postures. In its strategic nuclear dimension "reasonable sufficiency" seems to resemble the "mutual assured destruction" (MAD) doctrine, in which both superpowers have the capability to inflict unacceptable damage on the other, but Soviet leaders continue to condemn nuclear deterrence and to call for the abolition of nuclear arms.

As applied to conventional forces in Europe "reasonable sufficiency" is interpreted by Soviet experts as precluding surprise attack by either side. No quantitative meaning has yet been given to the concept, and no explicit recognition to the idea of conventional force parity. On the other hand, Gorbachev has accepted the principle of asymmetrical reductions, and this was given dramatic expression in his announcement before the United Nations in December of substantial unilateral cuts in Soviet troops, tanks and artillery in Europe by 1991. Also significant was the publication in January of the Warsaw Pact's assessment of the East-West military balance, which for the first time acknowledged the military superiority of the Soviet Union.

**What to watch for**

All these are welcome moves, of course, but they should be kept in perspective. For one thing, the unilateral Soviet cuts will not be enough by themselves to correct the conventional imbalance, which leaves NATO outnumbered in tanks, artillery, infantry combat vehicles and combat aircraft. There are also important questions which still have to be answered, such as: Will the weapons be destroyed? What proportion of the manpower to be cut is made up of combat troops? Will the cuts be verified? Will the cuts be used as a screen for modernization?

Other points should also be borne in mind. Despite Gorbachev's "new thinking" and the growing pressures on defence spending, the Soviet Union has sustained a steady military expansion over the past decade. Gorbachev himself has made clear that the Soviets have not given up the class analysis of the causes of war or the existence of a permanent threat of potential aggression as justification for the continued modernization of the Soviet armed forces. And finally, too much of the "new thinking" hangs on Gorbachev alone. In my view, however, the question we in the West should be asking ourselves is not whether we should help Gorbachev or not. He will stand or fall by his domestic reforms and the West can do little or nothing to influence that. The key question is whether or not it is in the interest of the West to encourage the Soviet Union's integration into the world system. My answer to that question, as I explain below, is "yes."

The present conjuncture offers the Western alliance both a promising opportunity and a serious challenge. The opportunity is to extend the process of arms reduction and control from the INF to other fields, such as conventional forces, chemical weapons and strategic nuclear weapons. The challenge is related to both the public expectations which Gorbachev has encouraged and the uncertainties which have arisen about the future of US-European relations. It is a dangerous combination. On the one hand, many people in the West assume that peace has broken out and that defence efforts can safely be relaxed. On the other hand, NATO, having long pushed for an INF agreement, is undecided how to deal with its implications. Does it portend, for example, the progressive denuclearization of Europe, and if so, what will that do to the US security guarantee? Some of the European allies are concerned about what seems to be a piecemeal approach to arms control, devoid of any comprehensive concept of security. And efforts in NATO to develop such a concept have made disappointing progress so far.

**Problems for the Alliance**

In these circumstances strong and consistent leadership will be required to offset exaggerated public expectations in the West and to maintain the political solidarity and deterrent strength of the Alliance. On the other hand, it will not be enough for the West to stand pat. In the past Soviet behavior tended to confirm the potential threat which was inherent in Soviet military capabilities, but identifying the Soviet Union as the source of the threat will no longer be enough to guarantee Alliance solidarity or public support for Alliance defence efforts in the future. Thanks to Gorbachev, the West will increasingly be forced to decide, not only what it is *against* but also what it is *for*. The United States and its allies have so far believed that the interests they have in common are more important than those that divide them, and that the Alliance provides the best available means to secure those shared interests at acceptable cost and risk. But present policies cannot resolve either the nuclear dilemma of NATO or the problems inherent in the superpower rivalry. The context must be changed.

Looking to the future, then, it is of vital importance that the Western Alliance have an agreed, long-term strategy for the management of East-West relations. The fact that Gorbachev is talking about "new thinking" does not obviate the need for the West to keep its guard up. But military power needs to be in the service of a coherent, consistent and realistic foreign policy. Our goal should be to create a new regime of what I would call "mutual security" (not "common security," I hasten to point out, because "common security" is not feasible without common values). Such a strategy would be based on the premise that one side's security cannot be bought at the price of the other side's security. It would recognize that security has political and economic as well as military dimensions, and would envisage a progressive movement from mutual interests through mutual benefits to mutual confidence.

The ultimate test of mutual interests is survival. For this purpose relations need not be "good" — indeed, East-West relations are bound to remain antagonistic as long as Soviet policy is based on the assumption of an implacable Western foe — but they do need to be well managed. This means as a minimum objective, avoiding confrontation, and if possible, anticipating trouble spots, defusing potential conflicts and reducing tensions. It also means the creation of crisis management machinery and procedures and measures to reduce the risk of accidental nuclear war in times of crisis.

**Building confidence**

Unfortunately the shared interest in survival, fundamental though it is, does not lead automatically to shared views about the limitation and control of armaments, urgent and essential though they may be. Progress in those areas requires an important degree of mutual confidence. In the past we have tended to put the cart before the horse, trying to negotiate arms control agreements in the hope that they would produce mutual confidence, instead of cultivating mutual confidence in order to negotiate arms control agreements. In my view the road to mutual confidence leads through mutually beneficial cooperation in non-military fields.

Beyond survival therefore we should aim at generating mutual benefits through renewed efforts to expand East-West cooperation in a wide variety of functional fields. Trade, industrial cooperation (even joint ventures and joint production), environmental cooperation, scientific and cultural exchanges are only some of the areas which should be examined in greater depth for possibilities of more intensive cooperation. Such cooperation should involve improved implementation of the Helsinki Final Act, with particular reference to the freer movement of people and ideas and respect for human rights. And it should be designed to meet not only the needs of East and West in Europe, but more broadly the needs of an interdependent world. Similarly we should encourage greater Soviet involvement in the international trade and monetary system. The Soviet Union has already indicated an interest in joining GATT and the IMF and we should study seriously the practical problems to be resolved in that connection. At the same time the West should insist on the principle of reciprocity, and should not allow the East to gain any one-sided advantages in credits, technology or goods with military application.

Beyond serving mutual interests and generating mutual benefits we should aim at building mutual confidence through measures designed to create an environment favorable to further far-reaching and durable arms control and reduction agreements. So-called "confidence and security-building measures" (CSBMs), as negotiated at the Stockhom conference, have already made an important contribution in this respect and should be further elaborated for the purpose of enhancing mutual information about military strategy and activities, guaranteeing a longer warning period and guarding against surprise attack. The arms control and reduction agreements themselves should be based on the principles of stability, balance and deterrence at the lowest possible level of armaments, and of transparency aided by verification and compliance measures. And efforts should be made to negotiate agreements to deal cooperatively with the implications of new technologies and to prevent either side from seeking or allowing one-sided advantage.

**For mutual security to work ....**

This concept of mutual security does not exclude the continued existence of nuclear weapons or the maintenance of the deterrent. But it would be a crucial function of the new regime of mutual security to see that deterrence is mutual, that it is maintained at the lowest possible level of forces and that those forces remain invulnerable on both sides. Moreover, this concept does not imply the disappearance of alliances. Indeed the Western Alliance would remain an essential political instrument under

the new regime for the management of East-West relations. It is therefore of vital importance that we also develop a long-term strategy for maintaining Western cohesion and reinforcing Western solidarity, a strategy for a new, more reciprocal Western partnership.

For the partnership to be reciprocal there needs to be a concerted effort by the United States, on the one hand, and its allies, on the other, to contribute more to each other's interests and needs. Beyond "burden sharing" we should be thinking of "decision sharing." From the United States there should be a greater contribution to the economic stability and technological progress of the allies, as well as a greater willingness to take the allies' views into account in the formation of Alliance policy. From the allies there should be a more effective contribution to the collective defence and a greater recognition of the wider responsibilities implied in global deterrence. This will no doubt require the Europeans to work more closely together and to assume more responsibility for their own defence, but that cooperation should be firmly within the framework of a more closely knit transatlantic partnership.

For this to be a true partnership there needs to be a parallel effort to achieve consensus on three important objectives: first, to promote the strategic unity of the Alliance; second, to establish better coordination between NATO's two "tracks," the military and the political; and third, to bring Alliance strategy and arms control into closer alignment. By the strategic unity of the Alliance I mean the concept of NATO as an alliance for the defence of North America as well as Western Europe. We should get away from past practice whereby the Alliance has been treated largely as a one-way street for the defence of Europe by the United States, with all the harmful psychological effects that has had on both sides of the Atlantic. By better coordination between NATO's military and political "track" I mean reaffirming the primacy of NATO's political role in elaborating security objectives as well as improving the quality of political consultations. Finally, it is important to ensure that strategic policies and arms control policies do not work at cross purposes and that both are aimed at fostering stability. Particular attention should be given to the impact of strategic defensive systems on NATO strategy, deterrence and arms control, and there would be great advantage in establishing consultative machinery (along the lines of the Special Consultative Group) for this purpose.

East-West relations are too important to be left to the superpowers. The major decisions must no doubt rest with them but the responsibility rests with us all. Shared responsibility should be at the heart of the Western Alliance and a shared sense of purpose will continue to be the indispensable prerequisite for the successful management of East-West relations in the years to come. That is what the concept of "mutual security" is designed to provide. □

# In search of Gorbachev's revolution from below

by John Battle

In his book, *Perestroika: New Thinking for Our Country and the World,* Mikhail Gorbachev argues that while *perestroika* started as a revolution from above, initiated and directed by the party, there will be little chance for success without a simultaneous revolution from below. During a recent 4-month stay in Moscow I found no evidence to suggest that the initiative from above had merged with, or was being supported by, a large grassroots movement from below. In fact, Gorbachev's own words — "the weaknesses and inconsistencies of all the known 'revolutions from above' are explained precisely by the lack of support from below, the absence of concord and concerted action with the masses" — are now coming back to haunt him.

The irony of the situation is that despite his own admission that previous revolutions from above had led to deformities resulting in high sociopolitical and moral costs, and despite his calls for the democratization of Soviet society, Gorbachev has himself not refrained from using old methods to accomplish new goals. The September 30, 1988, plenum in which major political figures such as Andrei Gromyko and Anatoly Dobrynin were retired, and Yegor Ligachev and Victor Chebrikov were demoted to positions of lesser authority, is a case in point. Carried out in strict secrecy behind closed doors, these changes had little to do with *glasnost* or *perestroika*. In typical, non-democratic style, the public was not asked for its opinion, no rationale for the shakeup was given, and the media provided only meager details.

If such moves have strengthened Gorbachev's hand within the political hierarchy, they have also had the negative effect of further alienating the general population from the political process. Little appreciated by Western observers of the Soviet Union was the impact of the Yeltsin affair on those whose support Gorbachev needs the most — the average citizen in the street. Because Boris Yeltsin is seen as a man of the people, someone willing to stand up and fight for their interests, his removal from the Politburo and from his post as First Secretary of the Moscow Party Organization and his subsequent public condemnation in *Pravda* greatly undermined Gorbachev's popular credibility. Immediately, *glasnost* was viewed as having its limits, and Yeltsin's case the personification of what can happen to the individual who oversteps them. The lapel pins, popular in Moscow, sporting Yeltsin's picture and the phrase, "You tell them, Boris," soon gave way to cynical analogies, one of which compared *perestroika* to a cake: the icing is new and tempting, but when you cut into it, you discover it is made from the same old ingredients.

**New modernity**

Such events are not insignificant. *Perestroika* is first and foremost a psychological revolution. The noted Soviet expert, Seweryn Bialer, has argued that "For Stalin, Khrushchev and Brezhnev, modernity meant new factories, new construction, a larger labor force, improved technology, and, above all else, an increasing output of raw materials and manufactured goods." For Gorbachev, however, modernity is found not so much in the quantitative production of things, but in the modernizing process itself. As Bialer puts it:

> The meaning of modernity for Gorbachev and many now in the political elite, not to mention those in the scientific and economic elite, is quite different [from that of their predecessors]. The Western observer comes away with the impression that to them, modernization centers not on things but on people, their attitudes and skills, and on the conditions necessary for their commitment and creativity. Gorbachev, it is clear from his speeches and from what this new elite says about him, understands modernity primarily as a cultural phenomenon.

In other words, without a fundamental restructuring of present social, cultural and psychological perceptions, and the development of a political culture capable of insuring popular participation in the political process, technological and economic modernization is unattainable.

**Who supports the revolution?**

Dazzled by Gorbachev's distinctively polished and affable political style, his calls for a radical restructuring of Soviet domestic and foreign policy and a virtual avalanche of revolutionary articles being published in major journals demanding everything from a capitalist market economy to a return to Stalinism, Western observers of the Soviet Union have overlooked the impact of these events on the reform process itself. In particular, two questions are of critical importance: "What are the sources of support for Gorbachev's reform agenda?" and "Has *glasnost* created a framework capable of generating a 'revolution from below?'"

To answer the first question, we should consider the system of internal alliances that have formed since Gorbachev came to power. When he arrived in Moscow in 1978, Gorbachev had little support within the *nomenklatura.* Unlike previous Soviet leaders, he had spent his party career working within the Stavropol apparatus, and as a result, had not established a broad base of patron-client relations. In effect, Gorbachev's political coattails were extremely short. To build support for his reform agenda,

*John Battle is a Canadian student of the USSR. He attended university there and is now at Columbia University in New York. He recently revisited the Soviet Union.*

## Activity without action

Gorbachev turned to the intelligentsia, the one group in Soviet society he hoped would be both willing and able to promote the radical changes he considered necessary.

It is now clear that after some initial success, Gorbachev has not been able to win over more than a small fraction of the intelligentsia. By bringing Andrei Sakharov back from internal exile in Gorky and by moving to insure that reformers such as Vitaly Korotich, Grigory Baklanov and Sergei Zalygin were installed as editors of influential publications, and by personally intervening to ensure a substantial reduction in the power of the censor, Gorbachev has been able to convince certain intellectuals, largely from his own generation, of his desire for real change. In return, as he had hoped, these few individuals have not only led the reform process, but have proved to be Gorbachev's main political allies.

**Little support among young**

While Gorbachev's own generation has responded to the reform movement, it must be stressed that this group is not monolithic, and its support is, at best, limited. If we consider the average age of those most openly committed to the reform process — editors of major newspapers, journals and magazines, individuals in the artistic and cultural community, academics, political advisers and politicians —they must have come to political maturity during the heady years of Khrushchev's political "thaw." Many of them, as the influential Soviet political pundit Alexandler Bovin has noted, looked with resentment on the reversal of Khrushchev's policy of liberalization during the Brezhnev period.

> For the young party functionaries of that time the 20th Congress was a purifying stormwind which made it possible to look to the future with hope. We began to learn to think, to act, to speak our minds. And it was with bewilderment, pain, with a revolting sense of my own helplessness that I and my generation saw the ideas of one of the truly historic congresses of our Party sink into the quicksands of bureaucracy. We failed at that time to revive the invigorating democracy of the Leninist standards of party and state life, to overcome the habit of mute obedience, of kowtowing to authority, to speak openly and seriously about our own work.

Held back for nearly twenty years by Brezhnev's "stability of cadres" policy and adhering to the view that there is no alternative to *perestroika*, the intelligentsia of Gorbachev's generation seem determined not to miss this second chance. The actual size of this generation is, however, quite small. Decimated by the harsh repression of the 1970s, a large segment of their brightest and most courageous members were forced into emigration, and now live in the West.

**And less among the youngest**

Only a small percentage of intellectuals who have publicly committed themselves to the reform movement are between thirty and fifty years old, the next oldest age group. Most of those who came to political maturity during Brezhnev's tenure are either too compromised, too comfortable, or too exhausted by the travails of daily life, to be of any use to Gorbachev. One academic in his early thirties told me that he hated his own peers for their conservatism. He explained that his generation, interested only in protecting their careers and the perks that come with them, were increasingly undermining the reforms by their inactivity and cynicism.

The situation is even less encouraging among those between the age of eighteen and thirty. At the most prestigious institution of higher learning in the country, Moscow State University, where one would expect to find youthful enthusiasm for Gorbachev and his reforms, the opposite is the case. Taught from birth to avoid politics, and fearing reprisals from a university administration that has actively discouraged students from taking part in the restructuring campaign, undergraduates and graduates alike remain not only uninterested in the reform process but fearful of it.

**Political alienation**

The conservatism, stagnation and hypocrisy of the Brezhnev period have led young people to reject the basic tenets of Marxism-Leninism. Continually unfulfilled promises and the inability of the party to adapt itself to new conditions during the 1970s and early 1980s, produced a generation of young people more interested in the pursuit of sex, drugs, heavy metal and the avoidance of military education and service, than in challenging the higher authorities or forming new privately-run cooperatives. The death of idealism among Soviet youth has fostered a "drop out and turn off" attitude that shuns any type of activity even vaguely resembling politics.

With the insight that comes from a lifetime of experience in statecraft, George Kennan has noted that no statesman is ever completely successful in attaining his desired goals. So it is likely to be with Gorbachev. The problem is, however, should he manage to implement even 50 percent of his reform agenda, it will be up to this younger generation to carry on from where he leaves off. If this does not happen, it is extremely improbable that, over the long term, his program for modernizing the Soviet Union will succeed at all.

**Two dilemmas**

When it comes to the working strata of Soviet society, Gorbachev faces two critical dilemmas which cut across generational lines. The first involves the problem of rousing a fundamentally conservative nation, long used to obediently carrying out orders from above; in which any form of initiative was discouraged or punished; in which the revolutionary fervor of the 1920s has been replaced by political apathy, skepticism, a lack of inquisitiveness, and the fear of authority; and in which birth-to-death care and the "free lunch" mentality have virtually eliminated what little work ethic ever existed.

The second dilemma is a "Catch 22" situation which strikes at the very heart of the reform process. To resolve the economic crisis which now threatens to undermine not only the power of the party, but the system itself, labor productivity must be radically increased. The Soviet worker, however, no longer content to work for that bright new future which never seems to materialize, is refusing to improve his work performance before he is first given something concrete in return. But until the worker begins to work, shortages in consumer goods and foodstuffs will continue, leaving Gorbachev with nothing in hand to offer.

The demoralization of the Soviet worker is the result of over forty years of neglect. In the period of postwar reconstruction, Joseph Stalin allied himself not with the worker but with the middle class, where he exchanged material well-being for political support. The worker as a role model for Soviet citizens was supplanted by the image of the happy, satisfied careerist. During the 1960s and 1970s, the worker was again ignored as Leonid

Brezhnev promoted his policy of "stability of cadres," a program designed to insure the middle class bureaucrat and Party worker material and job security. In short, the workers' state ceased to be a state of the workers.

**New social contract**

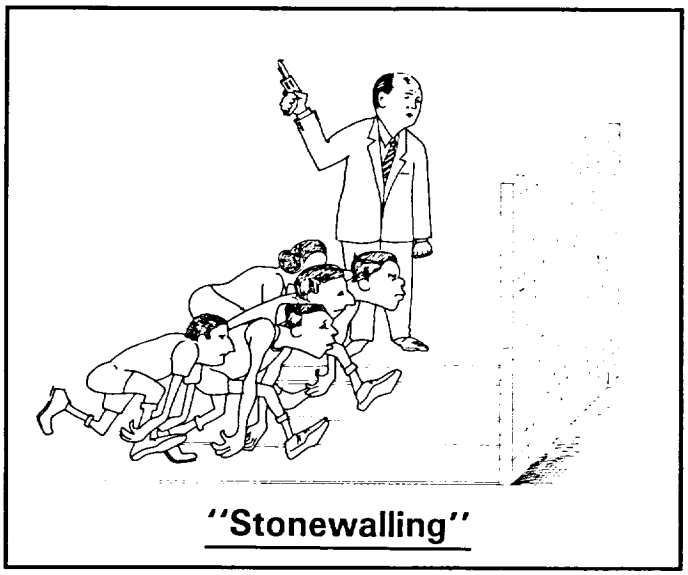
To extricate himself from these two dilemmas, and with little of substance in his pocket, Gorbachev, through the process of democratization, is offering Soviet workers a new social contract. On the state's part, the worker is to receive an increased stake in the formation and implementation of policy, greater control over economic decision-making, increased health and safety measures in the work place, more favorable working conditions (including increased shift rotation and greater funding for new housing and social and cultural establishments), greater access to higher quality consumer goods and new legislation designed to protect his rights. In return, the worker is expected to give full-fledged support to the reform agenda and to dramatically improve the quality and quantity of production.

The growing evidence would suggest, however, that Gorbachev's new social contract is simply too little too late. In his visit to Krasnodar last August, what should have been an upbeat photo session with workers turned into a near riot. Met at the airport by angry citizens complaining that *perestroika* was not working, Gorbachev was dragged off to a number of nearby stores to be shown long lines and empty shelves. The situation among ordinary citizens in Moscow, the best supplied city in the country, is no better. Forty percent of the city's fresh produce rotted in the train yards this past fall because no one unloaded the boxcars. The exhausting daily search for poultry, vegetables, coffee, tea, sugar, wine, vodka and a host of other essential items has left the worker little time to ponder such abstract concepts as democratization.

In fact, judging by thousands of letters sent to major newspapers and journals, it is apparent that the ordinary worker does not view *perestroika* as a long term plan for the modernization of the Soviet Union, but as a means for putting more kolbassa in the stores. Amid growing strikes and labor slowdowns, continuing poor work discipline and absenteeism, and a pervasive attitude based on the notion that the government pretends to pay the worker and the worker pretends to work, Soviet reformers are only now beginning to face up to the reality that Gorbachev's new social contract has not only been misunderstood by workers, but has failed to attract their support. There is now a general consensus among a large number of reformers that without an immediate increase in the availability of foodstuffs and consumer goods, the Soviet Union could face a situation similar to that of Poland in 1981. If this should happen, Gorbachev's credibility and authority could be irrevocably undermined.

**Gorbachev's supporters convinced, but few**

In assessing the extent of Gorbachev's support two factors come into play. First, he has managed to surround himself with a small group of like-minded intellectuals who feel that there is no alternative to *perestroika*. Recognizing that change is a common feature of all states, they have come to the conclusion that the Soviet Union cannot long survive as a leading power unless it undergoes thorough modernization. As one economist explained: "You cannot maintain a first-world military with a third-world economy." The present debate is not over the need for reform, but rather, over how much reform and how quickly it should happen.




Second, and perhaps more importantly, this support, while vocal, in no way represents a majority opinion. In considering the possibility of Gorbachev's success, it must be kept in mind that large segments of the population, located primarily in small urban and rural centers, view the present reform efforts with disdain. Many who fought in World War II and who were involved in the postwar reconstruction resent the attacks on Stalin and feel that sacrifices they made for their country during that period are now being besmirched. A majority of the peasantry, content with the income from their private plots and with little in the stores to spend their money on, have not supported Gorbachev's plan to turn large tracts of agricultural land over to private farming. Approximately eighteen million bureaucrats, ensconced in regional mafia-like fiefdoms and fearful of losing the perks they won during the Brezhnev years, continue to oppose change of any type.

With no guarantees that the reforms will become irreversible, and a prevalent attitude that Gorbachev, while sincere, cannot maintain his hold on power for long, those who might otherwise support *perestroika* remain uncommitted to the reform process. The elimination in the 1930s of the kulaks (wealthy peasants) who supported Lenin's New Economic Policy in the 1920s, and the persecution in the 1970s of the intellectuals who supported Khrushchev's "thaw" in the 1960s, are potent historical reminders of what can happen to those who stick their necks out under one leader: they have their heads cut off under another.

**Institutions for creating consensus lacking**

This general lack of enthusiasm for change leads to a second and more basic question. Can Gorbachev create a political and cultural framework capable of generating popular support? In Western-style democracies, differences of opinion and political preference are subsumed within a shared mindset which acts as an anchor holding the system in place. For Gorbachev, the introduction of democratic norms without a consensus on how a democracy should work, has created a plurality of radical voices and ideas that now threaten to erode the legitimacy of institutional norms and undermine his and the party's legitimacy. As a

result, the crisis of effectiveness which Gorbachev inherited in 1985 is fast becoming a crisis of survival for the party and the system.

This situation is a result of the recognition among key interest groupings in the Soviet elite that previous policies are no longer capable of resolving crucial social, political, economic, and technological problems. While Nikita Khrushchev and his colleagues saw the need to end the Stalinist system of one-man rule and the terror which accompanied it, and reformers during the Brezhnev period, such as Alexi Kosygin, argued for substantive economic reform, elites during these periods never questioned the effectiveness of the Stalinist economic model and the social and political institutions which supported it. Under the banners of *glasnost, perestroika* and democratization, the move to disinherit not only Stalin but the system he created has sparked an ideological crisis.

Having overcome the power of the censor, *glasnost* has allowed the emergence of previously banned novels, journalistic accounts of official corruption, officially sanctioned articles chronicling the worst of Stalin's crimes and most recently, with the publication of works by the dissident historian Roy Medvedev, a revaluation of the role of Lenin and the party in fostering Stalin's "cult of personality." This historical cleansing, though necessary if Gorbachev's program of radical restructuring is to have any credibility, has left few socialist pillars standing.

With the door now open to new and unorthodox prescriptions for the socialist future, and with no democratic political culture in existence to process that outpouring, reformers in both the intelligentsia and the political elite lose much of their impact. There is no mechanism to unite them. The works of many reform-minded individuals such as the economists Gavril Popov and Able Aganbegyan (now an adviser to Gorbachev), the political commentator Fyodor Burlatsky and the sociologist Tatyana Zaslavskaya, while radical in their content, provide little empirical analysis and offer even less advice on how their ideas can be concretely put to work within the present framework of Soviet political reality. Reform minded intellectuals and politicians, with few signposts to guide them, are now floundering in a sea of uncertainty. As a result, the likelihood that a unified blueprint for reform — based not on coercion but on popular consensus — can be found is growing more remote.

**Too many changes**

The process of destabilization does not end here. *Perestroika* has fostered a host of new policies including enterprise autonomy and self-financing, private cooperatives, a new criminal code and an amended constitution. Such changes now challenge long-held sacred tenets of Marxism-Leninism about the ownership of the means of production, the centralization of economic decision-making, the role of the socialist market in the economy and the rights of both the Party and the individual in society.

Further complicating matters has been the emergence of independent organizations with political aspirations. Wide-ranging in their ideological orientation — from the anti-semitic, anti-democratic character of the Russian nationalist movement, *Pamyat*, on the radical right, to the Western-oriented Popular Fronts of the Baltic states on the left — these groups are now becoming powerful political forces which increasingly the Communist Party cannot control or ignore: originally intended to act as a watchdog over the Party, they have begun to challenge its leading role.

**Plus the Nationalities**

The impact of the above events have been most keenly felt in the republics of Estonia, Latvia and Lithuania. In an ironic twist not lost on the Russian-dominated political center in Moscow, the party and the popular fronts of these regions are for the first time in forty years working in unison. Demanding political and economic autonomy, and threatening to use the republican Supreme Soviet to accomplish their demands, the Baltic states are pushing Gorbachev's liberalization policies to the limit. During my stay in Tallinn, the capital of Estonia, I found a common view among all strata of society: "We are only a million people, our cause is just and our backs are to the wall. As a result, we have nothing to lose by pursuing a course that will allow us to make our own political and economic decisions."

The problem for Gorbachev is an interesting one. If he sends tanks into the Baltic states to crush what is seen in Moscow as a movement of separatist aspirations, he will do irreparable damage to his credibility and to his reform program. If he allows the Baltic states an autonomous role within the Soviet Union, he will open a pandora's box of nationalist aspirations in all the other Soviet republics. Such an event would undermine what little support Gorbachev has with the military, whose primary concern is national security, and place his already precarious political future in jeopardy.

Whether Gorbachev can reach a compromise with the Baltic republics will depend on whether he is willing to consider a new confederation of states in which each republic makes its own political and economic decisions while remaining under the Soviet military and security umbrella. Given the fact that such a decision would be very unpopular among Russians and put Gorbachev in the unenviable position of being the one who began to unravel what took 400 hundred years to build — the Russian empire — this course seems unlikely. This is a no-win situation for Gorbachev and his supporters. Even with a return to coercive measures, Gorbachev would not be able to improve economic performance or dampen deep-seated urges for self-determination among many nationalities. Yet, to give into national aspirations could undermine the actual foundations of the Soviet state.

**Destroying the icons costly**

The situation is critical for Gorbachev in two respects. First, the continuing debate over the nature and direction of reform has made the start of any type of reform more difficult. Second, and despite the window of opportunity which has opened since 1985, a large majority of Russians remain unconvinced that the present reforms will make any real difference in their everyday life. Decades of failed promises, combined with recent revelations about the existence of high crime rates, poverty and a host of other social ills — once thought to exist only in capitalist countries — have done little to strengthen the legitimacy of the ruling party and its governing ideology. Rather than encouragirg the population to actively support the reforms, the liberalization process with its information boom and new found freedoms, has produced the opposite effect.

Many people in Soviet society have begun to ask themselves two questions: if Stalinism is not socialism, then what do we have in the Soviet Union today? And if those in the leadership today supported Brezhnev yesterday, should not they now be held

accountable for present problems? Both of these questions revolve around a common dilemma. Instead of finding support in the fact that their new leader is trying to overcome the problems of the past by rejuvenating socialism, most Soviets, no longer sure of what socialism is, have simply written off *perestroika* as yet another campaign from above to which one pays lip service in public and ignores in private.

Rather than leading to the implementation of new and concrete policies, *glasnost* has not developed past the level of the spectacle. As the debate over the nature and direction of reform rages on in the media, Russians remain as spectators, watching from the bleachers a strange new event called *perestroika*. Gorbachev's inability to bring about his desired revolution from below presents the possibility that despite the radical nature of the reform process to date, it is now, after seventy years of Soviet rule, too late to revive the Soviet state: not without reason have prominent reformers such as Andrei Sakharov begun publicly to predict Gorbachev's ouster. □

***Ferment in Arabia's largest country***
*A growing movement*

# Egypt's Islamic fundamentalists

by H. J. Skutel

Beset by a host of seemingly insurmountable social and economic problems and outraged by their government's failure to sever relations with Israel, Egyptians, in increasing numbers and from all stations in society, are looking to Islamic fundamentalism for solutions.

Like millions of their coreligionists in Asia and other parts of North Africa, Egyptians have grown disaffected with what they regard as the West's political and economic manipulation and its secularist models of development, which, to a greater or lesser degree, have been adopted by their own leaders. Consequently, they have come to believe that a genuine amelioration of their plight, and, especially, a restoration of their collective dignity and self-respect, can be realized only through a more rigorous application of the teachings of the prophet Mohammed (570-632 AD) to all aspects of their individual and corporate life. These teachings are contained in the Koran, the Holy Book of Islam, and in the Sharia, the entire body of Islamic law based on the Koran and Hadiths (Sayings and Doings of the Prophet) developed since the time of Mohammed. The Sharia, for example, forbids the payment of fixed interest rates to moneylenders and depositors and its harsh penal code prescribes, in addition to imprisonment for debts, such punishments (rarely imposed) as flogging, amputation of the extremities and, in the case of capital offences, stoning or decapitation.

**World Caliphate**

In its "grass roots" or "popularist" aspect, Islamic fundamentalism manifests itself in a more or less diffuse, spontaneous reassertion of Muslim piety among the broad masses of Egyptians (for example, veiled women, bearded men, censure of sexually suggestive entertainment). This has been accompanied by the emergence of political activist and even militant revolutionary groups — proponents of radical change which, while still a minority, are growing. They look forward to the day when all self-styled, hereditary or irreligious leaders are deposed and the *Ummah* (entire community of Muslims) is united under a universal Caliphate (rule by an elected leader of irreproachable integrity), the only government considered as fully legitimate by Islam. Ideally, then, the natural resources of the Islamic world would be at the disposal of all the believers instead of a handful of vain or extravagant monarchs and military officers.

Ruled by the precepts of the divinely revealed Koran and Sharia, Egypt by virtue of being the most populous Arab state (fifty-three million), master of the Suez Canal and bordering on the Middle East's only reputed nuclear power (Israel), would exercise a prodigious influence on, at the very least, regional stability. Moreover, whereas the Ayatollah Khomeini's followers are drawn primarily from the minority Shi'a branch of Islam, whose adherents are concentrated mostly in the Gulf area, Egypt's fundamentalist visionaries can aspire to a potential alliance with over 130 million Sunni Muslims throughout the rest of the Middle East and North Africa (there are nearly a billion Muslims worldwide). Indeed, during the past decade fundamentalist-led disturbances of varying intensity have occurred in Saudi Arabia (1979), Syria (1982), and most recently Algeria and Libya (1988). They have also tried to gain control of the Palestinian *intifada*.

It is imperative, therefore, that the Western democracies (including Japan), whose economic and industrial vitality is dependent on maintaining amicable diplomatic and commercial relations with the Middle East (repository of over 50 percent of the world's proven oil reserves), develop a sound appreciation for the grievances that give impetus to the fundamentalist phenomenon. Only then can they hope to moderate, much less redirect, a powerful religio-political current whose extremist elements call for the eradication of all Western and "atheistic" Soviet influences from the Islamic world.

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**Conviction honed by struggle**

Since the second century of Islam, the Middle East has on repeated occasions been convulsed by the agitations of Islamic reformers and revolutionaries, of whom the Ayatollah Khomeini is but the latest. Employing the language and symbols of Islam, charismatic sheiks and mullahs have exhorted the disgruntled masses to overthrow corrupt, impious or despotic rulers — to say nothing of repulsing non-Muslim invaders such as the Crusaders and Mongols.

During the nineteenth century, these revolts were inspired largely by the social and economic dislocations engendered by the encroachments of French, Russian and British imperialism. It was in response to the latter's presence in Egypt, commencing in 1882, that Sheik Hassan al-Banna (1906-49), a primary school teacher from a devout background, founded in 1928 the first popular Islamic fundamentalist movement of modern times — the Muslim Brotherhood.

During the 1930s, from his Cairo headquarters, al-Banna directed a multi-pronged counterattack on Western influences which in the form of secularist ideologies (liberalism, logical positivism, racial nationalism, Marxism) had already made a significant impression on the intellectual and political elite, and, to al- Banna's way of thinking, now threatened to lure Egyptian youth into apostasy. "It is the culture and civilization of Islam which deserves to be adopted and not the materialist philosophy of Europe," he declared. Towards this end, the Brotherhood undertook the construction of neighborhood mosques, medical facilities, social clubs, and small industrial and commercial enterprises. In its schools, youngsters received physical education (later military training) to prepare them for the *jihad* (Holy War) which would liberate not only Egypt, but the whole "Islamic homeland" from foreign control.

**Moderation challenged**

Following the signing in 1936 of the Anglo-Egyptian Treaty (which, among other things, secured a British military presence in the Canal Zone for the next twenty years), the Brotherhood assumed a more politically active role. It espoused the cause of the Palestinian Arabs against Zionism and British rule, sending its agitators to Palestine, Trans-Jordan, Syria and Iraq, and providing thousands of volunteers to fight alongside the Egyptian army in the ill-fated 1948 war against the nascent Jewish state.

However, there was much less unity of purpose where the Brotherhood's relations with the Egyptian government — a constitutional monarchy headed by King Farouk I (1936-52) — was concerned. A majority of the membership led by al-Banna, the "Supreme Guide," favored a gradualist approach, whereby confrontation with the state would be postponed until the organization's preponderant strength ensured victory. "The Brethren will always prefer gradual advancement and development, productive work and cooperation with lovers of goodness and truth. They do not wish harm to anyone, no matter what his religion, race or country," affirmed al-Banna in a 1945 speech.

During the next seven years, until a military coup brought General Mohammed Naguib to power, Egypt was shaken by repeated incidents of social and political unrest involving strikes, assassinations, and bomb attacks on British- and Jewish-owned establishments and government police posts. The defeat of the Axis powers had resulted in the dismantling of Allied military factories in Egypt, thereby precipitating a sharp increase in urban unemployment. Too, there was a soaring inflation caused by an acute shortage of key imports. Popular revulsion with the government, already infamous for its venal officials, was heightened by the humiliating 1948 rout experienced by the Egyptian and other Arab armies at the hands of the Zionists. And though the perpetrators of the anti-government violence came from several political groups — leftists, nationalists (e.g., supporters of the parliamentary Wafd party) — it was the Brotherhood which officials regarded as the most menacing. "Amidst all the misery and discontent, cynicism and despair, corruption and resentment, the Muslim Brotherhood [now claiming 500,000 active members] appeared as the one movement offering grounds for hope for the future and opportunity for expressing immediate dissatisfaction with the regime," wrote Egyptian-born political scientist Nadav Safran.

By 1948 al-Banna's control over the extremists in the Brotherhood had all but disappeared. What followed at the end of the year was an accelerated cycle of assassination and government retaliation culminating, on February 13, 1949, in the killing of al-Banna himself by the secret police and the outlawing of the organization.

**An abiding menace**

Since the death of al-Banna forty years ago, the Brotherhood has led a mostly clandestine existence. The problem has been that while its Supreme Guides have consistently advocated a program of peaceful reform, dissident Brothers have struck out violently whenever their overwrought sense of nationalism or religiosity was offended. Hence, the assassination attempt in October 1954 against then Prime Minister Gamal Abdel Nasser following the conclusion of what many felt was yet another compromising treaty with Britain. (The British were ousted entirely from Egypt and the Canal nationalized in July 1956 — a move which prompted a combined assault on Egypt by Britain, France and Israel three months later.) Other unsuccessful attempts to kill Nasser by members of the Brotherhood occurred in 1965.

Under "state of emergency" regulations first imposed in 1952, at the time of the military-led revolution, and reintroduced several times since, Muslim activists and others have been jailed, tortured and executed. For example, the late Umar al-Telmesani, Supreme Guide (1973-88), spent a total of seventeen years in prison. Thousands of other Brothers have gone into self-imposed exile in Syria, Saudi Arabia, Jordan and Lebanon, whence they continue to extend moral and material support to the mother organization in Egypt.

After Egypt's defeat (along with Syria and Jordan) in the June 1967 war with Israel (a consequence, said the fundamentalists, of Egypt's alliance with "atheistic" Russia and a failure to live by the Sharia), there ensued an unprecedented upsurge in popular religious fervor. This intensified with Israel's annexation of (Arab) East Jerusalem, site of the Haram al-Sharif ("Noble Sanctuary"), encompassing the Al-Aqsa mosque and Dome of the Rock — third holiest place in Islam after Mecca and Medina. It was from this site, Muslims believe, that Mohammed made a journey to heaven. The pro-Western Anwar Sadat encouraged this religious trend, hoping thereby to neutralize the influence of the Nasserists and communists. Hundreds of government-sponsored Islamic associations were established in factories and universities and even exiled members of the Brotherhood were allowed to return in order to

combat the scourge of "atheistic Marxism." Sadat's popular standing increased enormously following the Egyptian army's crossing of the Suez Canal in the October 1973 Arab-Israeli war. Employing symbols calculated to recall the martial feats of medieval Islam, the campaign was launched in the holy month of Ramadan and codenamed "Badr" after the Prophet's first victory over the pagan Meccans in 630 AD.

Unfortunately for Sadat, neither his military victory nor his indulgence of the revivalist spirit sufficed to appease radical fundamentalists who were unwilling to forgive his several sins: failure to make the Sharia the *only* law of the land, support for the Shah of Iran, a program of economic liberalization that was exacerbating social inequalities, and rapprochement with Israel. Accordingly, there were several bloody confrontations between the government and its fundamentalist opponents — not the least being Sadat's own sensational assassination by extremist gunmen, with the complicity of members of the military, in October 1981.

If anything, the extremist threat from Muslim fundamentalists — as well as Nasserists — has grown since Sadat's successor, Husni Mubarak, assumed the Presidency in 1981. US and Israeli diplomatic personnel and government officials known for their pursuit or torturing of Islamic militants, have all been the target of assassins' bullets. Highly worrisome is mounting evidence of extremists infiltration of the military. In 1982 the emergency regulations, referred to earlier, were amended to give the police virtually unlimited powers to arrest and detain suspects, seize property, disperse public gatherings and control the media. Opposition politicians have since argued that these regulations (still in force) constitute a flagrant violation of the Constitution and are designed to be used at official whim.

**Shadow Islamic state?**

The flourishing of fundamentalism in both its moderate and extremist variants may be attributed, in large part, to Egypt's accumulating social and economic woes: a $43 billion foreign debt, 30 percent inflation, 20 percent unemployment, and a population growing by nearly a million every nine months. A net exporter of food only three decades ago, Egypt is now compelled to import 65 percent of its overall food needs and 80 percent of its wheat requirements.

Compounded by a level of bureaucratic corruption and inefficiency few other countries in the developing world can match, these statistics translate into a grim panoply of miseries and deprivations for the ordinary Egyptian: grossly inadequate or dangerous housing, a growing child labor force, the proliferation of crimes (rape, kidnapping, drug trafficking, armed robbery and extortion) which were virtually unheard of before the Sadat years. "These things take place because people are frustrated," says Egyptian sociologist Sayed Awayis. "Overcrowding, unfulfilled aspirations, the decline of traditional religious and social values...all play a role."

Among those whose "aspirations" are most hard hit by Egypt's economic malaise is the country's university educated youth, who have little expectation their training and talents will be used *inside* the country. Official figures released in early 1988 revealed that over two million degree-holders, graduated since 1981 from Egypt's colleges, universities and higher institutes, were awaiting placement by the Ministry of Manpower.

While is is true that Egyptian society has, overall, experienced a decline in traditional values, it is also true that these values retain their hold on millions of Egyptians, particularly from the conservative rural areas, and lend a special anguish to financial want. The Muslim male knows that on the Day of Judgment he will be questioned by God "about those under his care." He therefore feels anxious and humiliated by his inability to fulfill the Prophet's injunction to feed and clothe, in the same manner as himself, all those "dependent on his protection." Again, this same family head may feel threatened in his patriachal supremacy when wife and daughters, in contravention of the tenets of conservative Islam, are compelled by economic necessity to seek employment outside the home. And is it any wonder that parents unable to purchase for their children one or another of the myriad "frivolities" imported from abroad end up joining the fundamentalists in their condemnation of Western materialism?

**Parallel institutions**

Capitalizing on these discontents, the fundamentalists, financed by contributions from home and abroad (i.e., the Gulf states), have created a vast parallel infrastructure of Islamic banks, schools, hospitals and social services which are winning supporters among hard-pressed or exasperated Egyptians. In so doing, they are challenging the legitimacy of a secular government which has failed to deliver on the prosperity which was to have come from the extension of the economic liberalization begun by Sadat and aided by Washington's gratitude for Cairo's adherence to the 1979 peace treaty with Israel. (Egypt has received over $13 billion in US economic aid since 1974.)

"We are not talking about religion," argues Nemat Guenena, a sociologist at the American University in Cairo. "We are talking about a political movement expressing itself in religious terms. They are pulling the rug out from under the government by providing alternative services that are cleaner, cheaper and less bureaucratized than those provided by the government."

But it is not only among the poor or socially disadvantaged that the fundamentalists have secured a following. They now control the syndicates of the country's doctors, lawyers, dentists, engineers and journalists, and nearly all of the university student unions. "The Brotherhood is everywhere these days: in business, in politics, in the media," observes a Western diplomat. "They've seeded their supporters all over."

**Brotherhood of moderates**

Unable to stem the fundamentalist tide, Mubarak has determined to tolerate the moderates who propose the gradual, legislated realization of an Islamic State, while moving swiftly and decisively to crush the extremists who want immediate, radical change in a manner similar to the 1979 Iranian revolution.

Preeminent among the moderates is the Brotherhood, whose political philosophy is predicated on *sura* 16:25 of the Koran. In that verse the Prophet counsels reasoning and gentle persuasion to get Muslims to follow the correct way. In favor of free enterprise and resolved to achieve its goal of an Islamic State through the parliamentary process, but denied the right (as are *all* religious or atheistic groups in Egypt) to form a separate political party, it has several times resorted to "electoral marriages of convenience"; the last in 1987 when Brotherhood candidates (never openly identified as such) joined with the Socialist Labor and Liberal Socialist parties (also in favor of the Sharia) in the tri-party Coalition. In that election — despite every

conceivable electoral abuse by Mubarak's ruling National Democratic Party — the Coalition won sixty seats to become the largest opposition group in the 458-member People's Assembly. Brotherhood deputies have subsequently called for: (1), the immediate application of the Sharia; (2), promotion of Islamic investment houses at the expense of conventional banks (which violate the Koran's prohibition against interest); (3), termination of Egypt's strategic and economic ties to the US; (4), abrogation of the peace treaty with Israel; (5), establishment of a new Caliphate in Egypt.

**The non-moderates**

An estimated 70,000-100,000 extremists are distributed among more than a score of underground groups comprising the so-called Jaamat Islamiya (Islamic societies) and, including what has generally been regarded as the smallest and most fanatical organization, Al-Jihad (the Holy War), — linked in the official media to Sadat's assassination. In most of these organizations are individuals who have been affiliated with the Brotherhood. But whereas the activist leadership of the Brotherhood is dominated by middle class, white collar professionals, the extremist vanguard is composed, in the main, of lower and lower-middle class urban youth and unemployed university students. Though not opposed to free enterprise *per se*, they uphold that excessive economic disparities are incompatible with Islam and that a Muslim government "could and should create what is analogous to a public sector if the interests of the *Ummah* required it." (At present, the largest part of Egypt's economy belongs to the public sector — mostly heavy industry.)

Particularly alarming is the partiality displayed by many extremists for the Manichean-type dualistic doctrines of Sayyid Qutb (1906-66), a leading ideologue of the Brotherhood who was hanged by Nasser. In his major work, *Ma'alim al-Tariq* (Signposts on the Road), Qutb posited that humanity was divided into "believers and infidels with no compromise or coexistence" possible between them. The struggle would only end with the triumph of Islam following a "holy war led by men as pure as the Companions of the Prophet" who were prepared for martyrdom. A true Muslim, instructs one extremist leader, must first confront the internal infidel (the Egyptian state) and then the external infidel (the non-Muslim world at large).

**Fine tuning the Fundamentalists**

All attempts to forestall a fundamentalist takeover, be it achieved democratically or otherwise, will prove unavailing unless Cairo and its Western supporters make a concerted effort to salve some of the social and political irritants which inflame popular ill-will towards Mubarak and themselves.

Priority must be given to fostering a more equitable distribution of national income and the burden of taxation. Decrying Mubarak's "crazy" economic policies in the Cairo daily *Al-Ahram*, Abded-Shakour Shaalan, Egyptian-born head of the IMF's Middle East department, described as "absurd" that "the only people who pay taxes in Egypt are government employees, small farmers and other low income groups, while those who live off investments or are big traders draw all the benefits." An Egyptian businessman has warned of a possible "uprising" so long as "some people are paying E300,000 [Cdn$153,000] duty on an imported Mercedes, and others are living in graveyards because they have no homes." In Cairo, where 40 percent of the newly-wed are unable to find accommodation, there are as many as 1.4 million unoccupied housing units, many purchased by the well-to-do for their children when they come of age or simply as speculative investments.

To be fair, however, it is difficult to see how even the most conscientious and politically astute government could undertake serious economic reform without — at the very least — more lenient lending terms and flexible repayment schedules from Egypt's leading Western creditors and food suppliers.

**What about Jerusalem?**

On the international scene, the issue which most grates on the religious susceptibilities of Egypt's Muslims, and is seen as clearly within the power of the West — particularly the US — to influence, is the question of Palestinian statehood and, concomitantly, the status of Jerusalem. Although Islam has always regarded both Jews and Christians as having, too, been the recipients (via Moses and Jesus) of God's word, their failure to accept Mohammed as the last of His prophets and the Koran as the final and most definitive revelation of His will, has resulted in their relegation by Islam to an inferior, albeit "protected" status. Consequently, the revival of an independent Jewish state in Palestine, ruling over hundreds of thousands of Muslims and in possession of Jerusalem, constitutes for Muslims generally, and the fundamentalists in particular, an intolerable affront to the primacy of Islam. Muslims "cannot accept any alternative other than that in which Israel leaves Palestine for its people," explained Brotherhood Supreme Guide Telmesani in a 1986 interview. "We are not calling for throwing Israel into the sea nor for hanging the Israelis, but only demanding a right upheld by the whole world."

Hence, the creation of an independent Palestinian state and the redividing or internationalization of Jerusalem, while a less than satisfactory solution for Muslim hardliners (who regard Palestinian "nationalism" as antithetical to Islamic universalism), might go far towards placating the Egyptian masses, thereby depriving the extremists of some of their popular support.

In the end, however, the West may have to accept that the cultural and historical determinants of the fundamentalist movement are so deeply rooted as to remain impervious to its most generous and well-intentioned interventions; that Western influence, so long associated in Egypt with economic exploitation and political subjugation, is destined to be supplanted by an authentically indigenous ideology more in consonance with the religio-social needs of the majority of the country's Muslims. □

# A Lebanon in Cyprus?

by Fuat Borovali

The principle of federalism was accepted by the Turkish Cypriot side as early as February 1975 when Turkish Federated State of Cyprus was declared. During the meetings of January and February 1977 between the Turkish and Greek Cypriot leaders (Rauf Denktash and Bishop Makarios), federalism was mutually established as the basis for future negotiations. After that February meeting in Nicosia, the two sides issued a communiqué announcing that they were "seeking an independent, non-aligned, bi-communal Federal Republic."

The communiqué set other guidelines as well. There was the reference to the "territory under the administration of each community," thereby implicitly recognizing the principle of bi-zonality — the geographical division. Another guideline concerned the "three freedoms" (freedom of movement, freedom of settlement and the right to property) which were to be "open for discussion, taking into consideration the fundamental basis of a bi-communal federal system." Thus, the debate over the structure of the federal state was initiated: "The powers and functions of the Central Federal Government will be such as to safeguard the unity of the country, having regard to the bi-communal character of the State." The 1977 guidelines still provide the framework of the constitutional debate, twelve years later.

**Bi-zonality impasse**

The first major controversy concerned the issue of "bi-zonality." In June 1979, the Greek Cypriot side issued a categorical denial that the Denktash-Makarios accord had covered bi-zonality. A spokesman for the Greek Cypriots reiterated the stance that the "official text of the four guidelines...speak of bi-communal without any reference to bi-zonal," and that "neither in the guidelines nor in the UN minutes" was there any reference to bi-zonality. The spokesman, conceding that the issue of bi-zonality *was* raised during the Makarios-Denktash meetings, nevertheless insisted that it was subsequently rejected by the Greek Cypriot side.

Bi-zonality *was* enunciated, however, in the constitutional proposals of the Turkish Cypriot side, submitted in April 1977. Under the heading "General Principles Concerning the Establishment of a Federal Republic in Cyprus," Article 1 refers to "an independent, non-aligned, sovereign, bi-zonal Greco-Turkish (Cypriot) Federal Republic composed of two Federated States." Rauf Denktash has since presented a comprehensive case that bi-zonality had been tacitly agreed upon from the very start. The Greek Cypriot constitutional proposals submitted a few days later (April 6, 1977), referred to a "Federal Republic of Cyprus [which] shall be an independent, sovereign, non-aligned, bi-communal federal republic consisting of the Greek Cypriot Region and the Turkish Cypriot Region." It was clear, by then, that a good deal of semantic wrangling lay ahead.

The debate over bi-zonality was a fairly good indicator of the vast conceptual gap existing between the two sides. While Greek Cypriot leader Spyros Kyprianou was saying "federation is not partition," and that neither Archbishop Makarios nor he had ever accepted bi-zonality, Denktash was replying that "the security needs of Turkish Cypriots require special consideration in finding a proper formula," and that the portrayal of federal boundaries as partitionism was nonsense. It was clear that the Turkish Cypriot side would agree only to a minimal federal state, while the Greek Cypriots wanted to see the federated states as nothing more than provinces.

**Federations vary**

The point should be made in this regard that different federal systems operate on the bias of different constitutional arrangements — such as the "distinct society" of Quebec and the autonomous republics in Yugoslavia — and a particular constitutional setup would have to be *customized* to meet the exigencies of a specific situation.

The Turkish Cypriot case has rested on the concept of "federation by evolution," which means "increasing the powers of the central government in the course of time and in proportion to the growth of mutual trust and confidence." There is something to be said for an approach which, starting from a minimalist position, envisions a transference of powers from the federated states to the central authority, *contingent upon* the flourishing of mutual trust and confidence.

**Those 30,000 Turkish soldiers**

The contentious issue of the presence of Turkish troops on the island is similarly related to the question of trust and confidence. While the Greek Cypriot side insists on the unconditional withdrawal of those troops, Turkish Cypriots are emphatic with regard to "Turkey's Guarantee," while advocating the incorporation of the 1960 Agreements which launched independent Cyprus, in amended form, into any new constitution. Given the divergence of perspectives on such issues, Turkish Cypriots seem to have decided that meaningful progress was not possible under the status quo, and on November 15, 1983, the Turkish Republic of Northern Cyprus (TRNC) was declared.

The declaration of TRNC did not mean an end to the pursuance of federalism, however. The inter-communal talks were restarted in August 1984 under the UN auspices, followed by the

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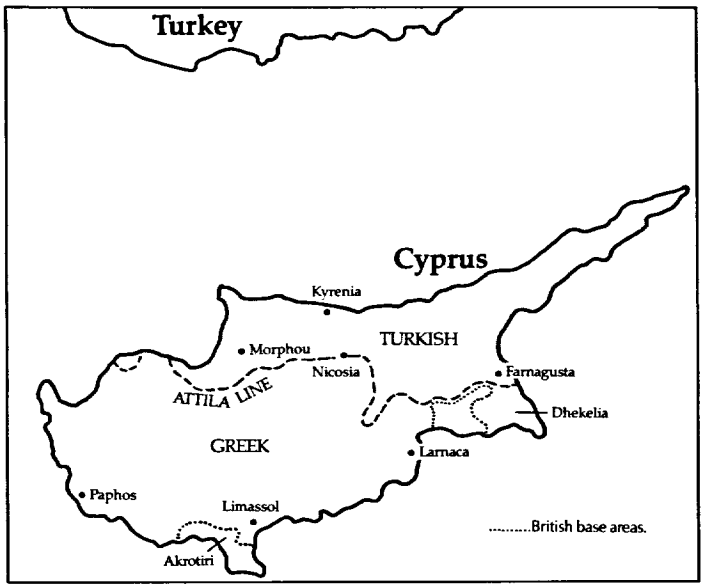


submission of the Draft Framework Agreement (DFA) in March 1986 by the UN Secretary-General. Denktash promptly announced his readiness to abide by the guidelines set out in the DFA, once more reiterating that Turkey's effective guarantee was a *sine quo non* for the security of Turkish Cypriots. He also underlined the concern that the much-vaunted three freedoms should not in any way undermine that sense of security.

**Latest talks**

The most recent Denktash-Vassiliou meetings have so far been preoccupied with the familiar issues — bi-zonality, three freedoms, Turkey's guarantee — reportedly entered a "deadlock." Greek Cypriot leader George Vassiliou's insistence that the UN resolutions envisage a "bi-regional unitary state" is viewed by Denktash as an effort to re-introduce the question of bi-zonality into the negotiations. While Vassiliou sees the restoration of the "three freedoms" as a precondition to any solution, Denktash agrees that the restoration ought to be gradual, and contingent upon the regeneration of trust and confidence. Similarly, on the matter of Turkish troop withdrawals, the two sides reverse the chronological order. While Vassiliou expects Turkey to make "goodwill gestures" by withdrawing some of the troops before any progress is made, Denktash insists that there cannot be any troop withdrawals before a solution is reached. Senior TRNC officials reportedly hold the view that "unless the paramilitary forces of the Greek Cypriot political parties are disbanded and the Turkish Cypriots secure Turkey's effective guarantee (with the right to unilaterally intervene), disarmament cannot be established" (*Turkish Daily News*, October 11, 1988). As the "deadline" set by the UN Secretary-General (June 1989) draws near and passes, the two sides seem to be no closer to agreement than when they started last September.

**Concentric circles**

While the Cyprus dispute will have to be resolved ultimately on the island itself, conditions necessary for progress in the inter-communal talks will have to be created and sustained by Ankara and Athens. To put it differently, inter-communal exchanges are a necessary but not sufficient condition for the resolution of the dispute, and a solid and ongoing understanding between Ankara and Athens is the *sine qua non* of any lasting settlement. There are other actors involved in the dispute to be sure — NATO, EEC, Britain, the superpowers — but only Ankara and Athens have a sufficiently compelling stake in the outcome to be able to move events in desired directions. Like so many conflicts of its genre — inter-ethnic, inter-denominational (Lebanon-type) situations — there are wheels-within-wheels in the Cyprus dispute which can be likened to a set of concentric circles. Just as Lebanon finds itself caught in the infighting between its religious and denominational factions, as well as between the cross-pressures of Syrian and Israeli foreign policies, Cyprus cannot escape being part of the historically tangled web of relations between Greece and Turkey.

**Greece versus Turkey as usual**

One very important aspect of the issue is that in Turkish eyes Cyprus has come to be seen not merely as a territorial dispute, but as part of an historic vendetta waged by Greece, going back to Ottoman times. As such, the issue is now so much tied to national prestige that before any settlement can be reached, Turkey must be absolutely certain that the whole process is not simply an exercise in erecting a Trojan Horse, poised to take the most felicitous opportunity to re-declare *enosis* (Union with Greece).

All that has particular relevance to the wider diplomatic context in which Turkey presently finds itself. Having applied for full EEC membership (before the "doomsday scenario" of 1992 arrives), Turkey is in the uneasy position of having to balance long-term political and economic aspirations against the demands of individual issues such as Cyprus and the Kurds. The particular merits or demerits of Turkey's wish to join the EEC aside, it is almost certain that Cyprus will be dragged into the EEC negotiations, with Greece waving its veto card at all times. Therefore, we should not be surprised to see the Cyprus-Ankara-Athens triangle elongated into a quadrangle to include the EEC, in coming months.

But whatever the outcome, the tragic example of Lebanon cannot be ignored. Lebanon must not be allowed to happen in Cyprus. Any settlement — which will probably fall short of the expectations of one side or the other — would have to pass that test in unambiguous terms. □

# South Africa sanctions at work

by Robert D'A. Henderson

The news that South African imports into Canada had increased 68 percent in 1988 was a major embarrassment to External Affairs Minister Joe Clark during the recent Commonwealth talks in Harare, Zimbabwe. As the chairman of this Commonwealth Foreign Ministers' Committee on South Africa, Clark had to explain why, under "voluntary" economic sanctions, Canadian-South African trade had in fact increased. But more important was the fact that at the same time the Bank of Nova Scotia had been granted permission by his department to lend $600 million to Minorco SA, a Luxembourg-based company controlled by the huge South African conglomerate Anglo American Corporation and De Beers Consolidated Mines Ltd. in Johannesburg. While explained as a loan to a Luxembourg company, this transaction broke the "spirit" of the 1986 Commonwealth financial ban to which Canada subscribed, which prohibited "all new bank loans to South Africa whether to the public or private sectors."

As a result, Clark warned that the Canadian government would give further consideration to imposing a mandatory trade ban — something that Prime Minister Brian Mulroney had threatened to do back in his October 1985 maiden speech before the United Nations General Assembly. But there continues to be concern expressed in government circles that, while mandatory boycotts on South African goods and services would send the white Pretoria government a message, they would also affect the ability of black South Africans to earn a living. Financial sanctions — such as refusing to lend money to South Africa and calling in demand loans early — can more precisely make the point to white South Africans that the apartheid system is too costly to retain.

### Costs of apartheid

As a result of the increasingly severe economic sanctions imposed by the major industrial nations, the Pretoria government is encountering growing balance of payment problems — notwithstanding the surprise trade surplus at the end of 1988, resulting from a world rise in export commodity prices and the imposition of restrictions on foreign imports. And it is in the financial sector where the South African economy is most vulnerable.

This is partly because of the huge costs of administering its apartheid system — with separate ministries, facilities and services for the different racial groups, government spending accounts for a reported 35 percent of gross domestic product — as well as of providing the armed forces and the weapons necessary to retaining white minority control. It is also due to the fact that the South African economy is unable to generate sufficient domestic capital to sustain a rate of economic growth ahead of rising unemployment.

The essence of economic sanctions is to demonstrate to a foreign government's decision-makers that it is in their own interests to adopt specific policies — that the costs of the policy changes will be less than those inflicted by the sanctions. But such sanctions are unlikely by themselves — and particularly when imposed by a single state — to compel the target country to accept the designated policies. Rather, within their self-evident limitations, sanctions can provide a means by which one or more countries can express strongly held views upon unacceptable activities by another country. And economic sanctions impose social and financial costs upon the target country which diplomatic protests lack, while in turn they lack the violence — through possible compellence — of military force.

### Ducking sanctions

The Pretoria government has managed to a large extent to circumvent the 1977 United Nations arms embargo by establishing its own state-run arms industry and by clandestine acquisition of foreign weapons technology. But its research and development costs have been high and Pretoria — to recoup part of this substantial expenditure as well as for the scarce foreign exchange — has been forced to market its arms and equipment abroad. Also South Africa has generally been able to overcome limited trading restrictions by means of alternative buyers for its traditional markets, covert purchasing through middlemen (and countries), and use of "false origin" labeling for its products. On South Africa's mineral exports though, sanction-imposing countries have declared exceptions based on their own national interests — the United States exempts strategic minerals from its sanctions and the European Community exempts coal.

Even so, as the Western industrialized nations have over the past three years increasingly tightened their trade embargo on South African products, its balance of payments situation continues to deteriorate, at the mercy of a weak rand and in spite of a strong price for gold. Despite the unexpected trade surplus for 1988, South African economists are currently predicting a growth rate for the economy of 2 percent or less in 1989, with 1990 likely to be worse. Though financial constraints on South Africa have not reached the point of inflicting unacceptable pressure, neither have they caused the massive unemployment

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among black workers repeatedly predicted by anti-sanctions critics. Pretoria has repeatedly claimed that sanctions are ineffective — but at the same time emphasized their negative impact on black South Africans and the neighboring African countries.

**South Africa hurting**

Unlike the arms embargo and trade restrictions which have been countered — though at the cost of higher domestic prices, — the Pretoria government is experiencing great difficulty in overcoming the various financial sanctions imposed in the past three years. According to a Commonwealth Foreign Ministers' report on South Africa's relationship with the international financial system released in July 1988, the key reason is that financial sanctions have the distinct feature of being *self-reinforcing:* "when one financial institution withdraws from the [South African] market, the decline in confidence discourages other lenders, and creates no incentive for competing institutions to replace the departing one."

One such sanction is the termination of bilateral "double taxation" agreements with South Africa, which permitted foreign companies to deduct taxes paid to the Pretoria government as a credit against taxes owed to their own governments. The Canadian government under Brian Mulroney abrogated its agreement as part of its first sanctions package in July 1985, sparking little response. But when the US Congress eliminated its agreement as an amendment to the December 1987 budget legislation, the action was depicted as "a savage sanctions move" by South Africa's leading financial daily *Business Day*. The reason was that "double taxation" would reduce the profitability of local subsidiaries and equity investment of US companies exactly at a time when many were weighing the costs and benefits of divesting from South Africa.

**Two kinds of rand**

In response to the 1985 stoppage of foreign loans, the South African government reimposed a 2-tier currency exchange: a "commercial rand" for normal exchange transfers and a government-discounted "financial rand" exchange rate for foreign companies repatriating funds realized from the divestiture of local enterprises. In essence, it takes more "financial rands" to buy the same amount of foreign exchange than in a normal "commercial rand" purchase. Even with this additional "cost," there has been a continuous flight of capital from the country.

The Chairman of Anglo American Corporation, Gavin Relly, addressed South Africa's financial vulnerability directly in a speech last September in Bonn, West Germany. He pointed out that "during the 1980s, as sanctions have progressively cut off vital foreign investment and have turned the Republic [of South Africa] into a capital exporting state (and that in a developing country), real GNP growth has averaged only 0.5 percent per annum."

Another financial sanction has been the ban on new loans to both private and public concerns and on new investment in South Africa. Canada in September 1985 adopted these sanctions as "voluntary," and the following year — along with other Commonwealth countries with the notable exception of Britain, which was only prepared to adopt a voluntary ban on new investment — recommended their "urgent adoption and implementation" to the international community.

Under a 1985 executive order, the Reagan administration imposed a ban on American bank loans to public South African entities. But the US Congress, with the passage of the 1986 Comprehensive Anti-Apartheid Act over President Reagan's veto, increased this to include loans to private concerns as well and imposed a ban on new investment.

**Loss of bankers' confidence**

But perhaps more important has been the loss of confidence by international banking circles. In 1985, as scenes of violence in African townships were broadcast on North American and European television screens, foreign creditor banks had refused to roll-over their South African loans, calling for repayment. This was partly due to Western anti-apartheid protests — the "hassle" factor — and partly due to fears that growing racial turmoil would jeopardize repayment on those loans in the future.

After initially responding with a repayment freeze — later called a "standstill" — on US$14 billion (mainly in short-term loans) of its US$24 billion foreign debt, the Pretoria government obtained an interim 1-year extension on those loans in 1986. And in March 1987 it reached a 3-year debt rescheduling agreement with thirty-four major creditor banks holding more than 70 percent of its total debt. The accord committed South Africa to make major repayments upon its short-term loans, though this extended repayment only up to June 1990.

Early in 1988 the Commonwealth Foreign Ministers' committee headed by Joe Clark made an urgent call to international banks to demand quick repayment of South Africa's outstanding loans. Such action was felt to "maintain maximum pressure" on Pretoria while discouraging banks — whose countries had already adopted bans against new loans — from easing South Africa's financial difficulties by stretching out the repayment of the existing loans as they came due.

**Debt repayment problems**

But South Africa is already experiencing difficulty in maintaining its payments of US$300 million a year on its short-term debt as its domestic economic crisis continues to grow. It is also making much heavier repayment on its medium- and long-term debt which fall outside the agreement, with total repayment obligations in 1988 estimated at over US$1 billion. According to the Director-General of Finance Chris Stals in August 1988, "We [the South African government] are very much aware of problems beyond 1990, but we have no definite solution at this stage." In an apparent recognition of this approaching loan repayment crisis, South African President P.W. Botha met two months later in Zurich with a group of Swiss bankers. After the meeting he would only say that "what we did was to inform them of the latest situation in southern Africa" — with no mention of any loan extensions or new loans.

But subsequently the London *Financial Times* reported that South Africa had managed to secure a new Swiss franc fifty-five million loan (about US$35 million), but for only a 3-year period and at about 2.5 percentage points over the rate most other sovereign borrowers were currently charged. Although Switzerland did not join with other Western countries in the 1985 loan stoppage, this new loan appears to have been put together by a consortium of the Swiss subsidiaries of foreign banks.

**Deepening economic crisis**

More recently Gerhard de Kock, the South African Reserve Bank Governor, at a February 1989 business conference in Johannesburg, ruled out any early easing of monetary or fiscal

policies, as South Africa needed to brace itself for heavy repayment of its foreign debt. It could be forced "in the worst case" to repay US$1.7 billion of its foreign debt in 1989, US$2.1 billion in 1990, and US$1.5 billion in 1991. Yet earlier estimates by the South African *Financial Mail* magazine had placed total repayments for 1990 and 1991 at over US$3 billion each year. Nevertheless, the Standard Bank of South Africa, in the February 1989 issue of its *Economic Review*, was pessimistic about the repayment of the country's foreign debt "which may return as a pressure point [on the economy] in 1990 when significant amounts of long-term loans fall due."

**Domestic economic crisis**

In addition to its debt repayment problems, South Africa is immersed in an economic crisis which shows little sign of abating. Its population is increasing at nearly 3 percent a year. With little prospect of near-term economic growth above 3 percent — and more likely below 2 percent — unemployment is almost certain to rise. Black unemployment is already estimated at over 25 percent when the so-called ethnic "national homelands" are included. To shore up the economy and check inflation — which had reached 12 percent annually — the government imposed a 15 percent increase in fuel prices and placed higher surcharges of between 10 and 60 percent on imported goods last August. More recently the Central Bank raised its lending rate to commercial banks by 2 percentage points to 14.5 percent, making domestic credit more expensive.

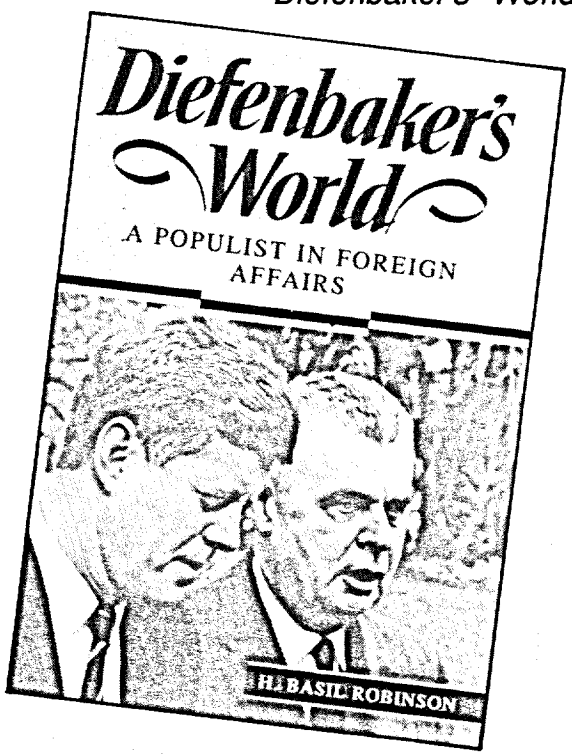
Economic sanctions against South Africa should not be punitive, but rather should be designed to make the retention of its *apartheid* system prohibitedly costly and thus hasten its abolition. Toward this goal, further sanctions should be targeted at that country's vulnerable financial sector, including commercial enterprises based outside the country but controlled by South African concerns. □

***Review Article***
*Diefenbaker's "World"*

# Robinson on Diefenbaker

by W.A. Wilson

*One of the most important books to be published in Canada in 1989 will be H. Basil Robinson's **Diefenbaker's World: A Populist in Foreign Policy**, published by the University of Toronto Press (352 pages, $29.95). In this Review Article, Ottawa freelance journalist W. A. Wilson reflects on the many sides of the Diefenbaker record and on Mr. Robinson's account of Mr. Diefenbaker's policies and actions. Mr. Wilson adds his own comments as a journalist in close pursuit of Mr. Diefenbaker during his years in Ottawa.*




The ultimate political self-destruction of the formidable and contradictory John Diefenbaker through the flaw of indecision still clouds proper assessment of the considerable contributions, marred by grave failures, that marked his period of national power. His partisan opponents viewed John Diefenbaker with an exaggerated, bitter loathing. His loyal supporters, who were numerous, often idolized him with too few doubts and questions. He may well have been Canada's most unusual Prime Minister, and during the years when he exercised power in office and fought his ferocious battles in defeat, that fact rendered almost impossible the task of viewing his leadership dispassionately. Even for those with no direct contact with the political life of the nation, the feelings he aroused were unusually vigorous. He tended to affect ordinary voters who never met him almost as powerfully as he did opponents across the Commons chamber or supporters seated beside and behind him on the government side. Even now it still has not become easy for men and women who knew him or were touched personally by his political career to be dispassionate.

**Working close to Diefenbaker**

From late summer 1957 until shortly after the June 1962 election a rising foreign service officer from the Department of External Affairs worked in the Prime Minister's office. He was the liaison officer between Diefenbaker and the department and

on innumerable occasions experienced the new Prime Minister's warmth, intuitive intelligence, quick and often unfounded resentments, suspicions and gratitude. He was Basil Robinson, later official head of the department as Under-Secretary. A quarter of a century later he has written this book about Prime Minister Diefenbaker's role in foreign policy during a period when "international patterns that had seemed settled in the immediate post-war years were being shaken up and challenged in ways that could not fail to affect Canada." It was a genuinely taxing period for national leaders because the challenges it brought were momentous and in the end Diefenbaker was destroyed by problems related to international matters, not to domestic ones. The destruction, however, was self-inflicted, the product of his inability to resolve the great internal conflict between Ministers that rent his government and soured relations with the United States. A leader without that fatal flaw of indecision could have surmounted the problems and, it is highly likely, retained power. His failure in one critical field was so great that it is inevitable that in the national memory it overwhelms the positive achievements which were also part of John Diefenbaker's period of power.

Robinson's book, therefore, deals with an important time in Canadian affairs. It is, as the reader is entitled to expect, carefully researched and well-informed, not just recollections assembled from memory, which always opens such accounts to flaws. The greatest of its many merits is the fairness of mind which Robinson displays throughout. This is the quality that has been lacking in so many recollections and assessments of that complex man, John Diefenbaker. Coupled with the range of information, it is this that gives the book so much value. Robinson is not a brilliant stylist, but he is a competent, able writer as good diplomats need to be. From time to time he quotes a remark of Diefenbaker's or offers an observation of his own that brings the old man fleetingly to life again. That in itself is no mean accomplishment.

**Reviewer's Diefenbaker**

I knew John Diefenbaker in the way that long-serving Ottawa correspondents know the public figures with whom they are dealing, which is to say quite well, but never with intimacy. My own relations with him over the years ranged from mildly friendly in the beginning to extremely disagreeable, then back to friendly and pleasant again in the end. The final change came about because I had written a lengthy article about him on his eightieth birthday which he read at a moment when he was deeply worried by the failing health of his wife, Olive. It impressed him as fair-minded and, to my astonishment, I received a warm note of thanks, after a period of some years during which I had been extremely critical of him in my writing and he had been so deeply resentful that he refused to refer to me by name. I was equally astonished a few weeks later when he confided to me in a television studio: "You can't imagine what that piece meant to me when I was so worried." My enjoyment in reading Robinson's book was undoubtedly increased by personal factors — the complexity of my own relations with his subject and the way in which I had constantly brushed against the outside of the events which the author is dealing with from the inside. This merely added an extra fillip: anyone interested in that period of our national history will find it a rewarding book, always interesting, never boring and marked throughout by that fairness of mind of the author.

**John Diefenbaker and Basil Robinson at work in Singapore in 1958.**

**Cold War Prime Minister**

To understand Diefenbaker's role in Canada's affairs it is essential to go back in time to a period when the Cold War was still real. Two great events established the ultimate parameters that reduced the dangers in the state of grave tension that so quickly followed the end of World War II: the Hungarian uprising in 1956, when the Western alliance was forced to acknowledge that it could not intervene in the Soviet sphere, and the Cuban missile crisis in 1962, when the Soviet Union recognized that it could not threaten the United States with nuclear missiles placed in such close proximity to America. Those crises, dangerous in themselves, forced both superpowers to accept the limits of their power in ways that were glaringly public and unmistakable to the entire world. This acknowledgment that beyond those limits the utmost restraint was required for survival, greatly reduced the subsequent level of international danger. The second of those invaluable parameters defining the outer limits of power was established towards the end of Diefenbaker's power; the Cold War was still extremely dangerous during his years as Canada's leader.

Diefenbaker destroyed his government and the Conservative Party's grip on power through his inability to resolve the conflict over arming weapons systems that Canada had already acquired. The weapons had been designed for nuclear warheads and were either completely absurd or ineffective without them. The dispute pitted his defence minister, Douglas Harkness, and the minister of external affairs, Howard Green, against each other. The Prime Minister was torn in both directions. Initially, however, the government's public statements had left no real doubt that, when the carriers were in place, the warheads would be acquired from the United States on some basis of joint control. Green had been a member of the cabinet and had not objected when the government went that far; he launched his anti-nuclear fight later on. Since the essential decision had been reached effectively, if not formally, when the weapons were purchased, the obvious course for a prime minister would have been to insist that the ministers who took part in it abide by the policy. Diefenbaker, however, could not bring himself at the later critical stage to insist that Green adhere to cabinet policy or leave the government. The result was that Green, by then immersed in a futile disarmament crusade, and being both able and extremely

determined, re-opened the issue. It finally forced Harkness from the cabinet and defeated the government.

**Cabinet conflicts**

Robinson, reflecting the feelings of many external affairs officers of the period, writes with warmth and affection of Green personally. The external affairs minister was, however, being unrealistic in view of the continuing level of international danger. The long disarmament effort of those years was really a paper exercise; it consistently failed to modify Soviet positions on force levels, and failed equally to provide any realistic grounds for optimism. That had to wait for Mikhail Gorbachev a quarter-of-a-century later. Green's prolonged stubbornness in blocking an essential defence decision would have been tenable only if there had been even faint signs of progress in the Geneva talks. There were none; the negotiations were the great dead end of Cold War diplomacy. The struggle which ruined the government was sterile and this adds to the burden of blame that can fairly be placed on Diefenbaker.

Because of the government's hesitancy during the opening phase of the Cuban missile crisis, again reflecting a Green victory over Harkness, as well as the Prime Minister's indecisiveness, Canadian public opinion was led by John Kennedy from Washington, not by Diefenbaker from Ottawa. That was a grave failure to meet the responsibilities of leadership. As Robinson reveals, however, the blame was not entirely Canadian, and since he is never a polemicist his account has more justice than others. The crisis involved North American defence, and the Americans were justified in expecting Canada to meet the commitments of the NORAD agreement. Kennedy, however, allowed his intense dislike of the Canadian Prime Minister to lead him into offensive tactics. An essential condition of the NORAD agreement, which the Diefenbaker government, not the Liberals, had negotiated, was that the two partners would consult each other in moments of crisis. Kennedy rejected American consultation with Canada at the gravest moment that has ever developed for North American defence. Canada was informed of vital decisions at the last moment and expected to fall in line as an obedient junior partner. This aspect of the critical period has never been well-known to Canadians and Robinson's account, therefore, has special value. Diefenbaker's deep resentment of this American tactic was thoroughly justified and it would, or at least should, inspire the same reaction in any Canadian leader. Consultation with allies is not a superpower strong point. This does not excuse, however, Diefenbaker's own failure to provide the Canadian people with the leadership they desperately needed during a great crisis.

Throughout the book Robinson reveals the extent to which Diefenbaker's attitudes were constantly affected by his often very accurate reading of the state of Canadian public opinion. In a populist that is probably to be expected, but it was a weakness that he so often reacted to opinion instead of making effective efforts to shape and lead it. People who hold the highest offices have an obligation to lead their nation's opinion as well as their actions.

**Diefenbaker's contribution**

There were other areas in which the Diefenbaker record is much more favorable and it is unfortunate that this aspect of his career has been so obscured by the final great failure. It is, of course, beyond the scope of Robinson's book. Diefenbaker paved the way for medicare and gave it a sound foundation through his appointment of the Hall Commission. He brought the old age pension system onto a meaningful basis. He opened up trade with China during the period of the sterile, American-led anti-Chinese quarantine.

His political opponents can hardly be expected to appreciate what was probably his greatest contribution to this country: he broke the Liberal Party's unhealthy monopoly on federal power, established through Mackenzie King's skill in building a new coalition of political forces. It had continued too long. The Liberals had controlled Canadian government without interruption from 1935 to 1957. A monopoly of power of this length is particularly unhealthy in the parliamentary system because it is without any established checks and balances. It had led the Liberals into the trap of actually believing that they were Canada's natural governing power and that they possessed a "right" to be in office. They did not view political power then, as they have come to in defeat, as something which must always be won from the public by persuasion and good efforts. By breaking the monopoly, Diefenbaker also brought the Conservative Party back to a fundamental health that it had lacked since R.B. Bennett's defeat in the mid-1930s, if not from the end of World War I. The great historic role of John Diefenbaker is that he paved the way to a return to the essential alternation of power between parties, which had withered and temporarily died. The Conservative Party's leaders since then could probably not have achieved that without Diefenbaker's short but great impact on public opinion. □

# THRONE SPEECH

*(The following is the foreign affairs portion of the Speech from the Throne delivered in the Canadian Parliament on April 3, 1989. It is presented here as an editorial service of* ***International Perspectives.****)*

My government believes these objectives to be fundamental:

First, to build a strong economy, encouraged by incentive and opportunity, an economy fully competitive among the world's trading nations and one in which all Canadians may share its challenges, risks and rewards;

Second, to preserve Canada's environment, to actively encourage increased public interest and involvement, and to give firm leadership and support to international efforts to overcome the environmental threat to our planet.

* * * * *

**Preparing Canada's Future**

My government is continuing the process of implementing the Free Trade Agreement with Canada's principal trading partner, the United States. Multilateral trade negotiations through the Uruguay round of GATT are also a high priority....

Outward-looking trade policies will be necessary for Canada if it is to be competitive in the world. Many industrialized countries — notably in Western Europe — are forming larger trading alliances so that their industries may benefit from access to larger markets. Business firms are creating world-scale plants as a means of realizing the opportunities which flow from liberalized trade.

With the development of cost-efficient manufacturing in the newly industrialized countries of Asia — and more competitive resource development in the Third World — major new factors are emerging in the international market place. No nation can remain indifferent to, or aloof from, these economic realities....

My government is providing programs to assist small and medium- sized business to develop export opportunities that are emerging as a result of the Free Trade Agreement. The federal government is also placing greater emphasis on the Asia/Pacific region as well as on Europe.

My government's purpose is to ensure that the benefits of liberalized trade and economic expansion are shared fairly by all Canadians.

* * * * *

**The Environmental Imperative**

The world itself is facing an environmental challenge of unprecedented magnitude. Recognizing this, my government has strongly supported the Brundtland World Commission on Environment and Development and its call for "sustainable development" — which holds that the state of the world's environment, the strength of the global economy and the health of the earth's inhabitants are inextricably linked.

My government will participate in the establishment of a centre for the international promotion of sustainable development, to be located in Winnipeg....

These initiatives are part of a new environmental agenda which will also include the commitment to: ....improve the quality of the atmosphere through the negotiation of an acid rain accord with the United States, the implementation of the Ozone Protocol signed in Montreal in 1987, and the pursuit of further international efforts to control toxic emissions and to stimulate the evolution of international institutions in environmental matters.

* * * * *

**Canada's International Role**

Canadians are, by vocation, world citizens. They helped form the United Nations, and are among its most creative and consistent supporters. Forty years ago this week, Canada played a pivotal role in the creation of the North Atlantic Treaty Organization. Canada retains that active commitment to freedom and to Europe. Canada is active in the Commonwealth, la Francophonie, the Economic Summit, GATT, and in other initiatives to improve the standards and security of the international community.

Canadians prize freedom and tolerance at home, and pursue those values in the world.

My government will continue to take a strong stand in defence of human rights. It will continue to be among the leaders in peacekeeping, in international development, in strengthening international organizations, and in relieving the devastation of famine or of natural disaster. It will apply firmly and fairly the new legislation on refugees, and will expand overall immigration levels.

We are a northern nation, proud of our arctic frontier, and determined to work with our northern allies and neighbours to develop a new co-operative ethic in the Arctic.

Canada is the immediate neighbour of both superpowers, and my government will apply Canada's influence to increase understanding and co-operation between East and West. The government will continue its support of progress toward the reduction and control of arms, and will continue to help resolve regional disputes.

Modern economics, social and environmental realities draw the world together dramatically. In these new circumstances, Canada has special contributions to make, and legitimate interests to advance and defend.

Canada's efficient agricultural producers cannot compete fairly in a world in which trade-distorting subsidies wreak havoc with market disciplines, while bringing undue pressure to bear on the nation's treasury.

Canadians who fish for a living find their catches reduced by predatory over-fishing outside the 200-mile limit, where Canadian regulations cannot be enforced. My government will intensify its international efforts to put an end to these practices.

# Book Reviews

## An earlier Iran

by Roger M. Savory

***The Soviet Union and Iran: Soviet Policy in Iran From the Beginnings of the Pahlavi Dynasty Until the Soviet Invasion in 1941*** *by Miron Rezun. Boulder, Colorado: Westview Press, 1988, 425 pages, US$45.00.*

The book under review is the first US edition of a work originally published in Leiden in 1981 and subsequently by BÖhlau Verlag in 1982. The importance of the book lies in part in the fact that, as the author (a Professor of Political Science at the University of New Brunswick) states in his Introduction, there was previously "no single study devoted exclusively to Soviet-Iranian relations during the reign of Reza Shah," and in part to the fact that Miron Rezun has been able to make use of Soviet archival material covering the period of the reign of Reza Shah (1926-41). This material, comprising "carefully selected papers" from the archives of the Soviet People's Commissariat of Foreign Affairs (NARKOMINDEL), began to appear in 1957 and, at the time when Professor Rezun was writing his book, the published volumes of this material covered the period down to 1938. In addition, the author made use of the published "speeches, articles, declarations and notes" of such Soviet Foreign Commissars as Chicherin and Litvinov. British, German and US documentary material was also consulted.

The most valuable parts of the book are Chapters 4, 5 and 6, on the "Dynamics of Soviet Policy" between 1926 and 1935; Chapter 7, on the history of the Persian Communist Party and its connections with the Comintern; and Chapter 8, on German involvement in Iran. A dominant feature of the book is the most detailed study yet available of Reza Shah's powerful minister Teymourtash, a member of both the First Triumvirate (1927-29) and the Second Triumvirate (1931-33). These chapters all contain new and important material, but are not free from factual errors. For example, on page 131 Professor Rezun appears to accept at face value the statement, apparently taken from a Persian source, that "throughout history, the islands (Bahrain) had formed part of the territory of Iran. In fact, of course, the Bahrain islands were not under the jurisdiction of Iran during the six centuries of the historical Caliphate (632-1258 AD); for most of the 16th century they were in the possession of the Portuguese, and from 1783 onwards they were in the hands of the Arab Al Khalifa family.

The first two chapters — "The Historical Framework" and "The Domestic Framework" — are less happy. Space does not permit me to list all the errors of fact or to qualify some of the more contentious statements, but, for example, the neutral zone established by the 1907 partition of Iran between Great Britain and the Soviet Union cannot accurately be described as "a strip of territory along the Persian Gulf." The majority of the reforms of Reza Shah cannot be characterized as "always of an economic and military nature." Reza Shah's reforms in the areas of education, public health, the legal system, and emancipation of women, to name but a few, had far-reaching social implications.

It is to be regretted that, when an edition of this work was being prepared for North American readers, the opportunity was missed to correct, not only the unusually large number of typographical errors which mar the original version, but also the misspelled names of people and places. For example, the name of the head of the German Fifth Column in Iran during World War II was Mayr, not Mayer, and Lake Gochka, which appears twice on page 5, is in fact Lake Gökcha. Particularly jarring to the Iranologist are the numerous distorted versions of Persian and Islamic names and titles of books; considerable ingenuity is required to unscramble some of them. The author's tendency to shorten Muslim names is not acceptable practice. Just because Sultanzade's name is rather long, for instance, one is not entitled to refer to him as "Zade!" It is also to be regretted that Professor Rezun could not have restrained himself from making *ad hominem* remarks about other scholars in the field. For example, his remarks on page 101 about Professor Lenczowski, a distinguished Emeritus Professor of Political Science at Berkeley, do not enhance the quality of academic debate. Despite these blemishes, however, Professor Rezun's book is of great value to students of Soviet-Iranian relations.

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## Revolutionary Iran

by William Millward

***The Making of Iran's Islamic Revolution: From Monarchy to Islamic Republic*** *by Mohsen M. Milani. Boulder, Colorado: Westview Press, 1988, 361 pages, US$29.50.*

***Post-Revolutionary Iran*** *edited by Hooshang Amirahmadi and Manoucher Parvin. Boulder, Colorado: Westview Press, 1988, 262 pages, US$39.50.*

The Islamic republican regime which emerged from the long revolutionary ferment of 1978-79 in Iran is now ten years old. We now have a record of performance from the Islamic Republic upon which to base an assessment of what was essentially, at the beginning of its existence, an unknown and unpredictable quantity. The Islamic Republic is better known today, even if it is not significantly more predictable. And yet there are problems in assessing a theocratically structured and religiously sanctioned government. What criteria do we use to measure its performance as the source of authority, order and social control? Which accounting procedures are appropriate to permit an interim balance sheet that corresponds with reality?

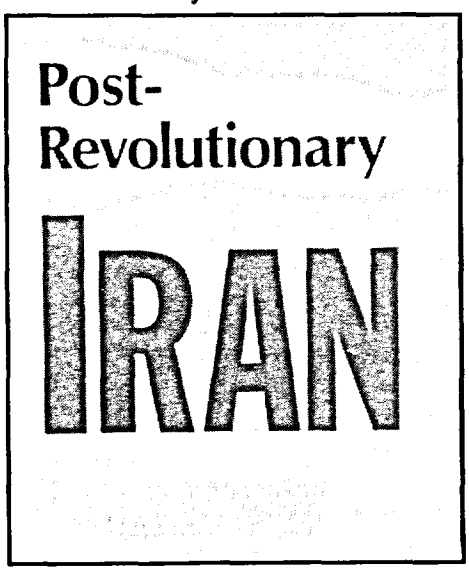
Definitions of reality differ. The criteria applied by analysts outside the new system, who are not prepared to take the value structure of Shi'a Islam into their calculations, will incline generally to a negative and critical estimate of the regime's overall performance. The criteria of those who sup-

port the Islamic republican system and believe in the basic necessity of a political entity to promote the cause of Islamic self-assertion in the world at large in the technological age, will perhaps be inclined to discount some developments that would otherwise be on the negative side of the ledger.

Between the poles of objective and subjective there is the problem of which standards of measure are appropriate in assessing a revolution which uses a traditional religion as its guiding ideology? Does a timeless spiritual tradition provide a more effective source of motivation and framework for human endeavor in the modern age than the more materially oriented ideologies of the last several centuries in the Western world?

Ideally the best approach would be to provide assessments from both inside and outside vantage points and allow readers to make their own reckonings. There will be general agreement among observers on all sides that from the very beginning of the Islamic Republic governments of East and West have had ample evidence to conclude that the present leadership in Iran represents a rather different political, diplomatic and cultural paradigm in the modern world, one which has great potential not only for cognitive dissonance with outsiders but also for direct conflict with prevailing international standards.

The revolutionary upheaval in Iran in 1978-79 that stunned political observers around the world and left foreign policy planners and the academic community with a sense of impotence for their failure to foresee it, continues to draw a steady flow of interest and research activity from scholars and analysts.




The first of these two volumes provides an overall vision of the cataclysm and its consequences. This is the result of a holistic approach applied by a single author and researcher. The second volume is a collection of twelve separate studies, by as many authors, which are stylistically composite but thematically related, chiefly as a result of a skillful introduction and conclusion by one of the editors. Of the fourteen writers whose work appears in these two volumes, twelve are Iranians, all of whom live and work in the Western environment. Read together the two volumes offer a substantial record of well-documented material and a multivariate analytical approach that is highly informative and intellectually satisfying.

Professor Milani's monographic study of Iran's Islamic revolution is a revised version of a doctoral dissertation submitted to the University of Southern California in December of 1985. It is therefore, as its title implies, primarily a study of the background causes and preconditions of the revolution, and a description of the mechanisms that occasioned the transfer of power from monarchy to Islamic Republic. In the final section of the book the author has added a postscript which attempts to show how the power struggle and eventual domination of state and society up to 1987 by what he calls the "Shi'i fundamentalists," might have been foreshadowed in the prelude to the revolution itself and in its emergent conditions.

The author begins his study of Iran's recent revolution with a review of the theoretical literature on the subject of revolution itself. While the conceptual framework Milani selects is based primarily on the data derived from the study of Western models of revolutionary upheavals and the sources that describe them, the author supplies supplementary data from Iranian sources that reinforce his position. The first problem he tackles is the thorny issue of language and definition. He concludes that what constitutes a revolution is essentially a function of the student's theoretical concerns and ideological predilections. Cutting through the verbiage surrounding previous definitions of the concept, which he considers only "road maps" and "guides," Milani offers his own: a rapid fundamental change in the social structures as well as in the state's personnel, institutions, and foundations of its legitimacy, accomplished from outside the legal channels and accompanied in part by a movement from below.

This definition allows the author to distinguish revolutions from coup d'états, rebellions, and "revolutions from above." It is also morally neutral and without prejudice to the outcome of particular examples. On this basis the so-called Constitutional Revolution of 1905-11 was no more than a popular urban reform movement, and the late Shah's White Revolution of 1963 was not a revolution at all. "But the 1979 event was a revolution: the Shah's regime was overthrown in part by the participation of the lower classes; the state's personnel and its foundation of legitimacy were changed; and new structures and institutions were built." It seems likely there will be few serious students of modern Iranian history who would want to contest the validity of these distinctions.

* * *

In *Post-Revolutionary Iran* more than half of the chapters were originally presented at the 1985 conference of the Center for Iranian Research and Analysis (CIRA) held at Rutgers University in New Jersey, while the others were written specifically for the volume. All but one of these make extensive use of Persian language sources on post-revolutionary Iran. This means that for the most part the research on which these studies was based applies to the first five years of the Islamic Republic's existence, 1979-84. The ideological perspective of all these studies is that of the Western social scientist. A couple employ Marxist analyses.

The primary purpose of this anthology is to analyze the transformations in the ideological, political and socio-economic structures of post-revolutionary Iran, and to discuss government policies with a view to illuminating the nature and direction of the state and society in the Islamic Republic. It is admitted in the introductory chapter that "the analyses are constrained by inadequate information about the inner workings of the Islamic Republic and about the many causal-consequential networks affecting post-revolutionary Iran." But three major themes recur throughout the book: (1) enormous changes in the material and intellectual aspects of life in post-revolutionary Iran when compared to earlier times; (2) the severe domestic and foreign policy problems requiring immediate solutions; and (3) the gradual shift of the Islamic state from its initial ideological commitments to more pragmatic policies. Students of the Islamic Republic can hope that the same publishers will bring out more of the annual proceedings of CIRA in

printed form and make them available to a wider public.

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## Documenting victory

by David Farr

***Documents on Canadian External Relations, Volume 10, 1944-1945 Part I** edited by John F. Hilliker. Ottawa: Department of External Affairs, 1987 (released 1989), 1700 pages, $84.75 ($101.70 outside Canada).*

The ten volumes of *Documents on Canadian External Relations* occupy almost thirty inches of shelf space. In their handsome bindings of red, black and gold they provide an imposing setting for the record of Canada's foreign relations from the founding of the Department of External Affairs in 1909 to the Second World War. Now the line of stout volumes is joined by a new recruit, Volume 10, containing documents relating to the final two years of the war. (Volume 12, covering the events of 1946, has already been published.)

Volume 10 is the first of two books to deal with the critical years 1944-45. It concerns itself with subjects arising directly from the conduct of the war: the formulation of war objectives, the European and Japanese peace settlements, prisoners of war, interned civilians and refugees, relief for liberated and occupied territories. Its companion, which it is hoped will soon be published, will deal with Canada's part in the organization of the United Nations, the specialized international agencies and the plans for the international control of atomic energy.

The series, published by the Department of External Affairs, is thus "official history." Most of the volumes have, however, been edited by academic persons from outside the Department who have testified to the freedom they enjoyed in selecting material. The purpose of the official documentary series was set down in Volume 7 in 1974: "to provide a comprehensive self-contained record of the major foreign policy decisions taken by the government of Canada, and of the reasons for taking them."

How well has this purpose been achieved? Since it is impossible to possess a familiarity with all the records, a reviewer can only test the contents of a particular volume by looking at the treatment of recognized themes. A principal theme for the 1944-45 period was the advancement of the functional principle as a basis for representation on international agencies. The claim that membership in an agency should be determined by a country's contribution to its purposes arose from Canada's disappointing experience in seeking a place on the combined boards earlier in the war. In 1944, as a major supplier of foodstuffs to the recently-created United Nations Relief and Rehabilitation Administration (UNRRA) Canada tried again. Eighty-seven documents reveal the success, not gained easily, which came from her efforts.

Another subject of the later war years was, of course, the crisis over conscription in Mackenzie King's cabinet. Its international aspect is detailed here: the Prime Minister asking Winston Churchill in October 1944 how long the war would probably continue and whether Canadian troops would be needed for the final military operations. Churchill was not helpful to Mr. King in his replies.

One item from the documents in Volume 10 will surprise most readers. General Alexander was not Mr. King's first choice for Governor General of Canada in 1945. The preferred choice was G.M. Trevelyan, the eminent English historian. But Trevelyan believed himself to be too old for the appointment and Canada's last British-born Governor General came to be a soldier, not a scholar.

Volume 10 has been capably edited by John F. Hilliker, head of the historical section in the Department. He provides a useful introduction explaining the basis of selection for the 1700 pages of documents to follow. There are two organization charts of the headquarters staff of the Department in 1944 and 1945, as well as a list of persons writing or receiving documents. There is an index but it is much shorter than in earlier volumes and consequently somewhat selective. Fourteen illustrations show many of the leading participants in the events treated. There is a picture of Mackenzie King and Louis St. Laurent, for instance, earnestly broadcasting side by side on V-E Day from San Francisco. Other illustrations show Canadian officers taking part in the surrenders of Germany and Japan.

The first volume in the *Documents* series came out in 1967 to mark centennial year. Over succeeding years the progress of the series has been halting. It is to be hoped that the pace can be quickened. Contemporary international history has a wide popular, as well as a scholarly, appeal. If it is to be written fairly, it needs sources such as Canada's *Documents* series provides. The Department of External Affairs has a responsibility to put its full weight behind the project to try to close the 40-year gap between the document it has published and the present day.

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## *Perestroika* and the republics

by Michael Rymek

***Politics, Society, and Nationality** Inside Gorbachev's* Russia *edited by Seweryn Bialer. Boulder, Colorado: Westview Press, 1989, 255 pages.*

The discord between the Supreme Soviet and five USSR republics that culminated in the adoption of key concessions in the recently approved constitutional amendments and the territorial dispute between Armenia and Azerbaijan over Nagorny-Karabakh has led to increasingly strained relations between Moscow and the Soviet Union's constituent republics. Although both crises have been diffused momentarily, the multidimensional nationality question constitutes one of the most important obstacles to the success of Mikhail Gorbachev's reform plan.

The nationality question is one of the issues dealt with in this collection of seven essays and policy analyses examining the implications of Gorbachev's proposed reforms and the dynamics of those reforms from within the Soviet political system. Compiled by the New York-based East-West Forum, the book focuses on four central aspects of continuity and change within the Soviet Union: politics, political culture, society, and nationality.

In examining the nationality question, Alexander J. Motyl discusses the political implications involved if *perestroika* were

to upset the delicate balance between peripheral and central authority in favor of the periphery. Such a trend, if allowed to continue, might enlist uncontrollable nationalist forces and, perhaps combined with national communism, create an insurmountable barrier to continued reform.

Already we have seen evidence which points to the emergence of such nationalist forces. What Motyl does not point out, however, is that these nationalist tendencies first emerged not from the republican parties but among a number of burgeoning national fronts. In recent months, the Communist Parties of the Baltic republics have discovered that national fronts appear to be dictating republic policy and have attempted to regain the initiative.

While the national question accelerates *perestroika* beyond what might otherwise be acceptable to the Soviet leadership, the dominant Russian political culture could have the opposite effect in slowing down reform. Until very recently, Russian political culture appeared unenthusiastic about Gorbachev's reforms. Archie Brown, who discusses both Marxist-Leninist ideology and political culture, argues that *perestroika* will founder if it is not accompanied by some change in political culture and a shift away from certain traditional values.

Brown also claims that political culture can provide a counterbalancing advantage in that it allows for a controlled liberalization from above. The Soviet leadership will not need to worry about a population who will push for change to go further and faster than the CPSU wants. Unfortunately, the extent to which Russian political culture influences the non-Russian republics is not discussed. If the Soviet leadership desired Russian political culture to have a moderating effect, recent events in the Baltic republics and the Caucasus can only be disappointing.

The book provides a useful guide to the numerous obstacles that Gorbachev must overcome if his radical economic and political reforms are to succeed. And as Seweryn Bialer concludes, despite what Gorbachev has done so far, despite the fact that people in the Soviet Union are at least beginning in large numbers to believe in it, *perestroika* remains a process that is still very much reversible.

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*Michael Rymek is a Canadian attending the School of Slavonic and East European Studies in London, England.*

## A very esoteric view of the Soviet beast

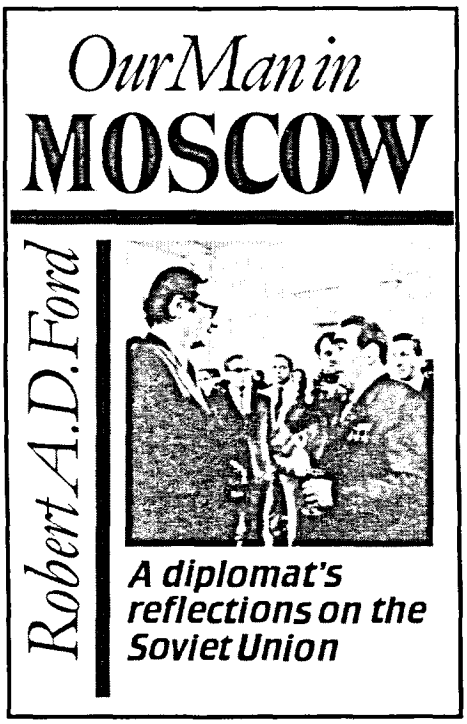
by David Levy

*Our Man in Moscow by Robert A. D. Ford. Toronto: University of Toronto Press, 1989, 356 pages, $29.95.*

Alexander Griboyedov (the name would be Fungusphage in Dickensian English) was a Russian poet, playwright and ambassador murdered in Tehran in 1829 when a mob took over the Imperial Russian embassy. Robert Ford is a Canadian poet and ambassador who survived a record sixteen years (1964-80) as Canada's ambassador to the USSR, with more years there before in lesser embassy posts.

The Griboyedov-Ford parallel springs to mind from Ford's description, in this important but maddeningly deficient book of his, of his own vain effort to get the Soviet Union to join international condemnation of the mob takeover of the US embassy in Tehran. He writes of telling Gromyko he thought the Russians should be sympathetic because Griboyedov had been murdered in Tehran in an almost identical situation. "[Gromyko] looked at me with his steely grey eyes and said: 'Please don't give me lessons in Russian history.'"

Alas, Ford gives far too little of this sort of color, and seldom any of it as complete as this example is. And he gives far more historical exegesis and commentary than one psyches oneself up to expect in hungrily opening the book. Ford's interpretations of the history at whose center he was privileged to find himself for so long are not for any layman to dispute; indeed, they are among the most competently written you will find anywhere. But they belong in a separate book, or in *Foreign Affairs* or somesuch, not in a book so chummily titled *Our Man in Moscow*. Or they belong in this book, differently titled, with its largely unsatisfying anecdotal material excised, and with a frank acknowledgment of its obvious provenance in the author's regular reports to Ottawa over the many years.




With Leonid Brezhnev having become, right on schedule, a non- person, Ford's analyses of the problems which the late leader addressed, and failed to address, are probably this book's most important contribution to our understanding of the (sigh) "period of stagnation." No reader of this book will any longer feel comfortable parroting that pat euphemism. Even with *glasnost*, the parts about Brezhnev, while far from hagiography, would not make this book favorite Kremlin reading, though one can well see it as Gorbachev's private *livre de chevet*.

The trouble with diplomats is that they always give you the feeling they know more than they are letting on, or more than is good for you to know. They deal routinely in half-truths. If you are a foreign correspondent, as I was in Moscow during most of Robert Ford's record tenure, it is something you live with as you would live with piles. Which is to say, it were better not spelled out.

Leaving readers hanging like that apes another salient flaw of Ford's otherwise consummately organized and historically very useful book. Esoteric understatement may be a virtue in diplomacy, but, in writing for the public, Ford commits the cardinal sin of arousing curiosity that he then fails to satisfy. He also goes one better — or worse — in omitting key points altogether: for instance, the grisly climax of Stalin's funeral — its most significantly memorable part — when dozens of Muscovites were crushed to death against phalanxes of army trucks cordoning off the half-crazed crowds. An odd omission, surely, especially as he does describe the serried line-ups of trucks, leading knowledgeable readers to think he is setting the scene for that climax. On the other hand, his detailed description of crowds converging on Moscow's center in a particular thoroughfare is a scene he

could not possibly have witnessed. Yet it is written as if by a witness, the omniscient novelist of whom no attribution or authentication is required.

Aside from such occasional lapses into novelist's licence, this book reflects none of the inspiration of artist as writer. From the arid detachment of its style, one would never suspect the author of being an artist of the pen; in fact an established poet with many works to his credit, including translation of Russian poetry into English.

Ford's late Brazilian wife, the irrepressible Thereza, provides almost all the book's spice. Never do Ford's many references to her exaggerate her high spirits. She was not your common or garden variety ambassador's wife. But Ford's uxoriousness does appear to have clouded his perception of Russian women — "on the whole not a particularly attractive lot" — to the point of causing him naively to wonder how the KGB was so successful in using them to suborn foreigners to its service. There are other signs of Ford's isolation from the life of the *hoi poloi*, such as his writing that "no social stigma was attached to [abortion]." The intensity of the social stigma is such as to prompt Soviet women to bribe their abortionists not to write "abort" on the *spravka* explaining their absences from work for the operation.

Seen as a Canadian work of record, a glaring fault of this book is its confinement of all mention of any one of us Canadian correspondents, of which there were a baker's dozen throughout Ford's time, to a rather feckless attempt at a lurid tale in referring to Peter Worthington's KGB-connected female secretary's defection in Beirut. And even with that reference, such as it is, he omits the political element, also the most exciting part: Worthington declined Ford's urging him to smuggle himself aboard the RCAF transport which had just happened at that precise time to have brought Paul Martin to Moscow on an official visit, in order to extricate himself from the tight corner he was in with the KGB over the defection. The authorities had been unresponsive to Worthington's application for an exit visa, for which in those days we had to apply each time we wished to leave the country.

Perhaps less vital an omission to everyone else except myself is Ford's failure to mention me even in describing my most picaresque Moscow caper. It was I who, in April 1965, led Richard Nixon and Joey Smallwood on their first foray to the Khrushchev residence, the location of which Ford had, in fact, vouchsafed to me alone among the correspondents. The unlikely duo went to Ford for further help only after we had been stopped in our quest by the gimlet stare of an old crone seated on a bench in the Khrushchev apartment block lobby. The scene is well described in Smallwood's *I Chose Canada*.

Ford's reference in this book to a predecessor of his in the Moscow posting as having been a Soviet agent of influence threw External Affairs loyalists in Ottawa into a real tizzy. There is no argument that John Watkins, to whom Ford gives the fullest possible credit as a man of great sophistication, was caught in the toils of the KGB which, in its usual charming way, had photographed him having sexual relations with a young man he had met in Muslim Uzbekistan. After a series of Soviet defectors (Golitsin, Krotkov, Nosenko) had fingered Watkins, he confessed to his two RCMP interrogators his earlier KGB subornment. Then, on October 12, 1964, as the lengthy interrogation period had just drawn to a close, he died of a sudden apparent heart attack, his secret, as Ford puts it, dying with him.

The argument is over whether this did or did not make Watkins a Soviet agent. Ford does refer to Watkins as an agent of influence despite the absence of any indication that Watkins ever actually played ball politically with his Soviet blackmailers. On the contrary, both in Moscow and later, Watkins appeared to have successfully fended off their pointed suggestions that he cooperate in making life easier for Soviet diplomats in Canada. However, his secret cannot surely be said to have died with him until the relevant RCMP files become publicly available. And that will not be before October 12, 1994, the 30th anniversary of Watkins's fatal collapse. Perhaps before then we shall have another book from Ford, this one with no holding out on us, full of the personal reminiscences of which his poet's mind must be chock-a-block.

*David Levy spent ten years in Moscow as a Canadian correspondent between 1964 and 1978. He is now a communications adviser with the Department of the Secretary of State in Ottawa.*

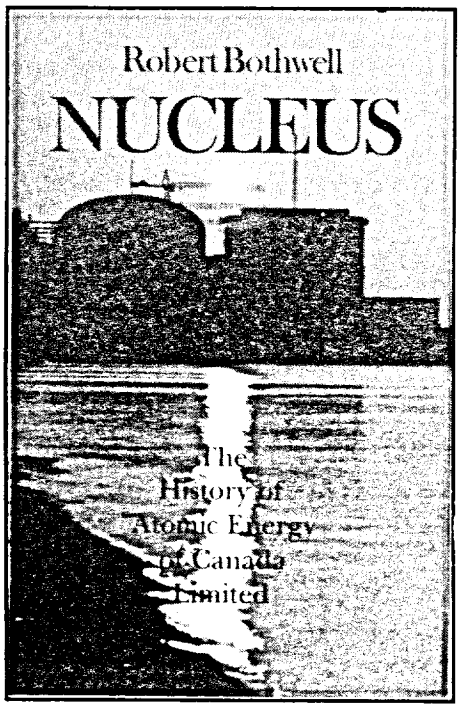
## Candu eventually

by David G. Haglund

***Nucleus: The History of Atomic Energy of Canada Limited** by Robert Bothwell. Toronto: University of Toronto Press, 1988, 524 pages, $34.95.*

There is something Dickensian about this book. The length, for one thing, begins to approach some of the master's works. (The style, alas, falls short, but then cannot the same be said for all of us?) What really puts me in mind of Charles Dickens, however, is that in *Nucleus*, University of Toronto historian Robert Bothwell has written a tale, it not of two cities, then certainly for two constituencies. This book, like an earlier one Bothwell did for another precinct of Canada's nuclear industry (*Eldorado: Canada's National Uranium Company*), is a commissioned corporate history. As such, its author must be expected to provide an abundance of detail to those who have sponsored the product, Atomic Energy of Canada Ltd. — for detail, while not usually the stuff of legend or scintillation, is indeed the stuff of corporate memory, the furtherance of which constitutes this book's raison d'être.

There is another constituency for the book as well: it is the community of readers who have developed an interest in one of



Canada's most impressive but also most controversial industrial achievements, the harnessing of nuclear energy for the generation of power. No one needs to be reminded of how contentious nuclear energy has become, and not only in this country; in contrast to much of the emotion-suffused literature on the topic, Bothwell's book provides an invaluable and balanced account of the origins, growth, and eventual configuration of the Canadian nuclear power industry. But it is also, for this second constituency, a work that supplies more than is reasonably needed to accomplish its task. At times, the narrative pace becomes so plodding that one wishes the author would quickly, as they say in the nuclear trade, "go critical." Readers who share this reviewer's preference for a more energetic pace will be well-served if they concentrate on skimming much of the book and studying its "Epilogue," which is an admirably concise summary of the major themes of *Nucleus*.

Space does not allow a restatement of all of these themes, but among the more important points noted by Bothwell, one stands out: that notwithstanding a succession of technical, financial and political blows, AECL did manage to create a system for generating electricity from nuclear energy that could hold its own against the best of what the world had to offer. It is well to be reminded, especially given the current malaise attending nuclear power stations, that while not easily marketable outside of Canada, Ontario Hydro's CANDU reactors have been "year after year...at or near the top of the world ranking of capacity factors." Pickering and Bruce have delivered on the early (and frustrated) promise of Douglas Point: to demonstrate that Canada could reliably produce reasonably low-cost power from indigenous sources.

Lest one conclude from the above that Bothwell has indulged merely in corporate ego-stroking, it must be said that he also turns a critical eye on the foibles of Canada's nuclear power industry, which he traces from its birth during World War II, when what was being sought was a path not to cheap electricity but rather to an allied atomic bomb. Since we like to imagine ourselves to be among the world's most chaste nuclear states, Bothwell does a service not only in describing how the quest for the bomb motivated the country's pioneers of nuclear energy during the war years, but also in explaning the important role played by Chalk River in providing facilities (in the event, use of the NRX reactor) to the US Navy's atomic submarine program in the postwar decade.

In light of the current anxiety on the part of some Canadians that tritium from Darlington might, if exported to the United States, find its way into American nuclear warheads, it is of more than passing interest that, in its early days, Canada's nuclear power industry was critically dependent upon US supplies of heavy water from Savannah River. Largely to reduce this dependence upon a foreign — if friendly — state for such a critical input, Ottawa decided on a policy of achieving self- sufficiency in heavy water. This would eventually be attained, but not before the fiasco of Glace Bay inflicted a black eye on the industry.

The story of nuclear power in Canada, as presented by Bothwell, conjures up yet another English historical figure: for in the Chalk River accident, the dreadfully inadequate Douglas Point reactor, Glace Bay, and the disastrous Indian explosion (to cite the most prominent misfortunes), Bothwell has presented us a portrait of AECL very much like the famous one of Cromwell, "warts and all."

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*David G. Haglund is Director of the Centre for International Relations at Queen's University in Kingston, Ontario.*

## Fighting Prime Minister

by Matt Bray

***King's War: Mackenzie King and the Politics of War 1939-1945** by Brian Nolan. Toronto: Random House, 1988, 188 pages, $21.95.*

Twenty-five years ago, while working on a study of John W. Dafoe and the *Manitoba Free Press*, I happened to find in the Dafoe correspondence a scrap of paper on which was scrawled a note, undated and unsigned but apparently in the handwriting of Grant Dexter, one-time Ottawa correspondent of the Winnipeg daily. Brief and to the point, it read simply "William Lyon Mackenzie King, a dirty little man with fetid breath." In *King's War*, Brian Nolan of Carleton University's School of Journalism has painted a picture of King that more than most accounts seems to justify this unflattering description of Canada's longest serving Prime Minister. To be sure, the author repeatedly stresses the contradictory aspects of King's character, his ability "to display gestures of kindness, sympathy and social grace," and yet also "to be mean, cruel, cold-blooded and ruthless." In the end, however, it is King's darker side that leaves the strongest impression.

In sketching this portrait Nolan has made extensive use of primary sources such as the voluminous King diaries, the conventional secondary literature, and, most imaginatively, the complete film interviews of the CBC's 1973 7-part television documentary series, *The Days Before Yesterday*. The last in particular was a mine of illustrative detail which the author has put to good use. Nolan's peculiar system of referencing this material is quite a different story, so cryptic that fleetingly I wondered whether it was intended to serve as a diversionary tactic, deflecting the reviewer away from the real substance of the book. Decode, for example, the following footnote in Chapter 11: "You court-martial": Smythe (Young) *CS:IYCBEITA*. (See answer at the end of the review.)

Given Nolan's eye for telling detail, much the strongest feature of *King's War* is his treatment of the people at the center of the various political storms that swirled around King in the years from 1939 to 1945 — the Ralstons, the Howes, etc. Decidedly weak, in contrast, is the analysis of the Canadian war effort itself. Chapter 8 on "The Sailor's War," for example, is devoted largely to describing the many failures of the Royal Canadian Navy, only to conclude how remarkably successful this branch of the services really was. Questionable from an analytical perspective, too, is Nolan's determination to damn King on quite contradictory grounds — for not bringing in conscription when Ralston demanded it in the fall of 1944, and then for betraying Quebec by adopting the measure when McNaughton called for it few weeks later — and all the while stressing his political astuteness.

Still, *King's War* is entertaining and easy reading, worth the investment of a few spare hours of time.

(Answer to footnote puzzle: "You court-martial" — the beginning of the sentence quoted in the text: Smythe [Young] — authors: *CS:IYCBEITA* — book title, *Conn Smythe: If You Can't Beat ' Em In The Alley.)*

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*Matt Bray is Professor of History at Laurentian University in Sudbury, Ontario.*

## Canada and weapons

by Leonard V. Johnson

***Men, Machines, and War** edited by Ronald Haycock and Keith Neilson. Waterloo, Ontario: Wilfred Laurier University Press, 1988, 219 pages, $29.95.*

Three from the Canadian Centre for Arms Control and Disarmament, Ottawa, 1988:
***The Air Defence Initiative (Issue Brief No. 9)*** by Daniel Hayward. 32 pages, $4.00.
***Canada as a Nuclear Weapon Free Zone: A Critical Analysis (Issue Brief No. 10)*** by Shannon Selin. 42 pages, $4.00.
***Opening Pandora's Box? Nuclear-Powered Submarines and the Spread of Nuclear Weapons (Aurora Papers 8)*** by Marie- France Desjardins and Tariq Rauf. 60 pages, $12.00.

*Men, Machines,* and *War* contains the proceedings of the 11th Military History Symposium, held at Royal Military College in Kingston, Ontario, in 1984. In seven case studies and an excellent essay by George Lindsey, the symposium examined the effects of military technology on strategy and politics from the Roman chariot to the cruise missile. During most of the 2,500 years or so of this technological evolution, weapons and warfare were instruments of politics, and the military arts became military science. In the last couple of centuries, since the beginning of the Industrial Revolution, warfare has progressively become too destructive and indiscriminate to serve any conceivable political purpose. The tools have turned on their master, and politics has become the instrument of the weapons.

Although not among the case studies in the book, the Cuban missile crisis vividly demonstrated this when Kennedy and Khrushchev and their advisers fought desperately (and fortunately successfully) to prevent their armed forces from precipitating them into a war that neither side wanted. Far from conferring usable military options in the crisis, the armed forces became a part of it.

* * *

Since John Lamb founded it in 1983, the Canadian Centre for Arms Control and Disarmament has become a respected source of critical analysis of defence issues. The publications by Shannon Selin, Daniel Hayward, and Marie-France Desjardins and Tariq Rauf are fine examples of the Centre's work and essential reading to anyone concerned with defence in Canada.

Selin concludes that making Canada a nuclear weapon-free zone would not be feasible or desirable, and that its proponents would better devote their energies to opposing provocative and destabilizing developments, while seeking an alternative to nuclear deterrence. At the same time, she recognizes that public concerns are justified and that government has not exerted itself to allay them.

Hayward concludes that some participation in the Air Defence Initiative is unavoidable and necessary, but that an effective defence against cruise missiles is unfeasible, its cost would be unacceptable and its consequences destabilizing and dangerous. He argues strongly for arms control negotiations to limit cruise missiles. Canada must therefore limit its participation to measures that will improve surveillance while avoiding those which will increase the danger in the long run.

Desjardins and Rauf determine that acquisition of nuclear- propelled submarines would not violate the letter of the nuclear non-proliferation treaty, but that it would violate its spirit, setting a bad precedent for other non-nuclear weapons states to exploit. In this, as in all other gray areas between free will and legal compulsion, obedience to the unenforceable rules of morality and the common good is the hallmark of responsible behavior, in government as in ordinary citizens.

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*Leonard V. Johnson, a retired major-general who lives near Westport, Ontario, is chairperson of Project Ploughshares and author of **A General for Peace**, published by James Lorimer.*

## Dangerous toy

by Simon Rosenblum

***Danger and Survival: Choices About the Bomb in the First Fifty Years** by McGeorge Bundy. New York: Random House, 1988, 735 pages, US$24.95.*

McGeorge Bundy, a national security adviser to US Presidents Kennedy and Johnson, has written a comprehensive and authoritative political history of the nuclear era. Combining personal experience and historical analysis, Bundy presents a penetrating overview beginning with Roosevelt's decision in 1941 to develop the atomic bomb and continuing to the present period. The focus of the book is on the political choices made by American presidents during critical moments in nuclear weapons history, with special attention to the Berlin and Cuban missile crises. While Bundy's view is that, by and large, nuclear crises have been well handled, he is not unaware that crises must be avoided, not just well managed: "The real lesson of the crises over Berlin and Cuba is that neither side should take such risks again."

The most powerful message in the book is the weakness of atomic intimidation and the secondary role of nuclear weapons in superpower interventionism and diplomacy. While the United States, in particular, has resorted many times to various forms of nuclear blackmail in efforts to manage geopolitical conflict, Bundy convincingly demonstrates that US nuclear threats were not the decisive factor in containing the Soviet Union and intimidating Third World nations. Numerical nuclear "advantage" did not in the end usually count for much. Furthermore, American and Soviet leaders have actually shown considerable caution, not only with respect to the use of nuclear weapons, but also in relation to actions that might lead to their use. There has always been a powerful restraint based upon the knowledge that nuclear war would be a shared catastrophe. Bundy may somewhat understate the difficulty of controlling nuclear crises but he appreciates the danger of playing nuclear roulette.

American presidents and policymakers have however — as Bundy acknowledges — generally believed that nuclear superiority is consequential in controlling global events. What policymakers believe to be true is often more important than what is true. Bundy's book is not about nuclear doctrines and strategy and I hesitate to suggest that he should have dealt more with these issues in a work that already covers so much ground. Yet the perceived utility of nuclear weapons has been central to the American quest for nuclear superiority and in the doctrines of extended nuclear deterrence and escalation dominance. This drive to acquire "first-strike" nuclear weapons and the threat to use them is not, of course, so much an intention to actually resort to

nuclear war as it is part of an extremely risky process of threat escalation which, even though it risks nuclear war, is "merely" intended to gain advantage in the superpower struggle for global influence and domination.

The final seventy-five pages of the book are well worth reading on their own. Bundy, currently a professor of history at New York University, counsels that nuclear weapons states can and must continue to reduce the nuclear danger by deepening the "tradition of nonuse." He argues that it must be more clearly understood that nuclear weapons are weapons totally unlike other weapons and their only purpose can be to deter a nuclear attack. Nuclear arsenals therefore should be reduced to the need of minimal deterrence, that is, simply enough to ensure a second strike capability. His advocacy of changing US deterrence strategy so that a retaliatory nuclear strike would be at a lesser level than the original attack poses an important challenge to force structures based upon nuclear war-fighting.

This book deserves a wide reading. While, on the whole, I would have preferred a more far-reaching challenge to superpower militarism, I have no hesitancy in expressing appreciation for Bundy's careful research, thoughtful reflection and his considerable wisdom.

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*Simon Rosenblum is Political Affairs Coordinator in Ottawa for Project Ploughshares and co-author of* ***The Road to Peace.***

## Corporatist high-tech

by Jon Alexander

> ***Canadian High-Tech in a New World Economy: A Case Study of Information Technology*** by David W. Conklin and France St-Hilaire. Ottawa: Institute for Research on Public Policy, 1988, 392 pages, $25.00.

A Joint project of the Institute for Research on Public Policy and the Information Technology Association of Canada, funded jointly by ITAC and the federal Department of Regional Industrial Expansion, and written by two university economists, this book represents a new breed of study emerging in Canada — a corporatist industry/university policy report. Ostensibly targeting interested non-specialists, this book's front end is formatted instead in the traditional way for maximum government policy impact. Finding no index, one can only approach the book from the front, through a highly accessible summary foreword leading to an executive summary expanding outward toward the text like the levels of a computer outliner program. Conklin and St-Hilaire's thesis: due to an exploding trade of high-tech knowledge products and solutions Canada will move toward a more open structure soon to be engineered by a nested set of social and private investment policies achieved through greater business/government/university cooperation.

The book has three parts. Part A, a statistical and literature review examining Canada's international competitiveness, is solid and astute. It argues that global trends are making multinational corporation head offices a marketplace for evaluating production proposals from subsidiaries bidding against one another. In this light, Canada's high-tech trade deficit is no problem but instead a requirement for increased international competitiveness in traditional economic activities.

Parts B and C treat government policies to stimulate Canadian high-tech and to enhance our international competitiveness. Part B's central concern is that traditional industrial policies are now subject to international negotiation — making free trade a necessity for easy importation of high-tech machinery and equipment. Part C argues that one can only skirt such negotiation without raising cries of unfair competition: by government procurement policy (a loophole the next round of GATT should close), by subsidizing R&D — which does not directly change market prices — and by deregulation. Conklin and St-Hilaire fail to acknowledge such federal initiatives as External Affairs' Technology Inflow Program. They conclude that education and research must be meshed together to form the bases of a radically new multi-sector high-tech strategy.

As the book's scope widens, it may progressively appear to lose focus progressively from Part A to Part B to Part C. Toward the end it has largely eradicated conventional distinctions among communications policy, science policy, and education policy, which only makes some sense in terms of one major motif. Information technology-based social change is intimately related to the rapid commoditizing of knowledge (the move from products to "solutions"), the steeply increasing global competition, and the shift from scale to scope in the economies of production.

The age of the information technology consultant selling change itself has almost arrived. Many of us soon must be making a living by diffusing new technology from high-tech into every other aspect of life, individually modified to suit each client/customer's needs. Canada can choose to rely far more upon the intellectual and technical competence of its people, but only if current deterioration in university capital funds, operating funds and research quality can be halted. If so, Canada will soon come to be much more fully able to utilize the enormous, virtually hidden, technology transfer arriving daily across our southern border — on which our prosperity so vitally yet so unacknowledgedly depends.

Flawed as it is by the special pleading of knowledge in the service of power that probably inheres in this new corporatist scholarship, this study is well worth reading. Its iconoclastic, upbeat "can do" poohpoohing of conventional Canadian academic pessimism is as refreshing as that very first truly warm day in spring. The book represents a genre from which, I predict, we shall soon be hearing a great deal more.

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*Jon Alexander is Associate Professor of Political Science at Carleton University in Ottawa.*

## Our UN

by Peyton Lyon

> *Canadians and the United Nations edited by Clyde Sanger. Ottawa: Department of External Affairs, 1988, 262 pages, free.*

This lively volume, commissioned by the Department of External Affairs to commemorate the fortieth anniversary of the United Nations, missed its target by three years. This was probably a good thing: 1988 was a much better UN year than 1985. A coincidence of happy circumstances revived confidence in the UN's central

function, the limitation of violence, and fostered interest in its multitude of other services. The implied message of the book, moreover, is tied to no year. It is that the UN consists of people. Rather than an entity standing above mankind, it is only as strong and as useful as its member states permit it to be. Their contributions in turn depend upon the talents and commitment of their component individuals.

Canadians think of themselves as exceptionally at home and useful in international organization. Pearson was wont to say that there was no conflict between being a Canadian and being an internationalist, that the two were opposite sides of the same coin. Indeed one might go further and say that you cannot be a good Canadian *unless* you are an internationalist. That the Canadian self-image corresponds roughly to the image of Canadians held by others in the UN context is suggested by a recent academic study [by the author. Ed.] and by Canada's election to the Security Council against the candidacy of two countries (Greece and Finland) closer in their attitudes to those of the Third World majority.

It was certainly an inspiration to present Canada's stake and activity in the UN and its agencies through fragments of the experience of fifty-five Canadians of varying age, prominence, and brilliance. Several of the 2- to 6-page items are from published works, such as the memoirs of Lester Pearson and Charles Ritchie. Most, however, are based on interviews conducted by Clyde Sanger, Canada's premier journalist specializing in international affairs. Sanger also provides a useful chronology and background. Personal impression and anecdote brighten the volume and no attempt is made to be all inclusive; it is not difficult to think of significant UN activity, and interesting personalities, that are missing. The fifty-five, however, include most of the stars and manage to convey a good overview of the astonishing variety of UN activity, from expanding human rights to combating famine, from establishing the Law of the Sea to teaching millions to read and write, from keeping the peace to planting trees to save the environment. Even old UN hands are likely to learn a good deal about international organization, including the challenging task of administration.

It might be useful to single out a handful of contributions to give the flavor of the collection. My difficulty is that most are my personal heroes or friends, or both. Let me simply applaud the decision to lead off with Escott Reid, that visionary drafter of charters, who at eighty-four is still championing the UN as the means to resolve such seemingly intractable disputes as the one over Palestine. Equally appropriate was the choice of the late John Holmes to conclude with a typically "upbeat assessment"; no one has supported the UN with greater consistency or eloquence.

*Peyton Lyon is a retired Professor of Political Science living near Ottawa.*

## Only in Central America...

by Tom Sloan

***Honduras: The Making of a Banana Republic in the series Perspectives of Underdevelopment by Alison Acker. Toronto: Between the Lines, 1988, 166 pages.***

Late last year, a young Honduran woman, Ines Murillo, visited Canada to tell a story of horror in her native land, a country where horrible things were not supposed to happen. Honduras is, after all, theoretically a country at peace — a distinction it shares with only one of its Central American neighbors, Costa Rica.

Even peace, however, does not always ensure respect for human rights. Ms. Murillo, who was jailed and repeatedly tortured to force her to confess to "subversive activities" over an 80-day period, is one witness. Another was an ex-army man and admitted former torturer, Florencio Caballero, who also fled Honduras and received asylum in Canada. He confirmed the existence of secret jails and the systematic torture of Hondurans who had run afoul of a theoretically democratic government — but one that in practice is under the thumb of the armed forces.

How did it happen? How did Honduras become yet another fear-ridden Central American autocracy?

The story is told in this informative volume by Alison Acker, a Canadian writer who first visited Honduras in 1984 and decided to try to find out how the country had reached its present plight. She portrays a poor and backward land that has rarely known democracy or political stability, and which has, through most of its history, been economically and politically controlled by foreign companies and foreign governments — first Spain, then Britain, and now the United States.

Today, after a decade as home base for the Nicaraguan contras and the recipient of massive US aid and military assistance, Honduras is the closest US ally in the region. Its territory is used as an American military training base. Only half in jest, it is frequently referred to as the "USS Honduras." One of the tasks of Honduras' largely US-trained military and police forces has been to discourage any "leftist" agitation by what might be considered unfriendly elements. When she was kidnapped in 1984, Ms. Murillo was a legal adviser to several union and peasant groups.

Ironically for all its power and presence, the Honduran army can hardly boast of its feats of arms. In its last excursion, in a frontier dispute with El Salvador in 1969, it was soundly beaten. Ms. Acker explains: "Without ever winning a war the Honduran military managed to acquire remarkable power. Its power came not through prestige or superior organization, but through the failure of the political powers to govern effectively." In fact, throughout their history, both the Liberal and the National parties were more interested in patronage than policy.

This is why Ms. Acker does not lay all the blame for the present situation on the US presence. "In the end, US intervention merely encouraged the worst features of Honduran society and discouraged the best, building on a process of economic intervention begun 100 years earlier."

Is there any hope in this bleak picture? As Ms. Acker notes, foreign observers have often commented on the apparent moderation and common sense of the Honduran people. Hope might be found in an active, if fractured, labor movement and in the relatively free press that has developed over the years. But any optimism she feels is pale and flickering. "In such a traditional, isolated and divided society, with such a long history of exploitation and chaos and so short an experience of genuine development or public will, the way ahead was likely to prove as rocky as the roads of the Honduran past."

*Tom Sloan is an Ottawa freelance writer who has lived in Central America*

## UN funding idea

by Gregory Wirick

***The United Nations and Its Finances: A Test for Middle Powers (No. 3 in the series Middle Powers in the International System) by David R. Protheroe. Ottawa: North-South Institute, 1988, 62 pages, $10.50.***

David Protheroe's study of how the UN raises its funds provides an intriguing glimpse into the nitty gritty of the politics of Turtle Bay. It is a dispiriting story, budgets rarely inspiring the best in human beings. After describing the evolution of the scale of financial assessments of UN member countries since the first formula was achieved in 1946, the author concludes, "its history has seldom revealed evidence of behavior on a higher plane than the most bald self-serving."

The pettiest haggling, albeit at times over substantial policy disagreements, has applied chiefly to the remarkably modest sums that constitute the Regular Budget (roughly US$1.6 billion for 1986-87) which underpins the UN's principal organs such as the Security Council and General Assembly. There is evidence of greater generosity toward the voluntary contributions which finance the various UN funds and programs, as well as the specialized agencies.

Yet the thrust of this third study in the North-South Institute's series, *Middle Powers in the International System*, is to examine the exceptions to the rule — the middle powers which together provide more than 50 percent of funding for a large number of UN institutions, UNDP, UNICEF and the World Food Program among them. In fact, those middle powers "are significantly more generous in their voluntary contributions than are great or small powers when measured against capacity-to-pay or fairness criteria."

The term "middle powers" encompasses a diverse range of thirty-three states from Iran to China to Canada. Certain key middle powers, however, do share a commonality of interests. In particular, Protheroe identifies the group of fourteen Western middle powers (including Canada) which, along with West Germany and Japan, have essentially been obliged to pay more.

The author argues persuasively for making the best of this situation by absorbing collectively an additional 5-10 percent of the scale from the Americans, thus reducing the US ceiling to 20 or even 15 percent and creating a less dependent United Nations. Such a gesture would be a significant step in effecting a tacit alliance between Western middle powers and the more pragmatically-minded Southern middle powers that is clearly the best hope for a stronger and more resilient United Nations.

Over the years, Canada, by and large, has put its money where its mouth is with regard to multilateral institutions. Despite the drumrolls of deficit-cutting, now would be a good time to underline our commitment once again, by seeking to convince like-minded countries to take on the project which Protheroe recommends. It is time for the middle powers to seize the initiative before, rather than in response to, another crisis. Former UN ambassador Stephen Lewis has claimed that Canada "doesn't yet fully appreciate its own persuasive powers over other countries." Here is an opportunity to exercise those powers. This study provides the framework for a new approach.

*Gregory Wirick, a former National Director of the United Nations Association in Canada, is an Ottawa consultant on international affairs.*

## Last year in Russia

by G.P. Armstrong

***USSR Calendar of Events 1987 by Joseph P. Mastro. Gulf Breeze, Florida: Academic International Press, 1988, 297 pages, US$91.00.***

So much is happening in the Soviet Union that it has become very difficult to keep up with everything. This publication will greatly help. It provides an intelligently organized, complete and convenient record of the year 1987 as it affected the USSR. A hundred pages list about 2500 events by date. The remaining 120 pages arrange the same events by subject and categories of subject. Finally, several indexes allow a third means of entry to the data. Both Russian and English sources are given.

The Chronology has been intelligently organized so as to benefit both browser and researcher. Each entry is a summary in a sentence or two and consequently one can quickly survey developments in a subject. Browsing through the book will give one a reasonably detailed view of a particular category. The name index allows one to follow important individuals around.

The *Calendar* is admirably organized and very complete. The author and publisher intend to keep the effort up so that, in time, this chronology will grow to cover the remarkable events in the USSR today. It is recommended for those wishing a complete and well-organized research tool.

*G.P. Armstrong is a defence scientist in the Directorate of Strategic Analysis, Department of National Defence in Ottawa.*

# Letters to the Editor

Sir,

Re: James Barros's letter concerning my article in the January/February issue.

I am skeptical about the value of exchanges of this kind, particularly when the differences of interpretation are so clear cut. But to reiterate:

I disagree that Lester Pearson was suspect in London and Washington.

I do not find Professor Barros's book either sufficiently scholarly or particularly convincing. It is largely a matter of evidence, the lack thereof, and its use.

I would not have advised the publisher to accept the manuscript.

I would not have indulged myself in the way Professor Barros has on such an issue.

Michael G. Fry
University of Southern California
Los Angeles

internationalcanada

# The events of February/March 1989

## CONTENTS




Supplement to International Perspectives May/June 1989


Canada

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

# Bilateral Relations

## USA

During the period February/March 1989, the President of the United States, George Bush, made his first foreign visit a one-day stop in Ottawa on February 10. After a working lunch with Prime Minister Brian Mulroney they announced that they had agreed to work towards an accord on acid rain. Also, the Canada-US Trade Commission, made up of Canada's International Trade Minister and the US Trade Representative, held its first biennial meeting in Washington.

### *Acid Rain*

The Minister of the Environment, Lucien Bouchard, told the Global Warming Conference in New York City on March 2 that "Canada was pleased to hear President Bush's commitment to promoting swift action against acid rain, a commitment affirmed to me personally by the head of the Environmental Protection Agency, William Reilly. And we welcome with much hope the words of your Secretary of State, Mr. Baker, in favour of immediate action to counter the greenhouse effect." Mr. Bouchard observed that the United States and Canada offered the world a unique tradition of cooperation that had developed in several fields over the years. He noted that both countries administered several joint accords on water quality, the most important of which concerned the Great Lakes. He added, "We must now conclude an agreement on the transboundary air pollution that causes acid rain. It is just a matter of time before we reach such an agreement. But time is short" (Environment Canada *Speech*, March 2).

### *Canada-US Free Trade Agreement (FTA)*

#### *Adjustment Programs*

Prime Minister Brian Mulroney appointed a 5-member Advisory Council on Adjustment, headed by Montreal businessman Jean de Grandpre, in January 1988, to find ways to cushion workers from the negative effects of free trade. The study cost $1.5 million. The 170-page report called *Adjustment to Win* stated that the private sector must take the lead in boosting the economy, helped by grants and incentive programs furnished by federal and provincial programs. The key proposals included:(1) federal-provincial royal commission to examine worker education and retraining programs; (2) tax incentives to encourage companies to train and retrain workers; (3) an annual increase of $300 million for the federal skills shortage program and a doubling of the current $11.4 million for the industrial development fund; (4) a series of proposals to cushion the effects of layoffs, including notice of up to sixteen weeks prior to plant shutdown, and national minimums in severance pay (5) fund to provide immediate payments of up to $4,000 in amounts owed workers in the event of bankruptcies; (6) increased funding for university research and development. The Report also called for speedy passage of Ottawa's proposals for tax reform to end business uncertainty, the immediate removal of interprovincial tariff barriers and increased federal aid to companies operating in foreign markets (*Toronto Star*, March 30). The federal government would study the report but made no commitment to implement the recommendations from the advisory council (*Globe and Mail*, March 30). The *Ottawa Citizen* in an editorial on March 30 stated that the report contained more conventional wisdom (free trade within Canada must precede free trade with the US) than new ideas. But it stressed the need for labor, businesses and governments to join forces against the inevitable onslaught of foreign competition.

#### *GATT Review*

The General Agreement on Tariffs and Trade (GATT) Council formed a Working Party to review the FTA. Article XXIV of GATT provides the framework for negotiating free trade agreements. The GATT routinely examines agreements concluded under this article, including recently the 1983 Australia-New Zealand Closer Economic Relations Agreement and the 1985 United States-Israel Agreement. The Canadian delegation stated to the Council on February 8 that Canada supported the formation of the Working Party to examine this Agreement and would cooperate fully during the examination (External Affairs *News Release*, February 8).

#### *Fishing*

In a GATT-related matter Canada expressed its disappointment at the announcement by the United States Trade Representative of a determination of unfair trade practice

under Section 301 of the US Trade Act in the West Coast salmon and herring dispute. This dispute began in 1986 and culminated in a ruling in March 1988 that Canada's export prohibitions on unprocessed Pacific salmon and herring were inconsistent with the GATT. Accordingly, the Canadian government had announced at that time that it would dismantle these measures. The proposed action outlined by the US Trade Representative, Carla Hills, identified a number of Canadian fisheries products which could be subjected to US retaliatory action after a 30-day review period. The Minister for International Trade, John Crosbie, said: "Such retaliatory action would be totally unjustified. Last March, we announced our intention to remove these restrictions and put in place a GATT-consistent fisheries conservation regime. We have been consulting with the industry and the United States to avoid this and have devised measures that will provide the Americans with equitable access to unprocessed fish while meeting our conservation management objectives." Mr. Crosbie advised that "the US should wait and see how the system works after the fishing season is underway. We do have provisions in both the GATT and the FTA to resolve disputes if there should subsequently be disagreements" (Government of Canada *News Release*, March 29).

Despite threats of a possible trade war, Canada would not give in to US demands for unlimited access to unprocessed fish caught off the BC coast, assured Fisheries Minister Tom Siddon on March 29. Mr. Siddon said Ottawa was to introduce new regulations before the end of April that required salmon and herring to be brought to BC shores for counting and inspection. He admitted that the Americans, who had successfully fought Canada's current law prohibiting exports of unprocessed fish, did not like the proposed new one either. Canada's Fisheries Minister said that if Washington did not agree with the new rules, it could fight them at GATT or before a panel established by the Canada-US Free Trade Agreement (*Vancouver Sun*, March 30). The new rules would be consistent with those of GATT and should dispose of US complaints, according to International Trade Minister John Crosbie. However, months of negotiations between Canada and the United States over the new rules had not produced agreement between the two sides. The West Coast fishing industry said the restrictions were vital to protect 5,000 shoreworkers' jobs and the industry in general (*Globe and Mail*, March 30).

The Minister for International Trade, John Crosbie, announced on March 10 that Canada was taking action to secure authority from the GATT to withdraw concessions from the United States because of its failure to implement the ruling of the GATT "Superfund" Panel. The Superfund legislation imposed a tax of 11.7 cents (US) per barrel on imported oil, as compared with 8.2 cents per barrel for domestic oil. The discriminatory tax added approximately Cdn $10 million to the cost of oil imported into the US from Canada. A GATT Panel, formed at the request of Canada, the European Community and Mexico, had ruled in June 1987 that the US discriminatory tax on imported oil, which was imposed under the October 1986 Superfund legislation, was inconsistent with GATT rules. The United States enacted the Superfund legislation to provide $8.5 billion to clean up environmental problems such as toxic waste dumps.

In the period since the Panel's report was adopted in June 1987, Canada had pressed the US both in the GATT and bilaterally to take the necessary action to remove the discrimination in this tax. With no action forthcoming from the United States, Canada subsequently proposed that the US provide compensation pending the removal of the inconsistent measure. The US had not responded to this suggestion. The purpose of the GATT dispute settlement system is to bring about the removal of GATT-inconsistent measures in order to assure the security of access to markets provided by the multilateral trading system (International Trade *News Release*, March 30).

#### *Grape and Wine Industries*

The federal and Ontario governments reached agreement on a broad assistance package for the province's grape and wine industries. It will help maintain Ontario's 12-year "competitiveness strategy" and enable Canada's international trade obligations to be implemented in the wine area under the General Agreement on Tariffs and Trade and the Canada-US Free Trade Agreement. The new assistance package provided for up to $45 million in additional funding, cost shared between the Ontario government and the industry. Ontario's financial contribution would come from reductions of the markup differential applied to wines.

Approximately 800 grape growers have 24,000 acres in grape production in three main areas — Niagara, Essex and Kent counties. Grape and wine sales were valued at $126 million annually. There were nineteen wineries in Ontario and the industry provided some 22,400 full- and part-time jobs.

#### *Steel*

The United States Department of Commerce made a preliminary affirmative subsidy determination with respect to imports of steel rails from Sydney Steel Corporation (Sysco) of Sydney, Nova Scotia. The preliminary rate of subsidy found was 103.55 percent. Exports from the other Canadian producer shipping rails to the US — Algoma Steel Corporation of Sault Ste Marie, Ontario — was found to be not subsidized. Total Canadian exports of steel rails to the US were valued at about $10 million in 1988. The US Department of Commerce was to verify its findings and make a final subsidy determination by May 9. If the final subsidy determination upholds the preliminary determination, the US International Trade Commission must make a final injury determination by June 23. If the final injury determination is negative, the case would be terminated. If positive, a countervailing duty order would be published around July 1.

The preliminary determination of subsidy would result in bonds or deposits, in the amount of the preliminary subsidy rate, being collected on any US imports from Sysco. Exports from Algoma would not be affected. No actual countervailing duties would be collected until the case had run its course and final subsidy and injury determinations

were made next summer. Both final determinations would be eligible for review under Chapter 19 of the FTA (External Affairs *News Release*, February 24).

The US government did not plan to include Canada in a voluntary program to curb steel exports to the United States, according to Senator Jay Rockfeller of the US Senate Steel caucus. Canada was one of the few steel-producing countries that was not forced to sign a 5-year Voluntary Restraint Agreement on steel shipments to the US. Such agreements — quotas that had protected the industry since 1984 — were to expire on September 30. At a joint press conference in Ottawa on February 10, after a meeting with US President Bush, Prime Minister Mulroney, in response to a question whether Canadian producers might be forced to accept voluntary restraints, said "Canada is a fair trader, and we should not in any way be impacted by that kind of proposition." He added, "Nor would we deserve in any way to be included in its purview." He did not indicate whether Mr. Bush, who stood beside him at the press conference, had given him any assurances on the issue (*Globe and Mail*, February 11). US steel makers were pushing for extension of the import restraints, which covered twenty-nine steel-exporting countries, and would have liked to make Canada part of the list. Canadian steel exports to the United States were worth about $2.4 billion in 1987, accounting for about 3 percent of the US market (*Globe and Mail*, March 2).

#### *Trade Commission*

Canada and the US emerged from the first meeting in Washington of the Canada-US Trade Commission at odds on plywood, salmon, herring and steel. International Trade Minister John Crosbie told a disappointed US Trade Representative, Carla Hills, that it would be a year before Canada could deal with the US demand that Canadian standards for construction plywood be changed to allow use of US plywood within Canada. Canada's refusal to allow certain grades of US plywood to be used in construction was a sore point between the two countries. At issue was the decision last year by Canada Mortgage & Housing Corporation to maintain restrictions on the use of US grade C-D plywood because it did not meet Canadian plywood standards. The US felt the CMHC re-evaluation was not done properly and that the Canadian Standards Association should have redefined the US product.

The Commission, made up of trade ministers from each country, is the chief vehicle for supervising implementation of the Free Trade Agreement and for resolving disputes. Crosbie and Hills agreed that a panel to investigate the auto industry would be established by May, as well as a technical group to gather information for negotiations on subsidies and trade remedies which were supposed to be completed in 5 - 7 years (*Financial Post*, March 14). They also set up working groups on customs issues related to market access, as well as other bilateral committees on agriculture. The Commission was expected to meet at least twice a year. "We had a very, very productive meeting," said Ms. Hills at an informal news conference after the two-and-a-half hour meeting (*Globe and Mail*, March 14).

#### *Investment Bill*

A proposed law in the US designed to keep track of foreign investment in the United States violated the Free Trade Agreement with Canada, according to Canada's Ambassador in Washington, Derek Burney. "We've already registered our concerns with the administration and the Congress and we'll continue to make representations to ensure it doesn't become law," Mr. Burney said in an interview. He added that Canada opposed the "discriminatory" measure, which would force foreigners to register investments in the United States with the US government. He said the bill broke the rules of the trade pact, which took effect on January 1. The proposed law would force foreigners to register with the US Commerce Department any acquisition of 5 percent or more of a US company, property or asset worth more than US$5 million. It would also require more detailed financial information on a takeover of a company worth more than $20 million (*Globe and Mail*, March 3).

## *Afghanistan*

#### *Humanitarian Assistance*

Canada responded favorably to an appeal by the United Nations Secretary-General for a comprehensive program for Afghanistan, pending the signing of a Memorandum of Understanding among the participating nations, the United Nations and Pakistan. Canada was to provide a team of twelve Canadian Forces personnel to prepare Afghan volunteers to instruct Afghan refugees on mine awareness, recognition, safety measures and simple methods of clearing mines, before the refugees return to Afghanistan. The team was to be located near Peshawar, Pakistan, and would be deployed for four months starting March 23.

Included in the team were three female officers who were to train Afghan women in mine awareness and recognition. Those women would in turn teach the skills they had learned to groups of Afghan women who, with their children, would be most at risk from the presence of mines. Personnel from other countries including Turkey, France and the United States were also to participate in this program. In response to last year's appeal by the United Nations Secretary General, Canada had also pledged a total of $22 million over the next two years to support the Afghanistan Repatriation and Rehabilitation Program. This sum was in addition to the $19 million provided each year to Afghan refugees in Pakistan (Government of Canada *News Release*, February 21).

## Botswana

#### *Exploration in Kalahari Desert*

Petro-Canada International Assistance Corporation and the Department of Geological Survey of Botswana concluded an agreement to be financed equally by Botswana and Canada at an estimated cost of $14 million. The agreement was to help determine the availability of domestic petroleum resources in Bostswana which is a land-

locked country wholly dependent on South Africa for its petroleum. The stratigraphic project followed up a previous series of seismic gravity and magnetic surveys in the Ncojane Nosop and Passarge Basins which established the existence of deep sedimentary basins in previously unexplored areas of Botswana (Petro-Canada International Assistance Corporation *Communiqué*, February 27).

## Britain

The Minister for International Trade, John Crosbie, addressed the Canada-United Kingdom Chamber of Commerce in London, England, on February 3 and noted that the United Kingdom was Canada's third - largest export market after the US and Japan. Canada's exports to the UK totalled 1.57 billion in 1988. Major exports included forest products, minerals, food products and manufactured equipment. British exports to Canada totalled 2.2 billion in 1988, one-third of which was crude petroleum. Other major exports included chemicals, kitchen utensils, engines and turbines."Looking at the single European market," Mr. Crosbie hoped that it would not lead to new trade barriers for that would be a blow to an open international trading system. He added, "Although we recognize that the completion of the single market is essentially an internal process, transparency and ongoing dialogue between the EC, its member states and its external trading partners will serve to avoid uncertainty about the possible engineering of trade barriers as a result of 1992" (External Affairs *Statement*, February 3).

During their 2-hour meeting at 10 Downing Street on March 13, Prime Minister Thatcher assured Prime Minister Mulroney that there would be no barriers against Canadian goods after Europe became a single trading market in 1992. She assured him that the European Community would continue to receive Canadian and US goods without trade barriers (*Globe and Mail*, March 14).

## Chile

### *Fruit Shipments*

Canada placed an embargo on all imports of fruit from Chile on March 4. The embargo was applied after the Embassy in Chile received a threat to poison Chilean fruit shipments to the US. Much of the Chilean produce sold in Canada comes via the United States. Two days later, on March 6, the government announced that it had lifted the embargo after it had investigated the incident and found no evidence that the threat was real. Inside each of the two poisoned grapes found in Philadelphia, 0.003 milligrams of cyanide — a minuscule amount — was detected, according to the *Globe and Mail* on March 16. The *Ottawa Citizen* reported its calculation on March 16 that a child would have had to consume 2,000 grapes to die. On March 17 the Minister of Health and Welfare, Perrin Beatty, announced that all new shipments of Chilean fresh grapes, berries and vegetables would be inspected under an enhanced program that would be monitored by Canadian government officials. The program called for an inspection of 5 percent of each shipment of the product. In addition to the Canadian program, the Government of Chile agreed to put in place an enhanced inspection regime to ensure produce leaving the country had been thoroughly inspected (Government of Canada *News Release*, March 17).

The *Ottawa Citizen* editorial on March 16 wrote that it was appalling to contemplate the damage that could be done by a couple of menacing telephone calls and some minute traces of a common poison. It added that the Chilean fruit industry had been dreadfully damaged, thousands of jobs in that country were imperilled; there was fear and uncertainty around the world about the safety of the fruit and vegetables. It concluded, still, it was better to have risked spreading needless anxiety than to risk even one person's life. Chileans with their economy tottering, would find it hard to be as sanguine, concluded the *Ottawa Citizen* editorial.

## Czechoslovakia

In a letter dated February 24, 1989, to his Czechoslovak counterpart, Canada's External Affairs Minister Joe Clark said that he was "deeply distressed at the time of the conclusion of the Vienna Conference on Security and Cooperation in Europe to learn of the brutal treatment of peaceful demonstrators in Prague, who were commemorating the anniversary of the death of Jan Palach. The display of violence and the detention of playwright Vaclav Havel and approximately twenty other persons during the closing of the Vienna Meeting could only cast doubt on the intention of the Czechoslovak government to live up to its commitments under the Vienna Concluding Document. Mr. Clark added that he was "saddened" by the news that on February 21, 1989, Vaclav Havel received a sentence of nine months and that the other persons who were arrested with him were also being sentenced. Canada's External Affairs Minister added, "I cannot regard the peaceful act of laying flowers to commemorate a death as an act of 'hooliganism' obstructing the public order. Nor, following the Vienna Meeting, can my comments be regarded as intervention in Czechoslovak internal affairs, since we all recognize that questions of human rights and fundamental freedoms are essential to security and therefore legitimate subjects of discussion" (External Affairs *News Release*, February 27).

## El Salvador

The Toronto-based Mission for Peace organization sponsored an 8-member Canadian delegation of three MPs and church, trade union and development agency representatives, to visit El Salvador and observe the March 19 presidential election. Upon return to Canada, the group urged Ottawa to take a more active role in promoting peace talks in El Salvador. The Canadian group concluded that the results of the vote were not entirely fair because of the war conditions that prevailed, according to the delegation

leader, Tim Draimin of the Toronto Jesuit Centre for Social Faith and Justice (*Globe and Mail*, March 29). Lynn Hunter (NDP, Saanich—Gulf Islands), a member of the Canadian delegation, said in an interview from San Salvador that the presidential elections were "absolutely a sham" and called on Canada to stop all bilateral aid to the country (*Ottawa Citizen*, March 21). But the *Toronto Star* correspondent's report from El Salvador on March 21 stated, according to Canada's official observer at the March 19 elections, Richard Balasko, that the voting was "conducted properly and in the absence of intimidation." The *Globe and Mail* editorial on March 22 stated that El Salvadorans had made a desperate gamble. "Disillusioned by political moderates who promised peace and prosperity and delivered strife and corruption, the one million citizens who dared to vote, placed their fate in the hands of the extreme right," wrote the *Globe and Mail*. It added that the newly elected president Alfredo (Freddy) Cristiani had tried to put a moderate face upon the Nationalist Republican Alliance, known as Arena. Nevertheless, the party hierarchy was still dominated by brutal extremists with links to death squads. The editorial concluded that Canada had a role to play in urging a negotiated peace that preserved democracy in El Salvador and in demanding that human rights be respected.

## Ethiopia

### *Meningitis Outbreak*

The Canadian International Development Agency (CIDA) provided $236,438 to Canadian and Ethiopian non-governmental organizations (NGOs) to enable them to respond to a meningitis outbreak in Ethiopia. Although all areas of the country were affected, the situation was particularly serious in the southern provinces of Gamo Gofa and Sidamo. The number of fatalities in Ethiopia was reported to be at least 42,000 people. The Ethiopian Ministry of Health estimated that some twenty-seven million people were at risk, the most vulnerable being between two and twenty years of age. Three Canadian NGOs (Cardinal Leger and His Endeavours, Oxfam Quebec and the Canadian Council of Churches) as well as an Ethiopian NGO umbrella organization (the Christian Relief and Development Agency) were to receive the funds to provide medicines and vaccines, as well as cover transportation and general operational costs (Canadian International Development Agency *News Release*, February 28).

## France

### *Fisheries and Boundary Disputes*

Canada and France reached a settlement in respect of the fisheries and maritime boundary disputes. According to a government *News Release* on March 31, the settlement provided for a significant reduction in the level of French fishing in the important area south of Newfoundland known as 3Ps. The settlement was also to subject French fishing vessels to the new conservation safeguards in the disputed zone within 3Ps. For the first time since extension of jurisdiction in 1977, France would have to report its 3Ps catches to Canada on a regular and a timely basis. Canada would also participate in joint at-sea inspections of French fishing vessels in the disputed zone. The boundary dispute would be submitted to an international tribunal made up of five judges: one appointed by Canada (Allan Gotlieb), one by France (Prosper Weil), and three appointed by both countries (Eduardo Jimenez de Arechaga of Uruguay, Oscar Schachter of the United States and Gaetano Arangio-Ruiz of Italy). Mr. Jimenez de Arechaga is Chairman of the tribunal and adjudication is expected to take three years. The settlement gives France limited quotas in Canadian waters for three years. Those quotas would be primarily from stocks in which quantities surplus to Canadian needs have been identified. France was also to receive a limited allocation of non-surplus cod in division 2J3KL, which would be reduced if there was any decrease in the Canadian Total Allowable Catch for that stock in 1990 or 1991. France would also receive a quota of cod in the Gulf of St. Lawrence which would be less than one-fifth what it had been up to 1986. All Canadian regulations and conservation safeguards applicable to foreign vessels — including the obligations to report catches and to carry Canadian observers onboard — would apply to French vessels fishing in Canadian waters. "The settlement provides for a significant rollback of French catches in the disputed zone off the south coast of Newfoundland and for international adjudication of the boundary dispute," according to Minister for International Trade John Crosbie. He added that after intense negotiations Canada had managed to limit to the extent possible the quotas granted to France for the three years while the boundary was being decided" (Government of Canada *News Release*, March 31).

## Iran

### *Rushdie Affair*

Canada recalled its chargé d'affaires form Iran on February 21 to protest against the death threat by Ayatollah Khomeini against British author Salman Rushdie. In announcing the move at a press conference in the lobby of the Department, External Affairs Minister Joe Clark said he had wanted to consult the chargé d'affaires, Scott Mullin. Canada was to keep one junior diplomat in Teheran and Mr. Clark would not say how long Mr. Mullin would be in Canada (*Globe and Mail*, February 22).

The External Affairs Minister, summoned the Ambassadors and High Commissioners resident in Ottawa of the member states of the Organization of the Islamic Conference (OIC) to a meeting on February 28 at the Department of External Affairs. The meeting was called to urge the governments of the Organization to engage themselves in a search for a pragmatic solution to the Rushdie affair and the elimination of the threats to the author and his publishers. The *News Release* of the Department of External Affairs on February 25 stated that the appeal reflected Canada's interest in promoting a solution to the Rushdie Affair, "which is jeopardizing both the fundamental right to freedom of expression and the principle of mutual respect among

people of different cultural backgrounds." The External Affairs Minister rejected a request at the meeting from twenty-five Muslim diplomats that the Canadian government ban the publication. The meeting lasted less than fifteen minutes and Clark and the diplomats did not engage in any detailed debate, wrote the *Ottawa Citizen* on March 2. Canada tagged behind the rest of the Western world in taking diplomatic action to protest the murder contract issued on Rushdie's life by Iran's Ayatollah Khomeini. And "it took Prime Minister Brian Mulroney a full two weeks to reflect upon the facts and decide Khomeini's order for the death of the British author was 'an absolute outrage,'" observed the *Ottawa Citizen* on March 4.

The *Globe and Mail* editorial on February 24 took External Affairs Minister Joe Clark to task for not grasping "the menace to international law of the Ayatollah's threat" and for not responding with "the vigor and firmness for which it cried out." The editorial added that "Revenue Canada's mindless decision to halt further importation of Mr. Rushdie's book, *The Satanic Verses*, until its reviewers were satisfied it was not hate propaganda, redoubled the impression of Canadian spinelessness. Small wonder *The New York Times* decried Canada's 'shameful wobble' in the face of Iranian intimidation."

## Jamaican Prime Minister's Visit

The Prime Minister of Jamaica, Michael Manly, was in Canada March 16 and 17. He was the guest of Prime Minister Brian Mulroney at a working luncheon in Ottawa on March 17. This was the first meeting between the two heads of government (Office of the Prime Minister *Release*, March 14). In an interview published in the *Financial Post* on March 25, Prime Minister Manley stated that in the new Jamaica, the role of the government was to manage resources, distribute economic benefits, provide social services and work with the private sector. The *Post* reported that instead of denouncing capitalism, Manley spoke about productivity and education. Canada is Jamaica's third largest-trading partner after the US and the United Kingdom.

## Morocco

Canada's Communications Minister Marcel Masse and Morocco's Secretary of State for Foreign Affairs and Cooperation signed a technical and sectoral cooperation agreement on telecommunications in Ottawa on March 21. The purpose of the 5-year agreement, which was initialled at the third meeting of the Canada-Morocco Bilateral Commission, was to encourage and develop cooperation in telecommunications between Canada's Department of Communications and the Kingdom of Morocco's Ministry of Post and Telecommunications. Through its association with Canada, Morocco has become the first African country to use the world's most sophisticated digital-switching equipment in its telecommunications network.

## Mozambique

Canada agreed to provide $9.17 million to develop safe and reliable sources of drinking water in Mozambique. The UN-sponsored project would involve rural communities in the remote province of Mozambique which have been ravaged by drought and war. With the assistance of UNICEF, the five components of the water project would be carried out by the Government of Mozambique, through the National Rural Water Supply Program. Much of the work involves the construction or repair of shallow and tube wells in the rural communities. Funding would also be provided for the training of local women in the proper maintenance of the equipment, and the proper use of clean water. An additional element of the project would be the testing of hand-pump models in order to develop a locally produced model which could eventually reduce Mozambique's dependence on imported spare parts and supplies. It would be Canada's first major bilateral development assistance project and would improve the overall living conditions in villages, according to Monique Landry, Canada's Minister for External Relations and International Development (Canadian International Development Agency *News Release*, March 23).

## Namibia

Speaking to the Commonwealth Committee of Foreign Ministers on Southern Africa in Harare on February 6, Secretary of State for External Affairs Joe Clark stated that Canada was prepared to do its part in the major international effort that was required in Namibia. He added, "Our goal is not only to guarantee free and fair election of a truly representative government, but also to help the people of Namibia meet their post-independence development needs." (External Affairs *Statement*, February 6).

Direct Canadian contributions to the Namibian electoral process could compromise Canada's position of impartiality while serving on a United Nations peacekeeping mission in Namibia, the External Affairs Minister said in Ottawa on March 29, after meeting Mr. Toivo ya Toivo, Secretary-General of SWAPO. Mr. Toivo had pressed Mr. Clark to commit Canadian funds for a project to teach the country's largely illiterate population about the voting process. Mr. Toivo described the meeting as "frank and cordial," but said he was "not quite disappointed" in his search for funds. "He is not prepared to give money to SWAPO. In so doing, he is sticking to the impartiality," Mr. Toivo said, adding that he would turn to non-governmental sources in Canada and abroad. Mr. Clark also announced that Canada would establish a 7-member diplomatic mission in Namibia during that country's transition from South African rule to independence (*Globe and Mail*, March 30).

Meanwhile in Windhoek, capital of Namibia, Danny Tjongarero, acting Chairman of the South West Africa People's Organization (SWAPO), told reporters that "As far as we're concerned Walvis Bay must come back to Namibia...even if we have to go into the dunes." He added that Walvis Bay was an "inalienable part" of Namibia. While

South Africa had agreed to withdraw its military by November 1, it said it would not give up the strategic Atlantic port of Walvis Bay, home to a large South African military base. But as the the only large, deep-water port on the Namibian seaboard, the bay is considered by Namibians as essential to the efficient functioning of the new nation's economy (*Toronto Star*, March 31).

## South Africa

### *Commonwealth Committee*

The third meeting of the Commonwealth Committee of Foreign Ministers on Southern Africa met in Harare in early February. Canada's Foreign Minister Joe Clark and Chairman of the Committee told the meeting on February 6 that "The stark fact remains that none of the more positive developments reveal any change in South Africa's commitment to apartheid... The system of apartheid remain fundamentally unchanged. And while the political situation appears more uncertain than it has for some time, there is simply no evidence to suggest that the white South Africans supporting the Government have yet accepted the reality that they cannot continue to deny the most fundamental rights to the majority of their countrymen. So the international community must continue to put pressure on Pretoria through sanctions and other means." Mr. Clark also drew attention to South Africa's efforts to destabilize its neighbors. Mr. Clark observed that the whole of Southern Africa was full of potential. It could truly be the "economic powerhouse" of the entire continent. "But instead of building on that potential," stated Mr. Clark, "the white minority in South Africa allows policies that hold back the whole region, that cripple the powerhouse" (External Affairs *Statement*, February 6).

## Sudan

### *Humanitarian Assistance*

Canada responded to an international appeal made by UNICEF with a $500,000 grant for emergency relief operations in southern Sudan. A UN Plan of Action which would allow for the movement of strictly humanitarian relief by road, train, barge and air during a one-month period beginning April 1, was agreed to at a donor conference in Khartoum. *Sudan News* of March 1989 issued by the Embassy of Sudan in Ottawa, stated that the Sudanese Relief and Rehabilitation Commissioner, Dr. Hag Tayeb El Tahir, had stressed that the ceasefire agreement between the Sudan Government and the Sudan People's Liberation Army in accordance with the UN proposal was a comprehensive ceasefire which was to increase the flow of relief supplies to the affected population in southern Sudan. External Relations and International Development Minister Monique Landry in making the announcement noted that Canada had provided a total of $4.9 million in humanitarian assistance to the victims of the conflict in southern Sudan in the 1988-89 fiscal year. In addition to UNICEF, several other agencies and non-governmental organizations had received Canadian funds to carry out emergency operations to support the victims of the Sudanese civil war (Canadian International Development Agency *News Release*, March 28).

The *Saskatoon Star-Phoenix* in an editorial on March 21 wrote that "Canada's blunt threat to Sudan — to end the 6-year war with its southern rebels or risk losing routine Canadian aid — may be the kind of tough international approach needed to jolt that country into peace." It also suggested that Canada should demand to be allowed to send observers into Sudan to oversee distribution of relief supplies. The *Globe and Mail* noted on March 30 that the Sudanese government knows it must achieve peace or face the anger of its generals and the growing displeasure of the international community. It commended the Canadian government for the timely and eloquent way it expressed that displeasure. The Canadian Ambassador to Sudan, Francis Filleul, warned that, in the absence of a peace settlement, "we will consider seriously whether continuing assistance of other than a purely humanitarian nature can be justified" (*Globe and Mail*, March 15).

## Tibet

On March 7, officials of the Department of External Affairs raised Canadian concerns about recent events in Tibet with officials of the Embassy of the People's Republic of China, and called upon the Chinese authorities to respect basic human rights and freedoms in their management of the situation. The *News Release* by the Department of External Affairs on March 10 also stated that "While Canada does not challenge Chinese sovereignty over Tibet, the Canadian Government expects China to adhere to the principles of the Universal Declaration of Human Rights." It added that the Canadian Embassy in Beijing had also been instructed to reiterate Canada's concerns regarding the situation in Tibet to the appropriate Chinese authorities. A petition regarding Tibet, circulated by a group called the "Canada-Tibet Committee" was presented to officials of the Department of External Affairs by representatives of the group.

A group of nineteen Montrealers walked to Ottawa on March 10 to protest China's continued occupation of Tibet and with about eighty others marched on Parliament Hill and the Chinese Embassy (*The Gazette* [Montreal], March 11). An editorial in the *Ottawa Citizen* of March 14 stated that the Chinese had used "their military might to maintain control in Tibet since they took over in 1951." This year marked the 30th anniversary of the failed anti-Chinese uprising that resulted in the Dalai Lama (Tibet's temporal and spiritual leader) fleeing to exile in India. Over the years, the Chinese had tried repression to crush Tibetan nationalism and they had tried spending to improve the region's dismal economy. Nothing worked, as violent demonstrations illustrated. The editorial noted that Chinese troops were again in Lhasa shooting demonstrators, arresting people, censoring the press and expelling foreigners. It added that "it's not that there is no solution. The Dalai Lama last year proposed that Tibet be made an autonomous state but cede control over defence and foreign affairs to the Chinese, thereby satisfying their security concerns about neighboring India."

# Multilateral Relations

## CAIRNS Group

International Trade Minister John Crosbie met ministers from the Cairns Group of agricultural exporting countries (Argentina, Australia, Brazil, Canada, Chile, Colombia, Fiji, Hungary, Indonesia, Malaysia, New Zealand, Philippines, Thailand and Uruguay) at the meeting in Waitangi, New Zealand, from March 17 to 19. At the conclusion of the Waitangi meeting, Cairns Group Ministers issued a statement which urged the European Community to modify its negotiating position in a way which would enable agreement on "a negotiating framework that would provide for the establishment of an open, fair and market-oriented agricultural system and bring agriculture fully within strengthened GATT rules and discipline,"(External Affairs *News Release*, March 28). It added that, according to Mr. Crosbie, there had been some positive changes in the negotiating environment since the Montreal meeting last December, including flexibility on the part of the United States, which now agreed to the complete elimination of trade-distorting supports and that protection was no longer a precondition for negotiating agricultural trade reform. The US and the EC had also commenced a dialogue aimed at narrowing differences.

Mr. Crosbie noted that the Cairns Group was committed to securing a positive result on agriculture at the Trade Negotiations Committee in April. Agriculture, according to the Minister, was at the heart of the Uruguay Round and failure to obtain a satisfactory agreement in April would seriously jeopardize overall prospects for the Uruguay Round, and represent a major setback to efforts to strengthen the multilateral trading system. The Cairns Group of Ministers also urged Japan to play a more active role in the process of agriculture reform.

## Commonwealth Day

"Commonwealth Day deserves notice and celebration," stated the Minister for External Relations and International Development, Monique Landry, at ceremonies to mark Commonwealth Day on March 13, on Parliament Hill in Ottawa. She added that "the commonwealth was a vibrant and practical association worked on the basis of consultation and cooperation stemming from shared history and access to a common working language and many common practices." The Minister noted that it was at the Vancouver Heads of Government Meeting in October 1987 that the Committee of Foreign Ministers on Southern Africa under the Chairmanship of Foreign Minister Joe Clark was established to assert strong Commonwealth leadership in the struggle against apartheid in South Africa. (External Affairs *Statement*, March 13).

## European Community

Canada and the European Community (EC) signed an agreement in Brussels on February 28 on the importation, distribution and sale in Canada of alcoholic beverages originating from the EC. The Agreement provides for immediate elimination of all discrimination in the wine sector; elimination of discriminatory markups in the wine sector immediately in five provinces, and over seven years for all other provinces except for the plus or minus 1 percent of Canadian wine which is made wholly from Canadian grapes, where the phaseout will take ten years; national treatment (which means "provincial" treatment) regarding access to beer listings; a letter specifying a Canadian commitment to eliminate beer markups when the provinces have eliminated their internal barriers to beer trade. The Agreement also provided for monitoring and consultation on its implementation and the Community has retained all its GATT rights (European Community *News*, February 2).

Canadian paper producers were concerned that the European Community, which becomes a self-contained trading bloc in 1992, might raise new non-tariff barriers to their products. Germain Denis, assistant deputy minister for External Affairs in the multilateral trade negotiations office, told the annual meeting of the Canadian Pulp and paper Association in Montreal that tariffs were not likely to change after 1992, but the fears were over potential non-tariff barriers and from government procurement policies that could favor European producers. A few Canadian companies such as Consolidated Bathurst Inc. of Montreal, MacMillan Bloedel Ltd. of Vancouver and Cascades Inc. of Kingsey Falls, Quebec, had already bought plants in Europe, in anticipation of 1992. Under the rules of the Treaty of Rome, a company "duly established in Europe" was considered European (*Globe and Mail*, February 1).

## Exchange Rate

The Canadian dollar was worth US$.83 at the beginning of February and US$.82 at the end of March.

## Francophone Games

The *Ottawa Citizen* reported on March 15 that after months of discussions, the federal and Quebec governments were still at odds over the delicate issue of whose flag would be raised above the winner's circle at the first francophone games in Morocco from July 8-22. Quebec demanded its own entries in men's soccer and women's

basketball, the only team competitions on the agenda. But the federal government disagreed, warning that a Quebec-Canada confrontation on the playing field would threaten national unity. Eventually the federal argument prevailed and it was announced that there would be only one entry for women's basketball and one entry for men's soccer.

## GATT

### *Uruguay Round*

The Minister for International Trade, John Crosbie, in a speech to the Canada-United Kingdom Chamber of Commerce in London on February 3 stated that the Mid-Term Review meeting in Montreal was "disappointing for what it failed to achieve...especially on the thorny issue of agriculture, although it did result in valuable progress in other areas." Mr. Crosbie stated that agreement was reached in eleven of fifteen areas and that "the scope of the Uruguay Round agenda is much more comprehensive than that of any previous round." Canada, according to the Minister, was firmly in the camp that wanted an end to the disruptive impact of the European Community agriculture policy. He stated that the world was looking to a substantial commitment from Europe to adjust these policies.

On a more positive note, the Minister for International Trade told the New Zealand Institute of International Affairs and the Institute for Policy Studies in Wellington on March 21 that, "It is important that we not lose sight that this is the most comprehensive and extensive set of international trade negotiations ever undertaken and that we are at the mid-point in the Round, not its end. The scope is vast and the areas complex." Mr. Crosbie added that "Canada believes strongly that a strengthened, modernized GATT must remain central to and dominate the world trading system. There are no acceptable alternatives. It is our view that regional trading arrangements such as our recently concluded Free Trade Agreement with the United States and your own agreement with Australia are important contributors to the momentum toward world-wide trade liberalization, building on established GATT rules and principles" (External Affairs *News Release*, March 21).

## United Nations — Palestine Dispute

### *Security Council*

Canada called on Israel to apply the Fourth Geneva Convention on the Protection of Civilians in Times of War, in the territories it has occupied since 1967. Philippe Kirsch, Deputy Permanent Representative of Canada, told the Security Council on February 17 that, "My Government has repeatedly stated that it is a determined supporter of Israel's right to security and recognition. These rights are not in question in this debate. Indeed it is the shared values upon which Canada's historic bond of friendship with the State of Israel is established that compel my Government to express its deep concern over continued violations of the human rights of the Palestinian people in the occupied territories....These violations have defied and continue to defy the decisions of the United Nations General Assembly and of the Security Council to which my country has subscribed, in particular Security Council resolutions 605, 607 and 608."

Mr. Kirsch added that "Canada has viewed with great concern the recent introduction of certain measures by the Israeli authorities, in particular the introduction of plastic-coated metal bullets, which have caused a dramatic increase in the number of deaths and serious injuries and which bear little relation to the degree of force required to help maintain order. Nor do we accept the unlawful deportation by Israeli authorities of Palestinians from the occupied territories. We have so advised the Government of Israel on a number of occasions. We were pleased to note the recent release from detention of Faisal al Husseini, amongst others, and we hope that this and similar steps can contribute to a climate which encourages such dialogue. Such a dialogue is critical if the military occupation of the West Bank and the Gaza is to be brought to an end and if peace in this troubled region of the world is ever to be realized" (Permanent Mission of Canada to the United Nations *Communiqué, February 17).*

# Policy

## Arms Control

On behalf of all the member states of the NATO Alliance, Canada tabled a series of proposals at the opening sesions of the two new negotiations on conventional arms control aimed to enhancing stability in Europe. At the Negotiation on Conventional Armed Forces in Europe (CFE), Canada and its Western allies sought: (1) the establishment of a secure and stable balance of conventional forces at lower levels; (2) the elimination of disparities prejudicial to stability; (3) and the elimination of the capability for launching surprise attack and for initiating large-scale offensive action. To achieve these ends a number of measures were proposed as well as an annual exchange of information regarding military holdings and troop levels. They also stressed the need for stabilizing measures and rigorous verification arrangements (External Affairs News Release, March 9).

At the Negotiations on Confidence- and Security-Building Measures (CSBM), Canada sought to build upon the successful implementation of the Stockholm Document on CSBM in Europe by creating greater transparency about military organization, as well as military activity. To achieve this, Canada proposed: (1) an annual exchange of information concerning military organization, manpower, equipment and major weapons deployment programs, subject to a system of random evaluation; (2) greater information exchange on military activities; (3) improvements to observation/inspection modalities; (4) the lowering of thresholds for observation and for longer notice of larger-scale activities; (5) measures designed to improve contacts and communication (External Affairs *News Release*, March 9).

## Environment

### *CFCs*

The Minister of Environment, Lucien Bouchard, announced that the federal government had set as its national objective the complete elimination of controlled CFCs — Chlorofluorocarbons — within the next ten years. He called on the rest of the world community to set as its common target a reduction of no less than 85 percent by no later than 1999. The Minister was addressing the 3-day International Meeting of Legal and Policy Experts on the Protection of the Atmosphere, hosted by Canada in February in Ottawa under the auspices of the United Nations. The aim of the meeting was to advance the proposal to establish an International Law of the Atmosphere, as called for last June by Prime Minister Brian Mulroney. Canada's production and use of CFCs represents more than 2 percent of the world's total.

The new target was in response to recommendations by leading international scientists who met last October in the Netherlands. They recommended that, to stop ozone layer depletion, nations set CFC reduction targets more stringent than those agreed to under the 1987 Montreal Protocol, which came into force on January 1, 1989. Under the Montreal Protocol, Canada and forty-six other countries agreed to halve CFC use by 1999. Consultations with industry and interest groups on the new reduction target were to begin immediately. Controls would require the recovery or recycling of CFCs and the outright prohibition on new uses, unless they are proven essential (Environment Canada *Release*, February 20).

### *Transboundary Movement of Hazardous Wastes*

Canada was among the thirty-four countries to sign on March 22 the Global Convention on the Control of Transboundary Movements of Hazardous Wastes developed under the auspices of the United Nations Environment Programme. The signatories agreed to: (1) reduce to a minimum at source the generation of hazardous wastes; (2) treat hazardous wastes as close as possible to their point of generation; (3) ship hazardous wastes only to countries with adequate treatment facilities; (4) control the export of hazardous wastes by means of an international management system. Such a system would provide for the accurate listing and identification of wastes being shipped and require the prior informed consent of the country of importation. In order for the Convention to come into force it must be ratified by a minimum of twenty countries. The Minister of State for Transport, Shirley Martin, signed the convention on behalf of Canada in Basel, Switzerland (Government of Canada *News Release*, March 22).

The *Leader-Post* of Regina in an editorial on March 28 stated that "the good citizens of some nations had stopped flinging nightsoil out of their windows hundreds of years ago. In recent years we have learned that, instead, these civilized peoples were now dumping the modern — and often lethal — equivalent into other peoples' yards." The editorial added that the dumping process had been dubbed "garbage imperialism", an unhappily appropriate label, for it preys on the currency craving of have-not nations to accept the materials. It concluded that the Basel conference should help serve as a wake-up alarm to those in the world who have been slumbering through a rapidly approaching, worldwide peril.

## Declaration of The Hague

Twenty-four nations, including Canada, signed a declaration in The Hague on March 11, which envisaged a "new institutional authority" under the United Nations to monitor and set standards for pollution throughout the world. The new agency's decisions would be subject to review in the International Court of Justice in The Hague. The agreement called for the industrialized nations, which are the source of most of the world's pollution, to compensate developing countries for the burden of pollution control. The theory of the agreement was that the twenty-four signing nations would go out and seek support from other countries, including the world's biggest powers, who were not invited to the meeting to avoid rigidity of their positions dominating the meeting. Prime Minister Brian Mulroney briefed Prime Minister Margaret Thatcher of Britain on March 13 in London (*Globe and Mail*, March 13). Mr. Mulroney and other leaders said they were concerned mainly with two issues — the destruction of the ozone layer and the greenhouse effect. US President George Bush called the meeting premature and the British Prime Minister said the countries were merely "posturing." She also rejected the idea of any new international structure (*Ottawa Citizen*, March 12).

## Export Control Lists

Secretary of State for External Affairs announced that he was recommending to cabinet measures that would streamline Canada's system of export controls, add South Africa to the Area Control List, and delete the nine Warsaw Pact countries plus Vietnam and North Korea.

The addition of South Africa to the Area Control List (ACL) would mean that Canada would control the export to South Africa of all high-technology products, including all computers, software, telecommunications equipment, aircraft, helicopters, and 4-wheel-drive vehicles. By placing South Africa on the ACL, the Government of Canada was taking action consistent with agreements reached at Commonwealth Foreign Ministers' Meetings.

The nine Warsaw Pact countries along with Vietnam and North Korea were removed from ACL in order to reduce burdensome constraints on trade with those countries.

Changes to the Export Control List — an extensive list of 150 technology and products subject to control under the Export and Import Permits Act, and for which export permits must be obtained prior to export, were to involve the addition of those goods which were sensitive for strategic and foreign policy reasons and the deletion of those which were no longer of concern. The changes were to lead to a 25-percent reduction in the number of export permit applications. There had been no reductions on controls of nuclear and military products (External Affairs *News Release*, March 6).

## Palestine Liberation Organization (PLO)

The *Ottawa Citizen* in an editorial on March 2 titled "Canada needs PLO pipeline," wrote that "With Israel, Canada is the only country that does not allow high-level contacts with the PLO. This makes it difficult — if not impossible — to play the active and constructive role in the Middle East advocated recently by External Affairs Minister Joe Clark. Mediating and persuading requires talking to the disputants. The Americans were forced to realize this; the Soviets were coming to the same conclusion. When will the Mulroney government wake up to the reality?"

The Secretary of State for External Affairs, Joe Clark, announced at a press conference in Ottawa on March 10 that Canada had decided "to lift as of today our existing restrictions on contacts with representatives of the PLO." Previously, contact had been restricted to the level below that of an ambassador. Mr. Clark noted that in recent months, constructive and helpful statements by the Palestine National Council (PNC) and by Chairman Arafat had met some of the basic Canadian concerns about the position of the PLO. The PNC accepted Security Council Resolution 242 as a basis for a peace conference on the Middle East and disavowed the recourse to violence against civilians. In Stockholm and Geneva, the Chairman of the PLO explicitly recognized the State of Israel, added Mr. Clark. The Canadian Ambassador to the United Nations, Yves Fortier, was to meet with a representative of the PLO Mission to the United Nations. Other contacts were to take place elsewhere as appropriate as part of the ongoing pursuit of Canadian foreign policy objectives (External Affairs *Statement*, March 30).

Pursuant to the announcement, PLO representatives held first-ever meetings with high-level Canadian officials — with a deputy minister in Ottawa and in New York with Canada's ambassador to the United Nations, Yves Fortier. The PLO representative in Ottawa, Abdullah Abdullah, met for three hours in Ottawa with the Associate Under-Secretary at the External Affairs Department. The session lasted three times longer than expected. Abdullah said he and Raymond Chrétien discussed Canada's potential for promoting peace and he called Ottawa's move "a historic day in Canada-Palestine relations." He added that, "For the first time Canada has made it possible for it to play a constructive role in attaining peace in the Middle East." Mr. Clark, in announcing the upgrading of contacts, was quick to point out that Canada was not officially recognizing the Palestinian state and was doing nothing to detract from Ottawa's longstanding friendship with Israel.

Canada's move was condemned by the Canada-Israel Committee which called it part of a "general stampede to give greater credibility and legitimacy to an organization which continues to call on Palestinians for the destruction of the state of Israel and whose members continue to engage in acts of terrorism" (*Toronto Star*, March 31). Salah Zein, Secretary of the Association of Palestinian Arab Canadians, said 15,000 Palestinian Canadians "appreciate and fully support Mr. Clark's statement. How-

ever, we feel that Mr. Clark would have done the cause of peace a great service if he had gone one step further and recognized the PLO." Bob Wilmot of the Canada-Israel Committee said, "What will be most revealing is the role the government plays in encouraging and moderating the PLO" (*Globe and Mail*, March 31).

## Peacekeeping

Canada agreed to participate in the United Nations Transition Assistance Group (UNTAG) in Namibia. This was the military-civilian operation set up by the Security Council on February 16 to supervise Namibia's one-year transition to independence starting April 1, 1989, including elections in November. Canada was to contribute a logistics unit which would support both the military and civilian components of the UNTAG and was to be located near Namibia's capital Windhoek. In addition to the 89 Logistics Unit which was to comprise approximately 235 Canadian Forces personnel, Canada would provide five military police and a few staff officers for UNTAG Headquarters. External Affairs Minister Joe Clark presented on Friday, February 24, in New York, a cheque for $11.9 million to the UN Secretary-General's Special Representative for Namibia, Martti Ahtisarri (Government of Canada *News Release*, March 1).

## Refugees

### South Africa

While in Harare, Zimbabwe, to chair the third meeting of the Commonwealth Committee of Foreign Ministers on Southern Africa from February 6-8, External Affairs Minister announced that Canada would provide $954,200 to the Canadian Council of Churches to assist displaced persons in Mozambique and Mozambican refugees who had fled to Zimbabwe, Zambia, Tanzania, Malawi and South Africa. Mr. Clark stated that "The Canadian Council of Churches is presently working very closely with the African Council of Churches and in conjunction with the Ecumenical Emergencies Coordination Office for Southern Africa to ease the lives of refugees." Destabilization in Southern Africa, especially the activities of RENAMO in Mozambique, had resulted in large refugee flows into neighboring countries as well as the creation of substantial internally displaced populations (External Affairs *News Release*, February 7).

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**(Supplied by External Affairs Canada)**

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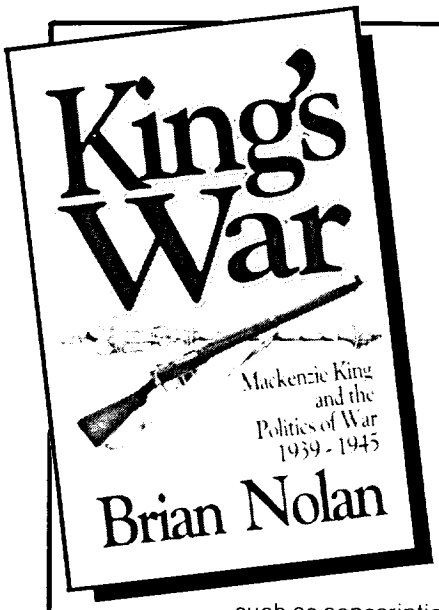


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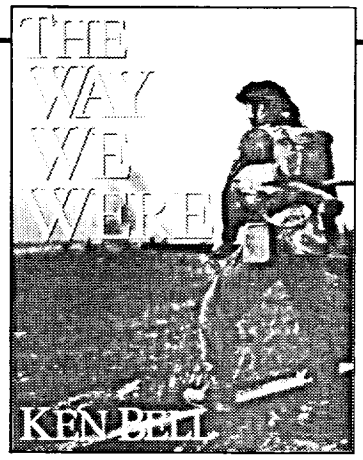


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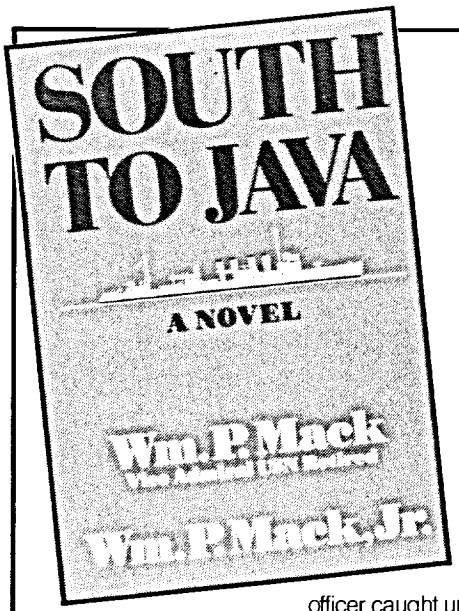


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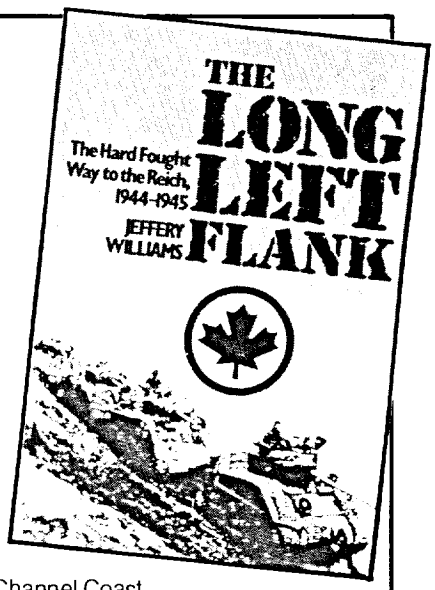


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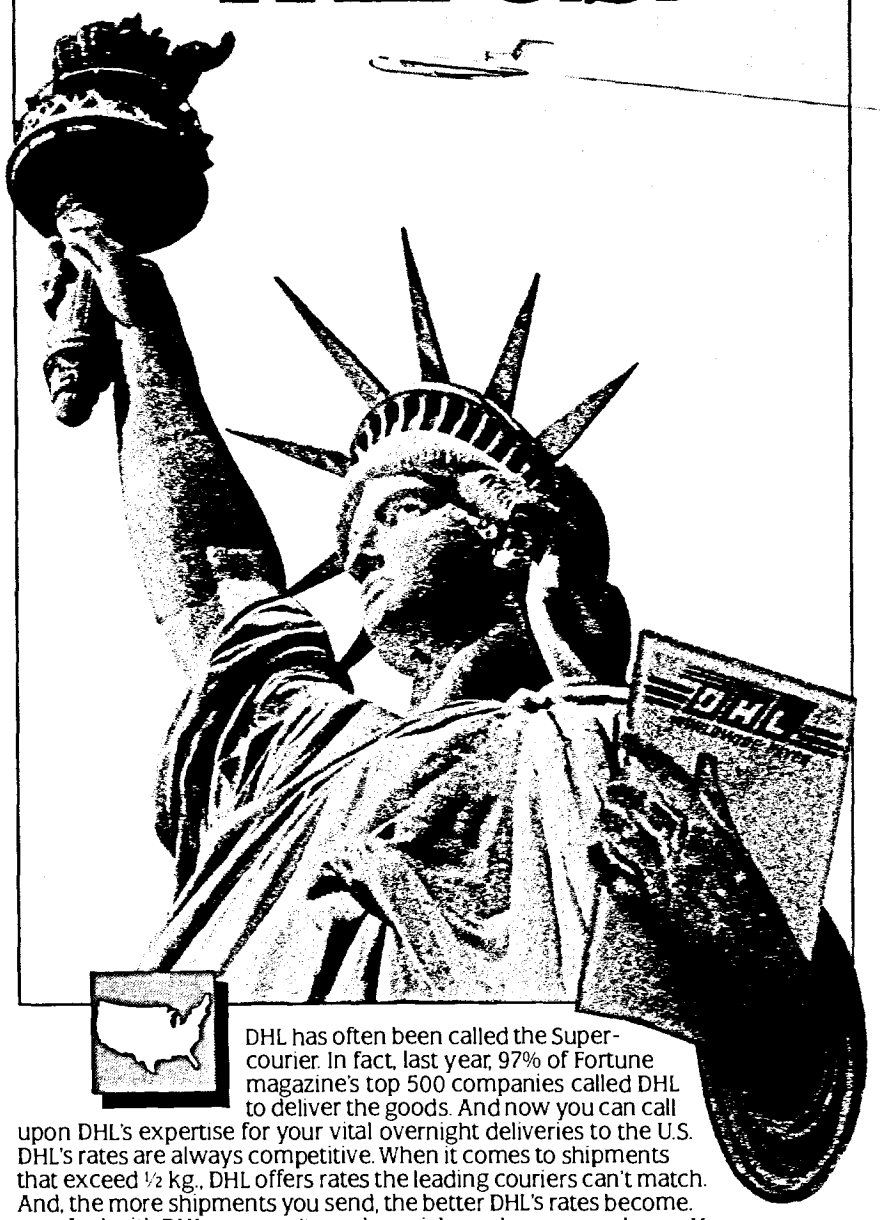


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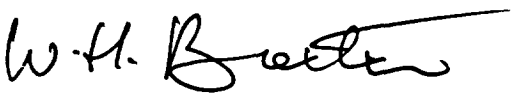

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July/August 1989

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## Editor's Note:

*Islam is now getting the share of our awareness that one billion people — a fifth of the world's population — deserve. That onslaught can be pretty exotic, but the experts in our midst help us along, in indulging our curiosity and submitting to the leadership of our own goodwill. There was Rushdie, and the nasty furor that followed the publication of his book. It won't go away, and mideast authority William Millward tells us why.*

*China also keeps us troubled by our inability to understand just what is happening, and is going to happen. Some of that bewilderment can be reduced by a knowledge of the recent past of the Chinese Communist Party and its leaders. A University of Calgary scholar, Ronald Keith, narrows that gap a bit.*

*Defence, too, never goes away, I suppose because it costs a lot, so we have to keep picking at it. The Defence White Paper that was so savaged by this year's cost-cutting budget may not be totally lost. Indeed, two defence-watchers — Joseph Jockel and Joel Sokolosky — see some bright sides. The US cruise missile always seems to need Canada for its testing. And now that a much advanced version is in existence, our ranges have again made their contribution to fire-power growth. Simon Rosenblum and Bill Robinson, two other defence students, think that may not be a good idea. Chemical weapons are increasing in attractiveness as the world fails to supply penalties for their use. It's a tricky issue, and two more security thinkers offer a formula for control. Raymond Cohen and Robin Ranger share their anxiety and their hope.*

*The "Helsinki Process" has been re-invigorated by* ***glasnost****, and its main institution, the Conference on Security and Cooperation in Europe, is getting healthier. And it's not just in human rights, although that seems to monopolize popular attention. David Pepper of Ottawa, a self-styled "Helsinki-phile," evaluates the progress so far.*

*Have we got it right in South Africa — or exactly backwards? James Dean of the University of British Columbia wants to destroy apartheid, not by sanctions and boycotts, but by greater direct aid to non-whites and their education.*

*Last issue we carried a sad announcement about the end of "International Canada"; this issue it is* ***International Perspectives*** *itself that has to announce its termination. This was never a commercially possible publication, and it depended on special arrangements with well-wishers, notably the Department of External Affairs, to survive. Those arrangements have ended, and so have we. Adieu!*

# What happened to Chinese "democracy?"

by Ronald C. Keith

Recent mass demonstrations and the horrific visual images of the military suppression of the Chinese people in the streets of Beijing have riveted world attention on the prospects for democracy in China. Much of the analysis has related to immediate events, and analysis of the past ten years of political reform, or "political restructuring," is necessary to consideration of the changing definition of the social and institutional features of Chinese "democracy."

Past assumptions concerning Chinese politics should be reconsidered. Regardless of distinctions between "moderates" and "conservatives," no one in the Politburo is known to have supported a Western concept of democracy for China. As in 1986, the recent political issue was essentially tactical in terms of how to deal with student demands. It is doubtful that top Party leaders like Hu Yaobang or Zhao Ziyang would ever have suggested that the Party abandon its fundamental organizational principle of democratic centralism in order to accommodate politically autonomous mass organization of students and workers.

**What "pragmatist?"**

Western assessment of the Chinese leaders has been problematic, especially in the characterization of Deng Xiaoping as a "pragmatist." How can we now explain the absence of "pragmatism?" In fact, Deng has all along been a self-proclaimed Marxist-Leninist committed to "praxis," meaning the "objective" adaptation to reality in the achievement of the goals of Chinese socialism. Deng's personal credo, "seeking the truth from the facts," was culled from the ideological canon of Mao Zedong. This "praxis" differs from the common understanding of "pragmatism" implying the denial of ideology in the expedient and continuous adaptation to changing reality. Such "pragmatism" has been unacceptable to the Chinese Communist Party's conception of "democracy." It is also incompatible with the moral dimension of Chinese politics. Traditional political culture, which emphasized virtuous government based upon "teaching others by example" (*shenjiao*), still exerts an influence on political morality.

While contemporary Chinese socialism has encompassed a revolutionary challenge to the content of China's traditional political culture, it is similarly committed to the achievement of absolute moral ends. There is a tragic irony in the fact that Deng in his criticism of Mao and the Cultural Revolution recognized this problem, but was not able to transcend it in his own personal quest for Chinese socialist "democracy."

**Always a long struggle**

The Western media hardly ever picked up on Deng's statements to the effect if he ever had to make a choice between maintaining the integrity of fundamental socialist principles and alienating Western sensitivities, then he would gladly accept the costs of the latter. In September 1986 he warned that the struggle against "bourgeois liberalization" would go on for at least ten to twenty years. He referred to the risks of his own "open door" policy in terms of the merging of "foreign things" with domestic "bourgeois liberalization." He conceived of these merging forces as a "battering ram" against his own modernization program. He argued that "foreign commentators" were always "opposing the very things we believe in."

Deng saw the issue in terms of the history of the Chinese revolution. Ultimately, he would place his own understanding of national unity before the achievement of democracy. With reference to Sun Yat-sen's famous metaphor, he argued that if the Party leadership abandoned democratic centralism in the face of "bourgeois liberalization," China would become a "heap of loose sand." With reference to the early 20th century humiliations to China's sovereignty, he reiterated: "The reason why the imperialists were able to bully us was precisely that we *were* a heap of loose sand."

Over the last ten years the Chinese leadership has been groping for its own Chinese, socialist version of democracy. This process had conceptually moved beyond what *Time* (June 5, 1989) referred to as "Deng's concept of limited managerial and entrepreneurial liberalization." Indeed, the Party has affirmed the vital link between economic reform and political reform; however, political reform has required greater levels of political participation and more effective and innovative decision-making. Deng's "restructuring," even if it was not conceived of in terms of a comprehensive strategy for democracy, had substantive and broad implications.

**Feeling out legal change**

Before the students took up the cause for a free press, Chinese legislators and legal experts were debating the initial drafts of free press and free publication laws. There was active consideration given to changing Criminal Code provisions regarding "counter-revolutionary crime." Focus in legislation was shifting from the "class nature" to the "social nature" of economic and administrative law. The latter was to provide the individual with the right to sue government units and personnel for corruption. While more far-reaching proposals for multi-Party representation and a bicameral legislature to reflect minority and regional interests were rejected outright, there was a growing trend to

*Ronald C. Keith is Associate Professor in Political Science at the University of Calgary in Alberta.*

emphasizing the political significance of debate as necessary to the formulation of state policy.

As in the past, the law was still described as the mature reflection of Party policy, but it appeared to acquire new status. Theoretically, it could not be overturned by immediate Party policy adjustments without reference to formal legislative procedure. The National People's Congress was to be reformed accordingly so that it was not just an agency exclusively designed to further political consolidation. Hence, the formal commitment to a "rule of law"(*fazhi*), as opposed to "one-man rule"(*renzhi*). The latter in its absolute conception of moral good was reminiscent of imperial rule by the "Son of Heaven" and was, therefore, denounced as "feudal" and as utterly inappropriate to modern decision-making. This same "feudalism" was cited as the contemporary source for corruption and privilege. Deng hoped to discard "one-man rule" and to achieve an alternative strategy which would deal with policy and leadership disputes on the basis of non-violent legal and "socialist democratic" procedure.

When all of these pre-April 1989 factors are added up, they suggest an important trend towards evolutionary political change. However, Deng did not provide an overall scheme of democratization. He was not able to keep up with changing student assertions that the political system was cynically promoting corruption while the leaders talked of reform. He was clear on what he did not want. He eliminated the "four great freedoms"(*sida*): speaking out freely, airing views fully, holding great debates and wiring by character posters, because these elements of direct democracy were maliciously used by the Red Guards for the purposes of political persecution in the Cultural Revolution.

**Checks without balances**

Deng vetoed the Western notion of the "balance of power" (Montesqueiu's separation of executive, legislature and judiciary, i.e., *sanquan fenli*) as he sought to find within the Party's own organizational experience an institutional strategy of checks and balances which would militate against the arbitrary exercise of political power, but which would also conform with the ultimate Party requirement of democratic centralism. Deng abhorred the "mass democracy" or "direct democracy" of the late 1960s' Cultural Revolution, but he thought it was still possible through "political restructuring" to move incrementally towards expanded levels of political participation under Chinese "socialist democracy."

A limited notion of "political restructuring," namely *zhengzhi jiguo gaige*, implying greater levels of organizational rationalization and democratization within and among government departments, was to provide for "scientific" decision-making, while the Party was more broadly to facilitate "political restructuring" in the sense of *zhengzhi tizhi gaige*, by which greater levels of democratic participation and consultation were to take place within all forms of political and social organization. Democracy's scope in these terms is not limited to representative democracy within the National People's Congress. The Party's organizational traditions focused attention on the exercise of "democracy" within numerous playing fields throughout society. However, even Deng conceded on June 12, 1987, that there was a lack of clarity in the overall agenda for "democratization": "reform of the political structure involves democratization but what that means is not very clear."

**Democracy versus "democracy"**

What is clear is that, while there is ambiguity as to the broad institutional outlines of the Chinese version of "democracy," the issues of democracy and corruption have become the great moral issues within modern Chinese society. As in previous periods of Party-directed political relaxation, the parameters of dissent had to be found in actual political practice. The brutal military suppression of demonstrators within the nation's hallowed precincts of Tiananmen Square and the subsequent crackdown on intellectuals and student organizers suggest an immediate setback for the forces favoring reform. However, while much has been said about power growing out of the barrel of a gun, even Mao Zedong had argued that the achievement of revolutionary society would ultimately depend upon voluntary, politically conscious support for the goals of socialism.

Regardless of the tremendous propaganda resources of the Party, it will be difficult, in light of the extent of the demonstrations, for the Party to perpetuate the old line that dissent is just a problem of a mere "handful of counterrevolutionaries." The Party's already severe legitimacy crisis will be compounded the further it moves away from its mass line. Despite Deng's own attack on "one-man rule," he was already popularly known as "above the emperor"(*taishanghuang*). Even though Deng resigned all his senior posts save that of Chairman of the Party's Military Affairs Committee, he followed in Mao's footsteps to become "helmsman"(*duoshuo*), by secret Politburo decision. In the exigency of leadership succession, conservatives, in the name of socialist ideological goals, have not only violated the Party's formal organizational requirements, but they have also undermined the recent Party commitment to the "rule of law" and "socialist democracy." □

# Defence White Paper lives again

by Joseph T. Jockel and Joel J. Sokolsky

Ten years ago, we began advocating in print the restructuring of the posture of the Canadian Armed Forces along the following lines: the withdrawal of the land and air contingents in Germany that constitute Canadian Forces Europe (CFE), improvements in the Canadian reinforcement commitment to Norway, rebuilding of the Canadian navy for North Atlantic Treaty Organization (NATO) and North American roles, and enhanced contributions to North American Aerospace Defence Command (NORAD) functions. We viewed, and continue to view these changes, taken together, as the best way to close the commitment-capability gap.

Such restructuring would also give Canadian defence policy a distinctly northern and maritime orientation that would enhance Canada's contribution to collective defence, while also providing forces better suited to national sovereignty protection roles. While these changes would be good for Canada, they would also be good for Canada's allies in that the Canadian Armed Forces would once again make valuable military contributions to the security of the West. We most fully expanded upon these views in our 1986 book, *Canada and Collective Security: Odd Man Out.*

**Unpopular proposal**

In the intervening decade, critics from all sides of the academic and governmental defence and foreign policy communities have attacked our proposals. They have been labeled as hawkish and dovish, as narrow Canadian nationalism and as slavish pro-Americanism, as isolationist, continentalist, and as too NATO-minded. They have been called historically unfounded, naive, eccentric and politically misguided.

Canadian diplomats generally loathed the concept for fear that it could cost them influence in Brussels, while Canadian soldiers were shocked at the thought of being shorn of their armored role in Germany. Moreover, with the German government firmly in the lead, Canada's allies rejected in 1985 a tentative Canadian proposal to pull out of Germany. If this were not enough, the Mulroney government's 1987 White Paper on Defence, *Challenge and Commitment,* seemed to indicate final official rejection of our approach, in that it announced plans to transfer the wartime destinations from Norway to Germany of the Canadian Air/Sea Transportable (CAST) brigade group, as well as the two Canada-based rapid reinforcement air squadrons, thereby strengthening CFE.

Today, in the wake of Finance Minister Michael Wilson's April 1989 budget, Canadian defence policy is in disarray. The government has not only canceled the nuclear-powered attack submarine (SSN) program, it is cutting $2.74 billion from projected defence spending over the next five years. Coupled with changes in the international environment, these cuts are said to have killed the 1987 White Paper. But is it in fact necessary to go back to the policy drawing board? Not at all. What is required is that the overall thrust of *Challenge and Commitment* be taken to its logical conclusion which, we submit, would bring the posture of the Canadian Armed Forces in line with the proposals which we have long been advocating, and which others are now also suggesting.

**The White Paper: a bridge not far enough**

Shorn of its Cold War, although still not entirely inaccurate, rhetoric, the 1987 White Paper was basically a plan for the modernization of Canada's armed forces, in order to bridge the commitment-capability gap that has plagued defence policy for nearly two decades. The White Paper's approach has a decidedly pro-Canadian, but most certainly not anti-allied, tone. Overall, the paper's thrust was *northward,* with an emphasis on the defence of North America and sovereignty protection, and *seaward,* putting importance on the rebuilding of the navy, including the acquisition of a fleet of ten to twelve nuclear-powered (but, of course, not nuclear-armed) attack submarines.

Given this redirection, the decision to drop the two major commitments in Norway in favor of consolidation in Germany stood out. The more logical complement to the North American and maritime components of the White Paper would have been the withdrawal of CFE and the enhancement of the air and army commitments to Norway. As is now publicly known, the first Mulroney government — or at least Erik Nielsen, the second Minister of National Defence in the Mulroney government — went to NATO in the fall of 1985 with just such a proposal. Bonn, concerned that this was just another attempt by Canada to reduce its already low contributions to NATO, and fearing that it might set a precedent for other allies, rejected the initiative. It was joined by Washington and London.

**Consolidation in Germany**

Thereafter, the 1986 BRAVE LION exercise highlighted the shortcomings of the CAST commitment. This, combined with not only allied intransigence but also the preferences of the Canadian military and the Department of External Affairs, made retention and improvement of CFE the Tory solution to the problem of having two separate sets of land and air commitments

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in Europe. The decision was also fully consistent with Canada's long-standing approach to NATO contributions whereby a physical presence of Canadian forces in Germany has been seen as the most important symbol of the country's commitment to the Alliance — regardless of whether more useful military contributions could be made elsewhere. And, as the White Paper argued, repeating a familiar refrain, "The presence of Canadian armed forces in Western Europe ensures that we will have a say in how key security issues are decided."

Consolidation in Germany, as detailed in the White Paper, was to rest on the ability to deploy, in a crisis, an army and an air division in Germany. Neither division, it is important to note, would be deployed at full strength in peacetime. Major elements of each would be drawn in wartime from units based in Canada: two Canada-based flyover squadrons would, in an emergency, join the three Canadian squadrons permanently based in Germany where they would together form the air division. Similarly, the 5e Groupe-Brigade du Canada (5GBC), which had had the CAST responsibility to Norway, would travel from eastern Canada in a crisis to Lahr where it would join 4 Canadian Mechanized Brigade Group (4CMBG) to form the army division. New tanks would be purchased to replace 4CMBG's aging Leopards and to provide 5GBC with the necessary armor.

Thus, in contradictory fashion the White Paper sought to both shift the emphasis of Canadian defence policy and its contributions to collective defence, away from Europe and to hold the line (or rather, the strategic reserve role) in Germany. This was supposed to result, sometime over the next twenty years, in a closing of the commitment-capability gap. The attainment of these objectives was in serious doubt even before April 1989. The tight defence budget now only exacerbates the incompatibility of the northward and seaward major thrust of the White Paper with the retention of CFE. In truth, the White Paper failed not only to span the current gap, but to provide a bridge to the future.

**Those nuclear subs**

Neither the Canadian public nor most allied governments, especially Washington, were ever enthusiastic about the Mulroney government's SSN acquisition program. Allied governments were convinced that the program was primarily based upon sovereignty considerations inasmuch as the submarines were to be used, among other tasks, to establish a Canadian under-ice capability in the Arctic, where Canada's claims to full sovereignty are subject to not Soviet, but American, challenge. The allies, as well, feared that the boats would draw money away from what they wanted from Ottawa — more frigates and replacement of CFE's aging tanks.

Ironically, the Conservatives were unable to sell the program at home on sovereignty grounds, and also had to defend its price tag of $8 billion, an estimate widely seen as being optimistically low, which in turn reinforced fears that the boats would draw money away from social and other government programs Canadians wanted. Indeed, the SSN program, rather than the plans for Germany, became the popular symbol of what was wrong with the government's plans.

It is thus not surprising that the program was ended. Nonetheless, it is unfortunate that the SSNs came to bear the brunt of the criticism of the White Paper. The problem is not that Canada has too few defence dollars to spend on submarines. Rather Canada has, and for the foreseeable future will continue to have, far too few defence dollars.

**The cuts of April**

Strikingly, public debate over the April budget's impact on the armed forces has focused on the SSN cancellation and base closings in Canada. The overall impact on the navy and on the plans for consolidation in Germany has often been missed.

In presenting their White Paper, the Conservatives emphasized that the navy was on the verge of rust-out; in the wake of the April budget cuts, the navy is now on the verge of extinction. There is widespread agreement both at home and abroad that Canada needs better maritime forces if it is to fulfill both national and allied roles at sea. With the dropping of the SSNs, Ottawa must now look again at an alternative fleet mix on the order of four to six conventional submarines and another six frigates. Since this option is expected to cost as much as the SSNs, canceling the nuclear submarines will not save a great deal of money. But unless something is done, the Canadian navy will have a mere twelve modern ships in ten years. The April budget further exacerbated the situation by also canceling plans for six additional Aurora long-range patrol aircraft.

On the day after the budget, General Paul Manson, Chief of the Defence Staff (CDS), sent a message out to the forces in which he announced that the plans to be able to field a new armored division in Germany were canceled; that the tank purchase had been cut in half and would in addition be postponed; and that a host of equipment for the division would either be delayed or dropped entirely. The ability to deploy an air division would be retained, but the authority had been terminated to purchase CF-18 aircraft to replace those that would be lost through normal peacetime attrition. Dramatically, he added that "The budgetary pause in planning for increased capabilities in Canadian Forces Europe...will incidentally give us the opportunity to assess the future strategic situation in Europe."

Was Ottawa considering a full pull-out from Germany? Several days later, when the message from the CDS to the troops was picked up in the press, the government scrambled. How could the Prime Minister attend the crucial May meeting of the North Atlantic Council having just reneged on pledges to enhance Canada's contributions to the defence of Europe? The cancellation of the commitment to field a division in Germany was swiftly rescinded. On May 16 the Vice Chief of the Defence Staff (VCDS), Lt. Gen. John de Chastelain, told a Senate Committee that the plans to switch the destination of 5GBC in an emergency from Norway to Germany were still on, thereby retaining the division commitment. Nonetheless, he added, "the acquisition of much of the new equipment for the Division is no longer possible." Any re-equipping would be "to meet the readiness needs of 4CMBG alone."

All this confusion only serves to emphasize that the major funding problem remains that related to CFE. It is a problem which must now be viewed in the context of recent arms control proposals and in the light of current trends in European-American relations — as General Manson seemed to be suggesting.

**Canadian Forces Europe**

Today, the Mulroney government may very well be proceeding with the motions of implementing its plans for CFE just in order to have something really good to cancel in the name of arms control if peace truly is breaking out in Europe. It is far from clear whether the Conventional Stability Talks (CST) that recently opened will be more than a change in name from the long-stalled, unproductive and now-terminated negotiations on Mutual and

Balanced Force Reductions (MBFR). Yet President Gorbachev and now President Bush have made startling proposals for the reduction of NATO and Warsaw Pact forces which will become the starting points for CST.

Cancelling the army or air presence in Germany — or both — may very well turn out to be Canada's contribution to European arms control. A major conventional arms control agreement in Europe could complement a reshuffling of allied burdens, including a partial withdrawal of American forces. Within such an environment, what was unacceptable in 1985, namely, a Canadian withdrawal, may raise few European objections.

The Canadian air force could weather such a pullback from Germany with relative ease. Its major weapon system, the CF-18, has now been purchased. CF-18 aircraft have a North American air defence role that has been moderately increasing in importance as the Soviets deploy new nuclear armed, long-range, air- and sea-launched cruise missiles that pose detection problems for ground-based radars. Moreover, since the government will not be buying any more CF-18s to replace those lost, it will become increasingly difficult to maintain both a standing force in Europe and NORAD commitments. Canada-based aircraft could still be assigned a European rapid-reinforcement role, even without a Canadian military base in Europe. This would especially be the case on the Northern Flank.

The Canadian army, however, would inevitably view a pullback as a professional catastrophe. Without a land role in Germany, there is little or no immediate justification for equipping the Canadian army with tanks. Without tanks, Canada's soldiers would feel that they no longer belonged to a "real" army. They can be expected to argue that tanks were necessary to preserve Canadian familiarity with military skills Canada might need in some future (and hard to imagine) emergency in which the armed forces were to be substantially expanded.

**The more one struggles....**

But even before the April cuts the army's plans for CFE were problematic. The peacetime overcrowding at Canadian Forces Bases Lahr and Baden-Sollingen is shocking. Above all, though, 5GBC has to be transported in wartime from Canada. Because there is insufficient air transport, much of its equipment would still have to go to Germany by sea. Thus the shift in destination for 5GBC from Norway to Germany would not have entirely alleviated the serious transportation difficulties.

But that is not all. The division concept was predicated on there being new tanks and other equipment not only for 4CMBG in Germany but for 5GBC as well. Now, only one set of new equipment is to be acquired, and even then the most crucial component, the new tanks, is to be delayed.

The army's plans for Europe are now clearly in complete disarray. As General de Chastelain told the Senate Committee, the "plan to field the combined force...without new equipment, entails some risk." That is an understatement. Canadian soldiers often referred to their Norwegian commitment as "Hong Kong in the snow," recalling the disaster that overcame an ill-prepared Canadian unit in that British Crown Colony in December 1941. Now, in the event of another great war, Canada's soldiers would be facing a Hong Kong in the Black Forest.

**Back to Norway**

It has often been overlooked, in the talk about Canada's 1987 "recommitment" to the central front and "abandonment" of the Norwegians, that the Canadian Armed Forces have, in fact, retained one not insignificant reinforcement commitment to the defence of Norway: the battalion-group that would join the northern component of the Allied Mobile Force-Land (AMF-L). This battalion-group is based on the 1st Battalion of the Royal Canadian Regiment (1RCR), located at CFB London, Ontario, that, along with "slices" of other units, would be airlifted to the Northern Flank. The AMF-L is a multinational, brigade-sized, quick reaction unit.

Equipment being pre-positioned in the Tromso area of North Norway originally intended for the lead battalion of 5GBC in its CAST guise is still being kept there for emergency use by the Canadian AMF-L battalion-group. It would thus not be inconceivable for the Canadian government to cancel entirely the plans for a Canadian division in Germany and restore the CAST commitment to its 1987 level.

Nonetheless, the 1987 level is not good enough. Beyond the transit time to Norway of up to one month for 5GBC's equipment, enormous medical and logistic troubles attended the CAST commitment, as BRAVE LION demonstrated. Yet, it cannot be stressed too strongly that these problems arose in large part from Canada's attempting to focus on the defence of two NATO areas, Germany and Norway, despite the limitations of the Canadian defence budget. As the government put it in its White Paper, "It has been obvious for some time that these widespread land and air force commitments in Europe represent a dilution of valuable combat resources, and cannot reasonably be supported or sustained from an ocean away in the event of hostilities. They force us to maintain widely separated lines of communication for which we have insufficient strategic transport."

**Another solution**

But the military logic of *Challenge and Commitment*, that Canada's contributions to the land and air defence of NATO Europe should be concentrated on one European area, *also works in what could be called geographic reverse*. If the land presence in Germany were canceled, Canada would have a complete set of equipment for a brigade to pre-position in North Norway. Troops could be airlifted to Norway from Canada. Logistic and medical efforts could be refocused. To boot, because heavy armor is not an absolute necessity in the rugged terrain of North Norway, the scheduled, postponed Canadian tank purchase could be canceled. Funds would also be saved through the abandonment of stationing Canadian forces in Germany. CF-18 aircraft repatriated from Germany would find good use in NORAD-related roles and could, in an emergency and as had been the plan until 1987, be flown to North Norway where they would help alleviate a critical shortage of combat aircraft.

We are well aware of the military complications — especially the logistic ones — associated with the reinforcement of Norway. But as the April budget cuts have now made abundantly clear, those difficulties pale in comparison to the intractable financial and military problems involved in credibly reconstituting, after roughly thirty years, division-sized air and especially land commitments to Germany, while at the same time discharging Canada's unavoidable maritime and North American air defence functions.

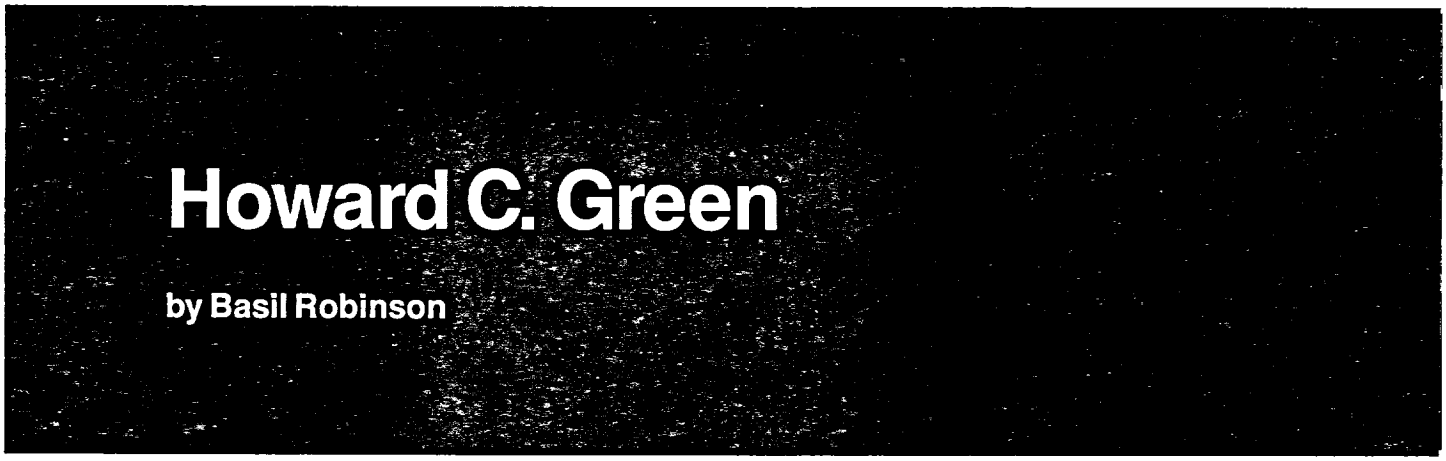
Some will argue that the Canadian presence in Germany is still of paramount symbolic importance. But surely any benefits Canada had hoped to achieve are being dissipated by the reversal of the pledges to strengthen CFE. Canada's allies know that a

division with only a brigade's worth of equipment is no division. They can figure out as well that the decision to delay the acquisition of tanks for 4CMBG probably means that Ottawa is trying to keep the promise to buy the tanks alive just long enough to be able to sacrifice it within the context of a successful CST agreement or NATO redistribution of burdens, but not so long that Canada is stuck with these expensive weapons tying it to a ground role in Germany. This is hardly going to inspire confidence in Canada's commitment to collective defence or enhance Canadian influence in allied councils.

**Conclusion**

Rather than be dragged along by events or succumbing to the traditional temptation to do nothing really well in the hopes of satisfying everybody, the best thing for Canada to do now would be to take the 1987 White Paper to its logical conclusion. This would entail restructuring the Canadian Armed Forces in a northward and maritime orientation, including an enhanced commitment to NATO's northern flank. With allies and adversaries alike now rethinking and reevaluating their commitments, the time for Canada to take such an initiative has never been better.

Although some would argue that this would mean Canada's turning its back on the defence of its German ally in order to embrace a North American continentalism, the following remains true: the security of Germany is not furthered by a weak and dissipated Canadian contribution to NATO. Nor would the restructuring of the Canadian Forces around Canada-based roles be continentalism. Rather, it would a recommitment to collective defence in the North Atlantic Treaty area. Without such restructuring, Canada will find itself slipping further and further into strategic and political irrelevance, to the detriment of its own sovereignty and security and the security of its allies. □



# Howard C. Green

**by Basil Robinson**

The Hon. Howard C. Green, who died recently in Vancouver at the age of 93, was Secretary of State for External Affairs from June 1959 until the fall of the Diefenbaker government in April 1963. He lost his parliamentary seat in the ensuing election and thereafter never returned to active politics.

At the time of his appointment, Howard Green was considered a surprising choice, and there was much speculation on where he would lead the Department of External Affairs. A veteran of the First World War, he had little other international experience. But he took hold immediately, displaying many of the attributes which departments rejoice to see in their ministers. He listened to advice, made up his own mind, was on close and influential terms with the Prime Minister, generally got what he wanted in Cabinet, and was an old parliamentary pro.

As a foreign minister, his spiritual home was the United Nations. There his natural friendliness and curiosity brought him into cordial relationships with many of his counterparts from Third World countries. These contacts prompted him to propose and obtain approval for modest initiatives in Canada's aid programs and diplomatic representation in, for example, francophone Africa. The resultant goodwill helped to strengthen his hand in promoting other initiatives at the United Nations.

He is likely to be remembered chiefly as a crusader for arms control and against nuclear proliferation. These causes he pursued with tenacity long before they were fashionable in Canada, and he can thus be said to have been ahead of his time. It can also be argued that if Howard Green had been somewhat less tenacious, Prime Minister Diefenbaker might have found it easier to deal with the nuclear weapons crisis. Yet Green was convinced that he was acting in the interest of the government and his leader.

Not everyone in External Affairs agreed with the positions the minister took on nuclear and other issues. But as a man he was much liked and respected by the departmental family. He clearly enjoyed working with them, defended their interests, and, along with his charming and accomplished wife, Donna, made everyone feel part of the team. In the twenty-six years since he retired to Vancouver, he liked nothing better than to welcome friends to his home in West Point Grey, where he would reminisce and offer not so gentle judgments on current affairs. Many who remember his years in office consider that the foreign service has never had a better friend. Visits to Vancouver won't be the same without him.

*Basil Robinson had many opportunities to observe Howard Green in action while serving in the Prime Minister's Office as liaison Officer of the Department of External Affairs. He later became Undersecretary of State for External Affairs. Basil Robinson is now retired in Ottawa, and has recently published a study of John Diefenbaker's foreign policy entitled* ***Diefenbaker's World*** *(University of Toronto Press). It was reviewed in the previous issue of* ***International Perspectives.***

# Enforcing chemical weapons ban

by Raymond Cohen and Robin Ranger

Canada's concern with chemical weapons (CW) goes back to 1915, when Canadian troops were among the first victims of Germany's unprovoked use of poison gas at Vimy Ridge. Today Canada strongly supports the Convention, now under negotiation at Geneva, to ban the manufacture and stockpiling of CW. This support is exemplified by the pioneering work carried out by the Department of External Affairs' Verification Research Unit. Canada also welcomed the strong personal commitment of US President George Bush to banning chemical weapons reflected in his 1984 speech at the UN Conference on Disarmament proposing the CW Convention.

Over the past year the need to control the spread of CW has become particularly urgent. Iraq's successful use of poison gas in its war against Iran and against its own Kurdish population has set an alarming precedent which other Third World states can hardly ignore. Many must be tempted to echo the ominous comment of the Iranian Commander-in-Chief: "Chemical and biological weapons are poor man's atomic bombs and can easily be produced. Although the use of such weapons is inhuman, the war taught us that international laws are only drops of ink on paper."

### Lessons from Iraq

Hopes that the Iraq-Iran War would galvanize the international community into action were dashed by the January 1989 Paris conference. No penalties were imposed on Iraq for its flagrant violations of the 1925 Geneva Protocol. Libya's attempt to construct a nerve gas manufacturing plant at Rabta was passed over in silence. Indeed the Arab world closed ranks behind Libya and evinced little enthusiasm for the prospect of CW control. The Rabta episode also highlighted the limitations of current Western efforts to control CW proliferation through the informal Australian Group.

In the face of these discouraging developments Western hopes are now pinned on the current work in Geneva of the Ad Hoc Committee on Chemical Weapons of the International Conference on Disarmament. Unfortunately, as recently noted in this journal ("Making arms control treaties stronger," January/February 1989), the proposed CW Convention lacks any provision for the enforcement of compliance with its limits. Reliance on sanctions imposed by signatory governments seems particularly inauspicious. It should be recalled that while the original 1925 Geneva Protocol has been repeatedly violated, no government has ever imposed sanctions on the violators. A second grave drawback to the proposed Convention is its emphasis on prohibition. In the light of recent events it has become clear that many governments, including a significant number with undeclared CW manufacturing capabilities and stockpiles, are likely to reject a global ban.

What is now badly needed is some fresh thinking on CW proliferation and use before the problem completely escalates out of control. Canada is especially well-placed to develop new answers to the question of how to respond to the next use of CW. We suggest that one appropriate answer would be for the establishment of an International Chemical Weapons Authority with quite different powers than those envisaged by the draft CW Convention for an Organization for the Prohibition of Chemical Weapons. While the latter organization would be limited to implementing the Convention's inspection and monitoring provisions, an ICWA would be founded on the principles of active defence and deterrence.

### Current CW limits

The key clauses in the 1925 Geneva Protocol ban "the use in war of asphyxiating, poisonous or other gases, and of all analogous liquids, materials or devices" and "extend this prohibition to bacteriological methods of warfare." These limits established a framework for CW arms control that is unique:

- The Protocol did not ban the testing, production and stockpiling of CW agents and their delivery systems, so it became a "No-First-Use-of-Chemical Weapons" agreement. Some states ratified the Protocol, but explicitly reserved the right of retaliatory CW use against a state which breached the prohibition.
- Over the sixty-three years (including World War II) that the Protocol has been in force, the No-First-Use principle (based on a similar rule first codified on a multilateral basis in the 1899 Hague Convention) has become part of customary international law.
- The No-First-Use principle applies to the infliction of poison gases by a government on its own population — as by the Saddam Hussein regime in Iraq on the Kurds.
- The Protocol places no limits on defence against CW, including the testing and stockpiling of protective clothing, equipment and antidotes.

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- The Protocol contains no mechanisms to provide for the verification of compliance with its No-First-Use of Chemical Weapons limit or for the enforcement of this limit.

Since the 1925 Protocol banned only the first *use* of chemical and biological weapons, subsequent attempts to extend this limit have focused on the production and stockpiling of these weapons. The results have been the 1972 Biological Weapons Convention and the 1984 US proposal for a Chemical Weapons Convention. The 1972 Biological Weapons Convention banned the production and stockpiling of biological weapons (BW), but contained no provisions for the verification of compliance with these limits or for their enforcement. The Chemical Weapons Convention draft text calls for the banning of the production and stockpiling of CW once a sufficient number of countries have accepted this ban, and contains extensive provisions for the verification of compliance with these limits. But there is no mechanism to enforce compliance with the proposed ban on CW production and stockpiling or to control the manufacture and stockpiling of commercial chemicals from which effective, lethal CW could be manufactured at short order. Past infringements have established an increasingly dangerous series of precedents of CW first-users enjoying significant political-military gains without suffering any commensurate penalty.

**Failure to enforce CW limits**

Violations, or potential violations, of arms control limits on CW use fall into three categories. Into the first comes Germany's initiation of asphyxiating CW use in 1915 in violation of the earlier and weaker Hague Convention of 1899. This latter case is unique as a CW breach because it was both clearly recognized as such when it occurred and was met, after several months, by Allied counter-measures. These took the form of the retaliatory use of asphyxiating gas, as well as the development of effective protective equipment.

A second category of CW violations was also clearly established as such after 1925, but did not result in any attempt on the part of other law-abiding members of the international community to impose sanctions on the violators. Into this group come the use of CW by Italy in 1935-36 during Mussolini's occupation of Abyssinia; by Egypt in the 1960s during President Nasser's intervention in the Yemeni civil war; by Libya against Chad in 1987; and by Iraq from 1983 to 1988 during the war against Iran. Following the August 1988 ceasefire in the Iraq-Iran war Saddam Hussein used CW against the Kurds in violation of the Protocol and of customary international law limits on such use.

The third category consists of alleged CW (and BW) use by Moscow and Hanoi during the North Vietnamese occupation of South Vietnam, Laos and Cambodia (1975 onwards) and by the USSR and its Kabul puppet regime during the Soviet attempt to quell Afghani resistance (1979 onwards). The published evidence for such CW use is partial and ambiguous. However, the crucial point here is that the Reagan administration, while officially charging the Soviets and their allies with using CW (in the annual White House reports on *Soviet Noncompliance* from 1983 through 1988), did not attempt to impose any sanctions on these governments for their alleged violations of the 1925 Protocol.

**Getting away with it**

Iraq's successful use of poison gas and the failure of the US and its allies to punish Iraq for it is thus the latest in a long line of failures to enforce limits on known or alleged CW users. But in the Iraqi case this inaction has been compounded by a refusal to impose sanctions against the various chemical companies supplying the plants and some of the key materials used by Iraq to manufacture its CW. Supplies for the Iraqi CW plant at Samarra have been traced to West Germany, Chile, Spain, Switzerland, the Netherlands, Belgium, Italy, France and the US. Libya's Rabta plant was built with the assistance of a similarly wide range of suppliers.

A consistent pattern of unwillingness to enforce existing limits on CW use clearly indicates an underlying structural flaw in existing and proposed strategies of compliance. The maintenance of legal restrictions depends on the willingness of law-abiding states such as the Canada and the United States to impose sanctions on a delinquent party. Unfortunately, Western nations have repeatedly failed to enforce limits on CW, or even to try to do so. No penalties have ever been imposed on CW users, except on Germany in World War I. Why, then, have sanctions not been used to enforce controls on CW and why is an International Chemical Weapons Authority (ICWA) needed to enforce them?

**Why sanctions fail**

A fatal flaw lies at the heart of the philosophy which would ground compliance in punitive sanctions: the asymmetry in the motivation of the delinquent and the enforcement officer. Governments using CW have invariably had much more at stake than governments supporting limits on CW. Thus, on the one hand, the prospect of indeterminate international sanctions at some time in the future is hardly likely to dissuade a state *in extremis* from obtaining a timely reprieve from defeat or a decisive and immediate strategic gain on the battlefield. On the other hand, governments supporting CW limits have found it impossible in practice to impose *any* sanctions against CW users and suppliers because the costs of doing so have been too high at home and abroad in relation to the expected benefits to be obtained by punishing the delinquent regime.

The result has been a Catch-22 situation: effective sanctions that would really penalize the CW user are rejected as too costly, and ineffective sanctions are then rejected precisely because they are ineffective. The recent US debate on imposing sanctions on Iraq and its CW suppliers is simply the latest example of such a conundrum.

**Possible CW violations**

There are two situations in which chemical weapons are most likely to be used in the next few years. The first is in a Third World conflict. Since 1925 all uses of chemical weapons have occurred outside of Europe. As the Iraq-Iran war has demonstrated, a Third World power with sufficient resources can now readily obtain a full chemical war-fighting capability. In an unbalanced situation in which one side alone is armed with both offensive and defensive capabilities, the temptation to gain an advantage is great. Cutthroat competition for markets between suppliers, a plethora of unresolved border disputes in the Third World and a subsequent high incidence of conflict, disregard for human life, and limited respect for the laws of war, all contribute to this alarming trend.

The other possibility involves terrorist use. Several states which have sponsored terrorism or trained terrorists in the past, including the Soviet Union and its clients, Iran, Iraq, Libya, North Korea and Syria, possess chemical weapons. Certainly

neither morality nor respect for international law is likely to stand in the way of such countries' supplying chemical materials to terrorists if they see the possibility of risk-free, political gain. The old bomb-in-a-suitcase scenario, familiar from thinking about nuclear terrorism, acquires new relevance here.

**Loopholes in Draft Convention**

It is against the backdrop of these unpleasant — and increasingly credible — possibilities that much thought has been given to the question of how chemical weapons can best be controlled. The 1984 idea of a complete ban on production and storage which is now on the table has all the attractions of a clear-cut and definitive solution. However, its practical drawbacks are considerable and may be insuperable.

First, many kinds of factories can be easily converted to weapons production. In the words of General Howard Eggleston, head of the United States Army's Space and Special Weapons Directorate, "Every pharmaceutical plant, every brewery, every fertilizer plant is potentially a chemical weapons plant." Any conversion could only be detected by on-the-spot inspection. The frequent and widespread surveillance required to spot such a "needle in a haystack" poses insuperable practical, political and legal problems. The Foreign Affairs Committee of the British House of Commons, which conducted hearings on the subject in Washington, "found a number of individuals who frankly dismissed the chances [of a world-wide CW ban] because of verification problems. Indeed, a senior member of the [Reagan] administration told us that he could conceive of no verification regime which would both provide adequate guarantees of Soviet compliance, and also be workable under American law if applied within the USA."

**Too many non-signers**

Second, there is no reason to believe that all states with an actual or potential CW capability would sign a treaty imposing an absolute ban. It is precisely those states in the Third World — reluctant in the past to adhere to arms control measures of various kinds such as the 1968 nuclear Nonproliferation Treaty — which are most likely to be tempted to use or supply CW in the future. In a world in which Third World arms producers are moving into markets formerly dominated by traditional Western and Soviet bloc suppliers, it is no longer sufficient to ground a convention in cooperation among the major powers alone.

Finally, there are various situations, as we noted above, in which the incentives to infringing a treaty might prove irresistible and the prospect of sanctions remote and unconvincing.

Proposals such as that for the complete ban on CW, though well-intentioned, may thus be unduly utopian. It may be unrealistic to try to abolish a weapons system that is as easy to produce as it is to conceal, especially when many of the Third World producers or potential producers are unlikely to agree to abolition anyway. But why limit one's attention to the role of the user of chemical weapons? There are three other parties to the proliferation of these devices that should also be considered: the supplier, the manufacturer and the victim. To be effective a CW control regime has to provide practical incentives — rather than impractical penalties — to all these parties to refrain from engaging in the spread and use of chemical weapons.

**International Chemical Weapons Authority**

Present efforts in Geneva should continue. Without prejudice to this work, though, an additional initiative is in order. The following principles should underpin this new initiative:

1. A reaffirmation of the 1925 prohibition on the first use of chemical weapons;
2. A prohibition on the sale or transfer of chemical weapons to any other party;
3. A prohibition on the sale or transfer of CW technology and precursor chemicals for CW manufacturing;
4. A commitment to provide assistance to ensure that an aggressor not benefit and a victim not suffer loss from the use of chemical weapons;
5. The establishment of an *International Chemical Weapons Authority* (ICWA) to enforce the above.

ICWA would consist of a governing council of member states, a permanent secretariat and various implementing divisions. There would be provision for intelligence coordination among members and possibly an in-house intelligence capability. The authority would have extensive stocks of defensive chemical devices at its disposal and encourage their further development. Decisions of the authority would be made on the basis of majority vote and there would be no right of veto. Membership would initially include the Australian Group of nineteen countries (including the US, Canada, most of Western Europe, Japan and Australia) which at present meets informally to coordinate measures to prevent CW proliferation. But it would be highly desirable to expand membership to include the major Communist countries and Third World industrial and arms-exporting powers.

**What it would do**

ICWA's duties would be as follows: First, it would seek to develop a rigorous list of restricted chemical exports in order to enable member governments to control CW transfer more effectively than in the past. Within the formal framework of an ICWA, members would be less likely to ignore evidence about potential proliferation. They should also be encouraged to pass domestic legislation (such as that before the US Senate) imposing penalties on companies supplying CW equipment.

At the same time the international chemical industry could be induced to cooperate in an ICWA in various ways. Its representatives should be included in national delegations and in the staffing of the authority. Alongside a blacklist of chemical companies engaged in CW proliferation, there might also be a "whitelist" of companies fully cooperating with ICWA and above all suspicion of illicit activity. Such companies could be given preferential treatment by member governments.

An ICWA would also need to identify potential CW proliferators. States such as Libya, which have no legitimate requirements for chemical supplies and manufacturing facilities, should be subject to an export ban.

At the heart of the control regime would be the provision of an alternative to the acquisition, or continued possession, of chemical weapons. States do not obtain these devices for fun but to meet a perceived threat. In return for a pledge of abstention, or a commitment to disarm, as the case may be, states would be able to obtain *insurance* against CW attack. Insurance would

focus on defence and deterrence. A package of various benefits would be offered.

On joining the scheme signatories would be given access to the training programs of an ICWA CW Defence Center. Teams would be trained in the use of protective equipment and defensive techniques on the CW battlefield. Civil defence courses would also be offered. "Starter kits" for CW defence would be provided. The intention of these preparations is to enable signatories to absorb a full range of defensive equipment in an emergency.

**Preventive action**

In a situation of impending danger, but where CW had not yet been used, there would be an initial dispatch of defensive material, such as gas masks and antidotes, by the authority to the signatory. This would send a strong deterrent signal to the potential user, who would have tangible evidence that his victim did not stand alone. Furthermore, the supply of equipment would necessarily change the aggressor's calculations: surprise would have been forfeited and there would be a much reduced chance of his obtaining battlefield advantage. Other deterrent signals could be the ostentatious dispatch of an observer team, pre-positioning of remote CW sensing devices, and the carrying out of an airlift exercise.

In the event of an attack, any ICWA signatory would be able to request immediate, automatic on-site investigation by the Authority's inspection teams. Following verification, the terms of the insurance policy would automatically come into effect. A full range of defensive equipment would be supplied to the insured victim. This would include gas masks, protective clothing, decontamination gear and the medical materials needed to treat casualties. Evidence suggests that an army, well trained in and supplied with defensive means, has much less to fear from CW than a defenceless victim. And even if an aggressor achieved initial surprise, he would not be permitted to press home his advantage.

Other provisions would include the dispatch of fully-equipped field hospitals and medical teams; the transformation of inspection teams into observers in civilian areas; the provision of appropriate compensation to the victim, including financial aid; the supply of conventional military equipment to the signatory to nullify any offensive advantage which the aggressor might have obtained.

**Conclusion**

When Ethiopia was attacked with poison gas by Italy in 1935-36 it found little comfort in the 1925 Geneva Protocol. Instead, Haile Selassie appealed to the International Committee of the Red Cross "for gas masks and instruction manuals for their use." More recently, Pakistan, which borders on both Afghanistan and Iran, has been concerned with practical, not theoretical, measures. In 1987 it proposed that states supporting a CW Convention should agree to provide assistance, *including protection for both civilians and military forces*, to states threatened by the spread of chemical weapons. It also proposed that collective penalties, such as trade embargoes, be imposed on CW proliferators and users.

Pakistan's proposals help highlight the increasingly sharp differences between the West's and the Third World's concepts of CW. The dominant Third World view is that CWs are militarily effective weapons which, as the Arab bloc emphasized at the Paris Conference, are neither more, nor less, objectionable than nuclear arms. The peculiar Western abhorrence of chemical weapons — "this hellish poison," in Churchill's graphic phrase — which originated in the traumatic experience of the First World War, is not necessarily shared by Third World nations. As has been repeatedly demonstrated, the use or non-use of CW in the Third World will be governed by the normal strategic calculus of costs versus benefits. For these reasons most major Third World military powers may be reluctant to accept a CW Convention which simply mirrors Western assumptions.

If Third World states are to forego chemical weapons, they will have to be provided with tangible benefits. Help, not exhortation, is what they require. The CW genie is now out of the bottle. If, as the evidence strongly suggests, prohibition is no longer a viable option, the need for effective controls becomes increasingly urgent. The creation of an appropriate international authority of the kind suggested here may be the most realistic method of meeting the problem. It offers a middle way between unachievable prohibition and uncontrollable proliferation, and so should appeal to the Canadian foreign policy tradition. □

# Modernizing the cruise

by Simon Rosenblum and Bill Robinson

On February 1, 1989, the Department of National Defence announced that Canada would permit the United States to test the AGM-129A Advanced Cruise Missile in Canadian airspace. The first Canadian test of the missile took place on March 2.

The Advanced Cruise Missile (ACM) is the latest generation of the US air-launched cruise missile, intended to supplement and eventually replace the AGM-86B cruise missile already tested in Canada. A senior External Affairs official has passed it off as "just a 1989 model of a 1983 Chevrolet," but this Chevrolet is designed for fighting a nuclear war. The ACM is one of the weapons at the leading edge of the superpower race to develop and deploy faster, more accurate and more difficult-to-detect nuclear war-fighting weapons. It will incorporate radar-evading "stealth" characteristics that will reduce its radar cross-section to about one-fifth of its predecessor's, making it more able to attack by surprise. It will also possess other improved war-fighting capabilities, such as longer range (4,000 instead of 2,500 kilometers) and greater accuracy. The US Air Force is planning to buy about 1,000 ACMs, according to reports, for deployment aboard B-52, B-1B and possibly B-2 bombers starting in 1990 or 1991.

**First strike or retaliation?**

According to the Canadian government, the ACM is a reassuring "retaliatory" nuclear weapon because it is neither invisible enough nor fast enough to be used in a "first strike" attack against the Soviet Union. Unfortunately, the reality is not so simple: this Chevy is unsafe at any speed. The problem with Ottawa's argument is that there is no easy distinction between bad first-strike weapons and good non-first-strike weapons. The ACM is a war-fighting weapon that *could* participate in a first strike-attack. As an internal Canadian government study on the ACM notes: "Although individual weapons are not first strike weapons in and of themselves, they can increase... the capacity to disarm the opponent when employed as part of a coordinated force."

ACMs could participate in an attack in a "precursor" role, for example destroying a few crucial command centers in preparation for the main assault, or in a "follow-on" role, destroying weapons depots and other targets that are not "time urgent" in the hours following. In addition, ACMs could be used to attack many different types of targets during a protracted nuclear war (assuming such a war is possible).

The ACM's stealth capabilities might make it particularly threatening as a precursor weapon. Although it can be detected by ground-based radar sites or radar aircraft, this probably would happen only when the missile was very close to the radar. Even it detected, therefore, it would likely remain in radar coverage for a short time only. This means Soviet fighters probably would not be able to intercept and examine the missile (to ensure that it was not a false radar image or a West German in a Cessna). Thus, it is not at all clear the Soviets could be certain of identifying an ACM attack before the missile exploded in the backyard of the Kremlin. Long-range over-the-horizon backscatter radars, and other future radar systems, are likely to have a much better ability to detect stealth aircraft and cruise missiles. According to one report, however, even these radars might not have "an assured detection capability against the Advanced Cruise Missile."

**Nuclear war-fighting**

The larger problem with Ottawa's argument about the ACM is that it seems to recognize danger only in the possibility that one side might develop the ability to disarm the other completely in a single devastating first-strike attack. Neither the United States nor the Soviet Union is (or, likely, over will be) able to disarm the other in this way. But the movement towards greater war-fighting capabilities — of which the ACM is a part — is still extremely dangerous, because implicit in war-fighting is the illusion that some sort of victory is possible in a nuclear war (even without the "ideal" first strike). Maybe the side that is attacked first will have its command system so completely destroyed that it will not fire its retaliatory weapons at all. Maybe its nuclear forces will be weakened sufficiently that, faced with the choice of surrender or escalating the war to suicidal attacks on cities, it will choose surrender (this is what the over-blown "window of vulnerability" was all about). Maybe its retaliatory blow will be so weakened that the attacking side will survive to dominate the postwar world. "Should deterrence fail and strategic nuclear war with the USSR occur," states the Pentagon's *Defense Guidance* document, "the United States must prevail and be able to force the Soviet Union to seek earliest termination of hostilities on terms favorable to the United States."

Neither superpower *intends* to start a nuclear war. Although each likes to be able to make coercive nuclear threats during peacetime, neither would gamble the future of the planet on a handful of maybes. But the pursuit of war-fighting capabilities makes nuclear war more likely. One side's ability to "prevail" is the other's death sentence. Thus, the war-fighting competition creates and perpetuates fear and suspicion, and accelerates the arms race as each side struggles to respond to the other. War-fighting strategies institutionalize the idea that nuclear weapons may be usable, while the development of war-fighting capabilities risks destabilizing the nuclear balance to the point where,

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during a crisis situation, launching even a partially successful first strike might appear preferable to being struck first by the other side. In all of these ways, each new war-fighting weapon moves the world further down the slippery slope towards nuclear war and annihilation.

Ottawa remains curiously blind to the role of new weapons in the nuclear arms race. In its backgrounder on the ACM, the Department of External Affairs writes that "modernization generally involves the replacement of outdated equipment with new, and is not to be equated with the build-up of forces." In the early 1980s the Trudeau government recognized that "a technological freeze is fundamental to controlling the arms race." Today, however, anything goes as far as Ottawa is concerned.

**Cruise control**

The importance of controlling the development of ballistic missile technology is quite widely recognized. But there are good reasons to control the development of cruise missile technology, too. Future generations of sea- and air-launched cruise missiles will become even more stealthy and possess supersonic or even hypersonic speed.

Sea-launched cruise missiles (SLCMs), in particular, pose major problems. A 1985 US Congressional Research Service study noted that stealth capabilities "would make strategic SLCMs much more threatening as potential first strike weapons, given their potential for flying undetected and unimpeded to their targets." The US advantage in SLCM capabilities could, therefore, come back to haunt the Americans since the United States is more vulnerable than the Soviet Union to a short-warning attack from off its coasts. Both superpowers should heed the advice of former US Secretary of Defense Robert McNamara: "We should consider restrictions on testing and deployment of future generations of SLCMs, because stealth technologies and other improvements could, in the future, give these systems more dangerous first-strike capabilities."

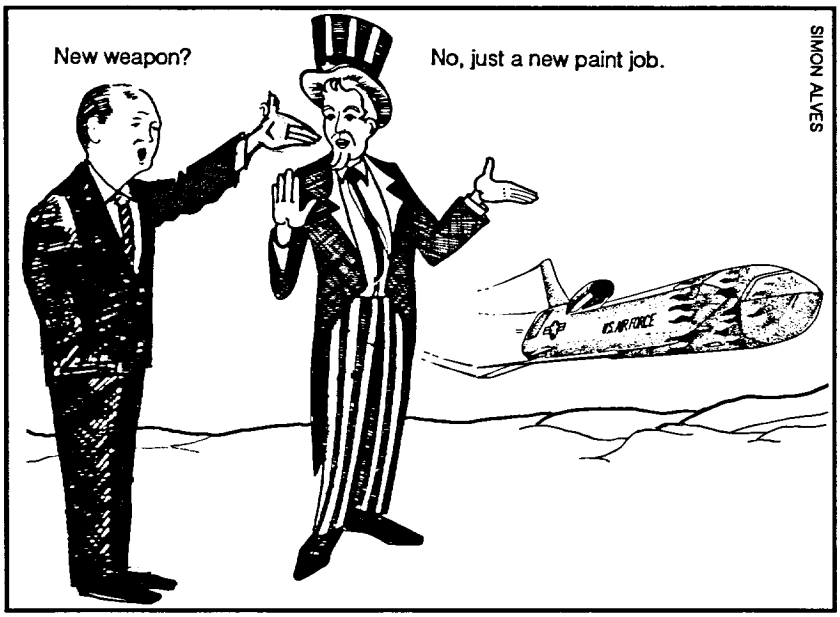
SLCMs also pose difficult problems for strategic arms control verification. A complete ban on their testing and deployment may be the most practical approach to SLCM control from a verification standpoint.

**Increased risk of war**

In addition, SLCMs and other cruise missiles pose serious risks of deliberate or inadvertent nuclear escalation in regional conflicts and superpower crises — risks that will only increase with enhanced cruise missile technologies. It was in this regard that John Newhouse, a former arms control official under President Carter, referred to SLCMs as "truly the Devil's mischief." William Kincade, an American military analyst, has said of future cruise missile technology that:

> A confident forecast about the use of advanced cruise missiles in superpower conflict is not possible. Yet the early experience, the assigned or potential missions, and the capabilities of the cruise missile are highly suggestive. Should there be a breakdown in the inhibitions that have thus far prevented direct military conflict between the United States and the Soviet Union, it seems clear that the cruise missile will be used early, often and in a variety of moves. Whether its use can be restricted to conventional variants is, at best, problematic, since the stakes in any such warfare will presumably be perceived as very high indeed and since the integration and versatility of the weapon argue against achieving such distinctions operationally.

Both the United States and the Soviet Union are engaged in the modernization of the cruise missile, but it is the US that leads the way in cruise missile technology. Furthermore, it is the US that has been unwilling to attempt to negotiate significant limits on cruise missile development and deployment (beyond the very broad numerical limitations that may come out of the START negotiations).




The Canadian government should push the US to negotiate real cruise missile limitations. Locked in its "not-a-first-strike-weapon" paradigm, Ottawa seems oblivious to the wider dangers of cruise missile development.

**Canadian policy shifts**

The only second thoughts in Ottawa concerning cruise missiles have been in the arguments used to justify Canadian testing. Ottawa's original position was that the tests were linked to Canada's support for NATO's "2-track" strategy of deploying intermediate-range nuclear weapons in Europe while negotiating for their removal. After the agreement for the removal of those weapons was signed, however, Ottawa quickly shifted to its current position that the tests were necessary to preserve the viability of the US strategic nuclear deterrent. Coming from a government that recognizes danger only in the most complete kind of disarming first-strike capability, this argument is disingenuous: the Soviet Union is nowhere near having such a capability against US strategic forces. The continued development of war-fighting capabilities does represent a danger to strategic stability. Stopping the development of these capabilities will do far more to preserve the survivability of US forces than will the introduction of new cruise missiles.

Recently the federal government has also maintained that "air-launched cruise missile testing provides a vital and unique opportunity for Canadian Air Force CF-18 and Aurora patrol aircraft to test their capability to detect and engage cruise missiles in flight, an important factor in ensuring the air defence of North America." It is certainly important to be able to detect cruise missiles, since an assured detection ability would eliminate the possibility of their use in a surprise attack (the ability to shoot

them down, on the other hand, is important only to those who believe in the possibility of nuclear victory). But the need for a detection capability is an argument for capping the development of stealth technology, not for testing even more stealthy cruise missiles.

**Undebated ACM tests**

The decision to permit ACM tests in Canada was deliberately made in secret. Project Ploughshares revealed more than two years ago that the defence minister had been briefed on a "project proposal" to test the ACM in Canada (the actual briefing took place in April 1986). Nevertheless, at no time during the three years that the government was aware of this request was any public or parliamentary consultation held. At no time was the government open with the Canadian public about the possibility of such tests. Instead, Canadians were presented with a *fait accompli*. As the foregoing discussion demonstrates, this kind of "stealth government" has served Canada's security interests poorly.

At a time when an agreement for deep reductions in strategic nuclear weapons appears possible, it is essential that Canada not support or abet developments that could undermine or circumvent strategic arms control. Faster, more accurate and less detectable nuclear weapons encourage the continued arms race and pose a growing risk to the stability of the nuclear balance. The duty of the Canadian government in these circumstances is to work for a mutual US and Soviet halt to the modernization of strategic nuclear weapons and to oppose unilateral actions, such as the development of the ACM, that will drive the modernization race forward. □



# Rushdie, Islam and us

by William G. Millward

Salman Rushdie's *The Satanic Verses* has served to reveal stark differences between the two cultures that nourished him. The intolerability of the book's affront to Islam is mirrored in the West's rejection of a "death call" for the author of a book based on its contents.

This book is offensive to Muslims because it rehearses all the doubtful features of the Prophet's career in the most mocking, derisive and irreverent way. Moreover, Rushdie frequently surrounds his description of these sacred Muslim themes with exaggerated images of sexuality and degeneracy.

**The effect in Canada**

So the book contains material which is blasphemous to Islam and perhaps to religion in general. So what! Blasphemy is no longer a crime, except perhaps in England. We are living in the 20th century, not the 12th. True enough, but that observation by itself is unhelpful because it has no therapeutic value to heal a psychological trauma experienced by a minority group in our society. As responsible citizens we have to deal with a felt sense of injury and try to mitigate its negative social consequences. Does it really matter if some think the sense of hurt and injury is self-inflicted, or the result of a lack of maturity? It still has to be dealt with and someone has to show concern. We take the incidence of individual grievances seriously when we think they might be pathological; why should we not be anxious to assuage the psycho-social pathology of groups and cultural minorities? Are we helpless in preventing the further polarization of this controversy? Is there nothing we can do to offer our aggrieved fellow-citizens of the Muslim faith some consolation? Where is our vaunted commitment to multiculturalism and ecumenism? Is it really as simple as saying that Muslim Canadians should adjust to "our standard" or go home? This is an arrogant and paltry response to a palpable strain on the social fabric of our pluralistic society.

**The essence**

*The Satanic Verses* should be seen for what it really is: at least two things. It is first and foremost a literary artifact, a novel, a piece of imaginative fiction, a deliberate attempt to blend and blur the lines between reality and fantasy, to celebrate the virtue and curiosity value of ambiguity. As such it will be read and appreciated by people who cultivate a taste for modern literature. It will be regarded by those for whom it was no doubt primarily intended as being firmly in the tradition of the Western world's literary development over the past several centuries. The author is an Indian immigrant to Great Britain, originally from Muslim family background, but now by his own admission a secularized man, an exponent of a new, Western cultural identity. Based on his own experience he chronicles the journey, and the psychological and spiritual travails, of the immigrant. The book will therefore be received sympathetically by most Western readers, and some will view it as a highly praiseworthy example of the writer's craft, and of personal effort in the exercise of creative imagination.

In another sense the broad theme of the book — the immigrant experience — is one of the most important human issues of our time. In an age of massive migration and population transfer

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on a scale never before witnessed in man's history, there are few themes that have a more legitimate claim on our attention as social beings. That this experience should be considered a suitable subject for reflection and discussion by the literary imagination of individual writers is not surprising in the cultural milieu of the Western world today. The wonder would be if it were not. Immigrant fiction is now an established genre in English letters on a global scale. How each new contribution to this genre is received will depend, in normal circumstances, on the way in which it appeals to the literary tastes of readers, and the extent to which it expands their social perceptions and imaginative faculties. One might hazard the guess that the average reader of modern literature — not the literary critics — will find this book appealing because it has a large measure of linguistic authority and inventiveness, a moderate dose of humor, and substantial image-making power. In short, it will be appreciated for the simple reason that it seems to have something new to offer, and is above all entertaining.

**Social document**

But the book is also a social document because it deals in some chapters with certain subjects that are a central part of the cultural property of the Muslims, a religious community which today is said to number in the region of one billion souls worldwide. Although the book may have been intended by its author and publishers primarily for a Western audience, part of its subject matter is of concern primarily to that religious community. Since this subject matter is in the public domain, the way in which the writer deals with it can have significant social impact. Deliberately or not, the author has engaged the attention of the world's Muslims and invoked the sensibilities of all those who hold strong views about, and commitment to, the belief system of Islam. Did the author know what he was doing when he wrote his book? It is dangerous to speculate about the motives of others, especially the motives of writers. They often do not know themselves what their motives were, and their perceptions of these can change from one interview to the next. If he did know, as seems likely, then he was presumably prepared to risk any reaction he might arouse; if he did not, when he could have and should have, then he was negligent and showed bad judgment.

And yet the book is the product of the Western cultural environment. It derives its support and sanction from the institutions and moral value system evolved by Western society over the last several centuries. It was issued into an environment where democratic principles are invoked, where freedom of speech and of the press are espoused. This is the same environment, the same value structure and cultural milieu which gave most of the Muslim world its first glimpse of what they stood for in the form of imperial conquest and colonial domination. This book is seen by many Muslims around the world, including many of our own fellow citizens, as a latter-day example of the same cultural arrogance which so sorely affected their forebears. Some have even imagined the book to be an extension of the hated Crusader mentality, all the more offensive because it emanates from a cultural turncoat. It is difficult to persuade them that we are now in a new era when democratic states behave in a more principled fashion, especially when they note the actions of the superpower leader of the democratic alliance in places such as the Persian Gulf, Lebanon and Libya.

**A collision**

Despite some protestations to the contrary, we are dealing here, through the microcosm of this book, with what is essentially a conflict of cultures, of alternative forms of consciousness, and of competing systems of moral value. Ordinary Muslims today still regard their religion as the essential badge of personal identity; it is their ideological frame of reference, and the matrix of their social and cultural life. Islamic consciousness still centers around the sacred. Western man in comparison is detribalized and desacralized. We have had a different pattern of social and cultural evolution in the Western world over the last two to three centuries from that of most Muslim countries. From the period of the Renaissance European man and his descendants around the world have emphasized the importance of individual rights and freedoms as the only guarantee against the arbitrary exercise of power by rulers and elites. It is true that in the beginning the importance placed on these rights was only operative in a Western context and was not extended to non-Western societies. Concern for human freedom did not prevent the inner contradiction of the colonial era. But today there is a more general acceptance of the universal validity of these principles and at least in a country like Canada the belief predominates that all citizens and would-be citizens of this land, regardless of their ethnic, linguistic, national and cultural origins, are equal before the law and can be successfully integrated as useful and productive members of a society where freedom of opinion and expression are established and enjoyed by all.

**The Muslim in Canada**

For most Canadians of the Muslim faith, especially those who have made the immigrant journey from other lands where Islam is the official creed, it may be difficult to appreciate why we elevate individual freedom to such high status in the hierarchy of values. They have been socialized and partly or wholly educated in a social and political environment where the hierarchy of values puts much greater importance on the rights and welfare of the collectivity, the whole community of the Muslims. In this environment personal insults are still taken very seriously because the individual is seen initially as a member of a larger group — an extended family, tribal clan or confederacy, city quarter, religious community or denomination — and derives his or her basic identity from these associations. Any insult to or mockery of the core of that identity, individual and collective, is an even more serious matter. It may be construed as an attempt to deny the very existence of the individual and the social group based on that essential core. Most Muslims naturally do not want to hear or read even a fictional whisper of doubt about their essential identity, or the suggestion that they may not exist as such.

For the children of Muslim immigrants the problem is more complicated. Those who are born and raised, or educated and socialized, in the West, will see the problem of Rushdie's book differently. They will be torn between the vision of their parents and the value structure that informs it, where the survival of the group is paramount, and the vision of their schoolmates and the social system in which they are being educated, where the freedom, security and survival of the individual is paramount because it is believed that this is the way to guarantee the survival of the group. But individual versus collective rights in our society is still a matter for discussion and debate. Those who live in

Quebec can perhaps appreciate more easily than others what a difficult problem it is to balance the rights of minorities against those of the majority. How much more difficult it is to determine the line between individual and collective rights and freedoms.

As for the social and constitutional principles at issue in this controversy in countries such as Canada, particularly the guarantees of freedom of expression and equality before the law, it is noteworthy that serious Muslim criticisms of the way the system works in practice allege that it is selective and inconsistent. It is important to emphasize in response that the use of existing legislation to protect minority interests, such as the law on hate literature, is usually, if not always, a matter of private initiative by citizens invoking their rights at law. When governments prosecute under such statutes, it usually follows prolonged and flagrant cases of abuse.

What the Muslims of Canada have available to them by way of remedy for their grievances in the Rushdie affair are the same statutes that other groups have used to protect their cultural and religious sensibilities. If there is indeed a consensus in the country on the need to exclude the expression of vile, malicious lies about groups of people from the guarantee of free speech, Muslim Canadians should be involved in defining where those limits lie.

**Iran is not Islam**

It is now an axiom of the international political scene that the Islamic Republic of Iran is a unique and unpredictable entity. Its capacity for generating unexpected and newsworthy events is constant. Because it rejects the existing world system, and sees itself as the vanguard state of the Islamic movement, its basic positions and policies are designed to oppose domination by external political, economic and cultural forces. In a world which is increasingly interdependent, this go-it-alone attitude has naturally brought Iran into confrontation with a host of other nations and led to its comparative isolation both regionally and globally. Iranian leaders continually remind us that Iran is prepared and determined to follow its own path whatever the cost.

When Ayatollah Ruhollah Khomeini, the Leader of the Islamic Republic, issued his judicial opinion declaring licit the taking of the blood of Salman Rushdie, the author of *The Satanic Verses*, for his blasphemous assault on some of the sacred tenets of Islam, the action once again brought Iran's Islamic Republican regime into direct conflict with a majority of the world's nations and peoples. The leaders of these nations expressed varying degrees of outrage and horror when some of Ayatollah Khomeini's staunch supporters offered a bounty of slightly more than six million dollars to anyone who would give effect to the opinion. Many European and Western states, including Canada, withdrew their diplomatic representatives from Tehran in protest.

These developments seemed to indicate a sharp reversal of the foreign policy Iran had pursued since it decided in July 1988 to accept a United Nations sponsored ceasefire and disengagement in its war with Iraq. Simultaneously it renewed full diplomatic relations with Canada — which had been partially suspended in the wake of the "exfiltration" caper at the end of January 1980 — and with several other Western states. The word went out that the Islamic Republic wanted to end its policy of "always making enemies" and build new and more friendly relations with all other states, except, of course, the United States. Relations with the US, as Iran's and Islam's International Enemy No. 1 and the embodiment of the world of "unbelief" (*Kufr*), were still out of the question.

For many observers these trends were checkmated by the Ayatollah's canon law ruling on Mr. Rushdie and his book. Some advanced the view that the Ayatollah had no choice: as the self-appointed but widely acknowledged champion of the cause of Islam in the world at large, he was obliged to express his opinion on the issue or appear to be either uninformed or simply unconcerned about something widely seen by Muslims as a threat to their faith. He had to act in response to repeated requests for his opinion, or lose credibility as an authority on the law of Islam, and the leader of its political cause. After all, the book's offence had been noted months before. In the October-November issue of the literary and cultural monthly *Kayhan Farhangi*, the Tehran critic Morteza Bozorgzadeh made specific reference to the offensive and insulting nature of the book for the religious sensibilities for Muslims. In his view Rushdie's mocking and derogatory characterization of the first muezzin of the Muslim community, the former Ethiopian slave Bilal, was sufficient to illustrate "the artistic and moral decadence" of the author and earn him the condemnation of all true Muslims. Public demonstrations against the circulation of this book, including an immolation ceremony in Bradford, England, brought the writer and his work to the attention of a far larger audience than he had hitherto enjoyed.

**International action**

It is difficult to identify any positive features in the international dimension of this controversy. Some say that it has united the Muslims around the world like no other event in modern times. But reality seems to controvert this view. Perhaps the only plus, from a pacifist perspective, was the fact that so many Muslim leaders, both in Canada and in other Western states, and in the Muslim world itself, were able to dissociate themselves so quickly from the lethal intention of Ayatollah Khomeini's ruling. But the pattern of subsequent events seemed to give new force to the old adage that the righteous indignation of political leaders ends where reasons of state begin. Only one month to the day after recalling their ambassadors from Tehran for consultation in protest, on March 20 the twelve members of the European Communities announced through their foreign ministers that they had decided to send them back to their posts. Canada joined the procession shortly thereafter.

The explanation of this course of events was the obvious fact that the EC was not united in its original stand against the Iranian leader's ruling, and preferred retreat to revealing its own internal dissension. (New Zealand was at least more forthright in its stand of preferring to stay out of a quarrel between Iran and Europe in order to protect its trade ties with the former.) The official interpretation in Tehran of the ambassadors' return was that they had seen the error of their ways and had suffered severe humiliation for their hasty and ill-founded departure. The lure of commercial gain seemed to lend credence to the frequent assertion of Iranian leaders that the Western states in particular needed Iran far more than she needed them.

Despite international efforts to persuade the Islamic Republic to withdraw the Ayatollah's ruling on Mr. Rushdie, the opinion stood as long as the leader lived and no effort could be made to rescind it. In the words of Ayatollah Khomeini's successor, the bullet or the arrow had been loosed at its target, and no effort could retrieve it. The Islamic Republic claimed it had stood firm and resisted the pressure exerted on it by Western states through

the puppet regimes which make up the majority of the member states of the Organization of the Islamic Conference. At its meeting in Riyadh in mid-March the Conference members declined to support the Ayatollah's opinion that the author of *The Satanic Verses* should die, especially without a trial and an opportunity to repent. This did not prevent Ayatollah Imami-Kashani from declaring that the approval of the forty-six Muslim nations which were members of the OIC for the motion that Rushdie be designated an "apostate" was a great victory for Iran, and the members should now move to the stage of action, that is, he should be executed.

**To follow the dead?**

As things stand now following the death of Ayatollah Khomeini, the future of his ruling, like that of relations between the Western world and the world of Islam, but especially the Islamic Republic of Iran, is uncertain. Some observers of the Islamic Republic's policies were quick to insist that just because the man had died did not mean that his ruling would lapse. Recent statements from prominent figures in the government of the Islamic Republic would appear to confirm this view. Delayed enforcement in this case of a judgment issued by a living Mujtahid would be legally sanctioned, but in the practice of Shi'a Islam one can continue but not *begin* to accept the guidance of an authority who has died. The late leader's ruling on Mr. Rushdie had a political dimension as well, and it is that aspect of it which may well survive its creator. There is always the possibility that Ayatollah Khomeini's successor could reissue the order to give it new force. Since Mr. Khamne'i is not a Mujtahid or *marja'* his attempt to renew the ruling of his predecessor would presumably have only political value. It would require another Mujtahid, qualified in *ifta*, to revalidate the religious value of the original, if that were deemed necessary. In the meantime the ruling stands and the contract continues to cloud the future of Mr. Rushdie's secluded life.

**Cultures in conflict**

The two world views at odds in this dispute have to be seen as representatives of two cultural systems and their different value structures. They overlap in some respects but conflict in others. Given the dynamic of current social and cultural trends in the world at large, the odds appear to favor the system which is more open to a wide range of options, which can accommodate dissenting views without insecurity, which can live with variety, multiplicity, ambiguity and doubt without sacrificing its basic integrity. The Western system of social and cultural organization as exemplified in most of its nation states is not free from flaws and problems. It assumes a complex and varied reality in the realm of nature and the mind of man for which we do not have sufficient data for full understanding. The cultural system of Islam on the other hand rests on more clear-cut premises and their consequences.

If these two systems are currently in conflict in certain, it does not follow, as some would have us believe, that they are mutually exclusive. There is an increasingly more popular opinion among students and observers of international affairs that we desperately need a new world order, that the urgent problems mankind faces now on planet Earth are of the sort that transcend the limits of political system, ideology and religion. The ultra-violet rays that bombard the earth's atmosphere as a result of the depletion of the ozone layer do not distinguish between Muslim and non-Muslim, born-again Christians, fundamentalists or evangelicals. If there is any validity to this proposition, it is obvious that we are going to need the involvement and input of the one billion Muslims in the world's population to help us fashion a new order. □

# Letters to the Editor

Sir,

In these days of Gorbomania, reading John Battle's "In search of Gorbachev's revolution from below" in the May/June issue was a salutary and sobering experience. There it all is in a nutshell, based solidly on personal research among the young whom Gorbachev has failed to inspire at home, though they fall all over him abroad.

The article's appearance coincided with a Swedish-made TV documentary based on interviews with individual Soviet intellectuals, all of them squaring completely with Battle's point that without a revolution in people's heads there can be no *perestroika*. One old Jewish doctor, who had been arrested under Stalin in the infamous "doctors' plot," put it perfectly in saying that when Moses led the Jewish people out of Egyptian bondage he did not take them straight to the Promised Land but kept them in the desert for forty years to get the slave mentality out of their system. The Soviet Union is just entering that desert now — appropriately enough too, what with food shortages even worse than they were before!

For the record, I would like to note that John Battle meant to write Krasnoyarsk, not Krasnodar, in referring to Gorbachev's historic, eye-opening visit. A minor blemish on a beautiful article, which confirms the Russian saying that there is no beauty without blemish.

David Levy
Ottawa

# Helsinki, CSCE and Vienna

by David Pepper

The Conference on Security and Cooperation in Europe (CSCE) is alive and well and an expanding part of East-West relations. Despite demands to end the "spirit of Helsinki," the process of meetings among all European countries, Canada and the United States has continued, survived and is now growing. This is not solely a result of better Soviet-US relations, but also a result of the historical events unfolding in the Soviet Union and Eastern Europe.

The Helsinki Accords were negotiated in the early days of détente and are approaching a new maturity after nearly fifteen years. In 1975 when the Accords were signed, some called it a new era of pan-European cooperation. Others saw it as a Soviet victory for sealing the post-World War Two borders. The Accords provided specific principles guiding relations among countries, a discussion of economic and political questions, as well as an articulation of points surrounding human contacts, education, information and culture. These areas are now the famous "Baskets" referred to when dealing with the Helsinki Accords. (See Chart 1) Despite initial satisfaction, the Accords were challenged as détente faded with increased domestic repressions in the Soviet Union and a more aggressive, if not misguided, Soviet foreign policy. The process nevertheless continued. It was not easy, and meetings turned into tests of ideological rhetoric and, in some cases, open hostility. The Helsinki process (as CSCE meetings surrounding the Helsinki Accords are commonly known) persevered, in no small measure because of two important components: one being the need for consensus among all thirty-five participants, the other, the important role played by the neutral and non-aligned countries such as Switzerland, Finland, Austria and Sweden.

**New life for CSCE**

Two years ago some CSCE participating states, interest groups and individuals called for abandoning the Helsinki process because of Soviet and East European violations. These calls have proven to be unnecessary. The Helsinki process now has been given a new lease on life with the successful conclusion of the Vienna Follow-Up Conference (November 1986 - January 1989) and the clear demonstrations of change and reform emanating from the Soviet Union. Although Gorbachev has not used the Helsinki process as a vehicle for his change, it is obvious that the process has reaped the benefits of his policies.

While the Conference on Security and Cooperation in Europe is healthy and, because of the Vienna Meeting, has a detailed blueprint for its future, the Helsinki process itself continues to be under-used and has only a low profile in Canada. The few people who are knowledgeable about the process, aside from the External Affairs diplomats, are some special interest groups and even fewer "Helsinki-philes" who make it their business to stay informed. How can it be explained that the signing of a major document by all European countries (thirty-two, not including Albania), Canada and the United States, received only cursory attention in the media and political circles of Ottawa? It seems odd that the government would not attempt to trumpet its participation in the successful achievement of the East-West agreement that came out of the just-concluded Vienna Follow-Up Meeting.

**Continuing problems**

There continue to be challenges to the Helsinki process. These include those coming from US politicians who view the process as simply a human rights forum for the West. American Congressman Dennis DeConcini expressed the concern in September 1988 that too many follow-up activities from the Vienna Review Meeting would permit the "dwarfing of the human rights dimension of the CSCE." This type of attack must be strongly opposed in light of the significant achievements of the Vienna Follow-Up Meeting. These include the agreement to hold eleven separate meetings over the next three years on a wide range of topics from the environment to cultural heritage. In a speech at the University of Calgary in January 1989, Secretary of State for External Affairs Joe Clark echoed the important human rights element — but did not get mired in the exclusivity of it. He stated that the CSCE process "can constitute a solid foundation for further progress in the search for human rights, stability and security in Europe."

The Vienna Meeting saw two watersheds for the superpowers and although the United States and the Soviet Union are equal and have no more voting power than any members, there can be no doubt that their policy positions greatly influence the tone and productiveness of meetings. Vienna began just as Mikhail Gorbachev introduced his reforms of *perestroika* and *glasnost* in the Soviet Union. Vienna concluded with the end of the Reagan presidency in January 1989. Gorbachev and his reforms clearly brought a fresh impetus to the Helsinki process. Before Vienna it was thought that Gorbachev might ignore the process. On the other hand, some people, including this author, believed that there was room for Gorbachev to retain the positive elements of the process and that it was important that countries such as Canada maintain strong support. The process has been retained, and probably remains the only Brezhnev era inheritance that

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Gorbachev has not disbanded or condemned. Indeed, the negotiators found that *perestroika* and *glasnost* eventually made their way to Vienna.

With this new approach came a more serious willingness by the West to entertain a key Soviet demand for a conference on the "human dimension" in Moscow. The Concluding Document provides for three such conferences, beginning this year in Paris, followed by Copenhagen in 1990 and Moscow in 1991. The choice of Moscow as the final meeting site may have been deliberate in order to keep the Soviets on notice that a conference would take place only if the serious reforms continued.

The Vienna Concluding Document was the last written foreign policy agreement of the Reagan presidency, and its positive conclusion was a reflection of the warmer relationship between the Soviet Union and the United States. The next three years of the Bush administration will be interesting to watch as the eleven agreed-upon meetings take place. (See Chart 2.) These meetings will cite the Vienna Document as their mandate, so it is important that the content of the Concluding Document be understood. Although the Vienna Follow-Up meeting went longer than scheduled and lasted nearly two-and-a-half years, the results were impressive. The comprehensive Concluding Document is divided into eight sections with eleven annexes. Here follows a brief description and analysis of the newest CSCE document.

**Preamble**

The Vienna Concluding Document now joins the expanding Helsinki library of agreements, speeches and resolutions. Although it contains the usual diplomatic euphemisms detailing "thorough exchanges of views," "different and at times contradictory opinions" and "open and frank discussions," the Preamble states that "the numerous possibilities offered by the Final Act have not been sufficiently realized." This acceptance and the activist concluding document indicate that all thirty-five participants intend to pursue and expand on the process. (This does not include the subsequent Romanian statements which indicate they will treat the document as a smorgasbord, picking and choosing to their liking, or recent Czechoslovakian actions. These blatant contemptuous moves by Eastern Europe's two most oppressive regimes will be a challenge for participants at future CSCE meetings.)

**Questions relating to security in Europe**

The participants appeared anxious to reaffirm the many principles that are the foundation of the Helsinki Accords known as Basket One. These principles include questions of sovereignty both in terms of territory and internal affairs, the need for peaceful settlement of disputes, respect for human rights and fundamental freedoms, economic, cultural and social rights, equal rights and self-determination of peoples, and the inviolability of frontiers and territorial integrity. The thirty-five nations went further and enumerated a number of other areas of common concern including terrorism, religion, and legal and criminal questions such as capital punishment. This expansion reflects the flexible nature of the CSCE, and its ability to take on new and important subjects.

**Confidence- and Security-Building Measures**

Although this is one of the shortest sections of the Concluding Document, the subject area and follow-up will undoubtedly be part of the most carefully watched in the entire Helsinki process.

## Chart 1

| *Basket One* | *Basket Two* |
|---|---|
| **Principles** | **Economics** |
| Principles guiding relations between participating states and military security questions including building measures | Commercial exchanges, industrial cooperation, science & technology, environment |
| ***Basket Three*** | ***Basket Four*** |
| **Human Dimension** | **The Mediterranean** |
| Human contacts, information, culture and education | |

The negotiations on conventional disarmament have already received much attention in the Canadian and US media since they opened at the Hoffberg Palace in Vienna on March 6 of this year. The negotiations have no specific ending date. As well, the negotiations themselves include only twenty-three of the thirty-five CSCE nations. These are the members of NATO and of the Warsaw Pact. In his opening address to the CSBM conference, Soviet Foreign Minister Shevardnadze called this "the two new branches of Helsinki." The United States continues however to assert that the Negotiations on Conventional Forces in Europe (CFE — the current Vienna talks) are independent of the CSCE, although they take place within the CSCE framework.

As in regular CSCE meetings, the decisions made are based upon consensus, that is unanimity. As well, there are at least two meetings among all thirty-five CSCE members during each round of negotiation. These focus on the confidence- and security-building measures and will attempt to expand on the Stockholm agreement reached in September 1986. The main focus of the negotiations are reducing troops and conventional arms, as well as expanding confidence-building measures. The entire question of nuclear disarmament remains outside the purview of these negotiations, although the Soviets maintain that continued development of tactical nuclear weapons endangers the Vienna talks and they call for a parallel set of negotiations on nuclear weapons. Along with this has come the recent debate within NATO about the modernization of Lance missiles in West Germany and the opening of negotiations on short-range nuclear weapons while the conventional forces imbalance remains. The Soviets are on the offensive with Gorbachev's unilateral disarmament moves, and this adds one more layer of dynamism to the ongoing Conventional Forces in Europe negotiations.

**Economics, science, technology and the environment**

Basket Two provisions of the Helsinki Accords are dealt with in this section of the Concluding Document and are the more easily negotiated parts of the process. The substantive work surrounding the second basket of economics and science was

completed by the summer of 1988. The conclusion of the Follow-Up Meeting, however, was delayed by the inability to reach consensus on the more contentious elements from Baskets One and Three. This section on Basket Two issues is the longest, just equal to the one dealing with Humanitarian Cooperation. It includes forty-six separate points ranging from trade and industrial cooperation to science, technology and the environment. There are two subsequent meetings that will be held as a result of these resolutions, one in Bonn on economic cooperation and one in Sofia on the environment.

**CHART 2**

HELSINKI FAMILY TREE
Helsinki-Geneva negotiations
1973-1975

Helsinki Accords
Helsinki, August 1, 1975

**Belgrade**
Oct. 1977-March 1978

**Bonn Economic Meeting**
June 20-July 28, 1978

**Montreux Meeting on Peaceful Settlement of Disputes**
Oct. 31-Dec. 11, 1978

**Valetta Meeting on the Mediterranean**
Feb. 13-March 26, 1978

**Hamburg Scientific Forum**
Feb. 18-March 3, 1980

**Madrid**
Nov. 1980-Sept. 1983

**Stockholm Conference on Disarmament in Europe**
Jan. 14, 1984-Sept. 19, 1986

**Athens Meeting on Peaceful Settlement of Disputes**
March 21-April 30, 1984

**Venice Seminar on Mediterranean Cooperation**
Oct. 16-26, 1984

**Ottawa Human Rights Experts' Meeting**
May 7-June 17, 1985

**Tenth Anniversary Meeting Helsinki, Finland**
August 1, 1985

**Budapest Cultural Forum**
Oct. 15-Nov. 25, 1985

**Bern Meeting on Human Contacts**
April 16-May 26, 1986

**Vienna**
Nov. 1986-Jan. 1989

**Conventional Forces in Europe Meeting—Vienna**
March 9, 1989-?

**London Information Forum**
April 18-May 12, 1989

**Paris Meeting on Human Dimension**
May 30-June 23, 1989

**Sofia Meeting on Environment**
Oct. 16-Nov. 3, 1989

**Bonn Meeting on Economic Cooperation**
March 19-April 11, 1990

**Copenhagen Meeting on Human Dimension**
June 5-June 29, 1990

**Palma de Mallorca Meeting on Mediterranean**
Sept. 24-Oct. 19, 1990

**Valletta Meeting on Peaceful Settlement of Disputes**
Jan. 15-Feb. 8, 1991

**Helsinki**
March 1992-?

**Cracow Symposium on Cultural Heritage**
May 28-June 7, 1991

**Moscow Meeting on Human Dimension**
Sept. 10-Oct. 4, 1991

The economic section deals with reducing trade obstacles and the promotion and expansion of trade ties and industrial cooperation among CSCE nations. The CSCE members view the Bonn meeting as an opportunity for participating countries to bring together members of their business communities for dialogue. This is one area which demonstrates the great potential in the Helsinki process to further include citizens of the participating states. Instead of being slowed by continued diplomatic negotiation, the CSCE has the opportunity to expand beyond bureaucratic diplomacy and bring ordinary citizens into the process on a number of different subjects and levels. This should be considered by the participating governments in order that exchanges of people and ideas can continue to expand for everyone's benefit.

The scientific section reaffirms the importance of bilateral agreements between universities and industries in the exchange of information. Basket Two also deals with areas of cooperation such as non-renewable sources of energy, biotechnology, drug abuse, medical research including AIDS, engineering and automation, animal experimentation and nuclear safety. The participants called for the intensification of efforts aimed at protecting and improving the environment, including specific calls for reduced sulfur and nitrogen oxide emissions, adherence to recent protocols on the ozone layer, and increased research surrounding the global warming phenomenon and increased cooperation on water, land and air pollution. This activism is present throughout the entire Vienna Concluding Document.

### Canadian failure to publicize

While it is clear that the Vienna Concluding Document will not solve all problems, it does provide a statement of intent by all participating states. In turn, it will provide a focus or rallying point for those groups which monitor government action or inaction in specific areas. Few Canadians involved with the environment or trade expansion are probably even aware that our government has signed such an agreement. This is a clear failure of the Canadian government to live up to one important point in both the Helsinki Final Accord and the Vienna Concluding Document, which calls for them to "publish and disseminate the text of the Final Act, of the Madrid Concluding Document an of the present Document...to make them known as widely as possible and to render them accessible to all individuals in their countries, in particular through public library systems." Whereas the government has undertaken to publish and widely disseminate information about NATO and trade policy, it has done little to raise the profile of the CSCE and the Helsinki Accords; this despite the fact that there are parts of the Accords which commit the Canadian government to policies on issues such as the environment, the media and justice. One hopes that this will change as a result of the commitments undertaken from the Vienna Follow-Up Meeting. The Canadian government must realize that the Helsinki Accords are more than human rights protections for Soviets and East Europeans, they are also a domestic commitment to the same principles.

### Humanitarian and other fields

This section contains seventy-one points and deals specifically with the Basket Three areas of human contacts, information, cooperation and cultural and educational exchanges. In the area of human contacts Canada takes a special interest and consistently speaks out. Human contacts deal with reuniting children and parents, increased visits between family members, marriage between citizens of different states, and humanitarian gestures for seriously ill or dying family members. Some of these objec-

tives will be accomplished by reducing administrative requirements and arbitrariness, and expanding travel opportunities. Specifically aimed at meeting these targets, the Vienna Meeting obliges members to publish by January 1990 all laws and statutory regulations concerning movement by individuals within their territory and travel between States."

In the field of information and culture, the Vienna Meeting called upon participating states to expand the dissemination of information "of all kinds" and, as was done in the original Helsinki Accords, to improve the working conditions of journalists. It is apparent that the changes that have occurred in the Soviet Union in terms of openness have directly benefited foreigners. Not surprisingly the entire area of cultural cooperation and exchange is expanding. Warmer East-West relations have also had a very positive effect on the increased number of educational exchanges which are emphasized in the concluding Document. The London Information Forum held from April 18 to May 12, 1989, was notable for its openness. For the first time ever, a CSCE meeting was convened with all plenary sessions open. Previous experiences had seen a limited number of open sessions. The London Information Forum was the first meeting mandated by the Vienna Follow-Up Conference to take place. It will be important to gauge the success of this and future meetings in the positive post-Vienna atmosphere.

**Security and cooperation in the Mediterranean**

The final three sections of the Vienna Concluding Document, although short, represent a significant part of the future of the CSCE. Questions Relating to Security and Cooperation in the Mediterranean has always been the forgotten Basket Four. As a result of the need for consensus, Malta can extract a fairly high price for an agreement and the CSCE getting involved in Mediterranean security is the result. In the discussions conducted on the Mediterranean, there are invitations issued to non-participating Mediterranean states. These non-member states — Algeria, Egypt, Israel, Lebanon, Libya, Morocco, Syria and Tunisia — represent a significant number of Middle East countries. Thus, although not comprehensive, the CSCE talks on the Mediterranean provide another forum where increments of progress in that troubled area are possible.

**Human Dimension of the CSCE**

The Human Dimension of the CSCE is a new term coined in the Vienna Concluding Document. It is defined as "the undertaking entered into in the Final Act and in other CSCE documents concerning respect for all human rights and fundamental freedoms, human contacts and other issues of a related humanitarian character." Thus, the CSCE has evolved past "Basket Three" into the broad and all encompassing "human dimension." In expanding, the CSCE participating states have called for a greater exchange of information among states as a result of requests made by participating states on questions relating to the human dimension. As well, there will be increased bilateral meetings "in order to examine questions relating to the human dimension of the CSCE, including situations and specific cases, with a view to resolving them."

The results of both of these initiatives will be examined by all participants at three meetings dealing with the human dimension. these will take place over the next three years in Paris, Copenhagen and Moscow. This is a victory for both East and West. From the beginning, the Soviets pushed for convening a "human rights" meeting in Moscow. The West recoiled at this, opposing it as a propaganda ploy. Ground shifted both in the Vienna negotiations, but more importantly internationally, where such a proposal was no longer viewed as unreasonable. The West, however, must also be pleased with the formal recognition and obvious elevation of the human dimension by the Soviets (and presumably giving congressman Dennis DeConcini some satisfaction as well).

A final point on this matter is appended to the Vienna Concluding Document and is clearly aimed at the hosting of the Moscow Conference. It is a Chairman's Statement "On the Openness and Access to the CSCE Follow-Up Meetings." It re-emphasizes the need for access and openness for the media, non-governmental organizations, religious groups and private individuals. The Statement emphasizes the "positive way" that this has evolved in the Helsinki process and calls for its continuation. It can only be hoped that in the future, calls for greater openness and access to CSCE meetings and materials will also be recognized by our own government. It is essential that all proposals be accessible after the negotiations are concluded.

**Follow-up to the Conference**

The final section of the document provides for the continuation of the Helsinki Process. The "institution" of the CSCE has proved durable and will begin a new cycle as the mandate has been extended to another follow-up meeting in March 1992 at Helsinki, Finland. At that time, it will be nearly twenty years since the original meetings that culminated with the Helsinki Final Act in August 1975. Through five US Presidents and, more importantly, through four Communist Party of the Soviet Union General Secretaries, the Helsinki process has evolved to become a stable factor in both European politics and East-West relations.

Canada's welcome contributions to the CSCE should not be forgotten or ignored by those who seek to expand Canada's international role. The CSCE is an important venue for Canada to be involved in European security questions. We must continue and we must increase our activism through non-governmental organizations, interest groups and individual Canadian citizens. Canada's opportunities remain opened in the field of diplomacy, peace and disarmament. The Helsinki process has proved to be a durable model that could benefit other regions of the world. And so, despite the new lease on life given to the CSCE by the successful Vienna Follow-Up Meeting, it would appear that Canadians may be left behind for lack of information. This need not be the case, if only the Canadian government would fulfill all of its Helsinki obligations. □

# Myths about South Africa sanctions

by James W. Dean

Our present posture toward South Africa — divestment and boycott — could not be better designed to bring about the opposite of what it intends. North Americans who wish to encourage peace, justice and prosperity in Southern Africa should encourage, not discourage, a wide range of investment, trade, tourism and cultural contact.

Yet again this year Canada's Minister of External Affairs was swept up in a Commonwealth campaign to sanction South Africa still further. Meanwhile, South Africa's ambassador to the IMF and the World Bank, who is a distinguished economist, a committed foe of apartheid, and who happens to be classified "coloured," is systematically urging the major banks to lend more. As he puts it (I paraphrase), "My goal is to help South Africa grow economically as rapidly as possible, since then and only then will apartheid die a quick and peaceful death."

That sanctions have been our response to South Africa's recent turmoil is ironic. For the past five or six years, South Africa has been going through its version of *glasnost* and *perestroika*. For the first time in its history, its government has committed itself, however tentatively, to openness and reform. Its white citizens are also largely committed to reform, some out of moral outrage, but most simply out of pragmatic realism. The non-white population is politicized as never before.

Now is the time for those of us committed to hastening apartheid's end to increase our contact with South Africa in every possible productive way. Yet our attitude has been to withdraw and bury our heads in the sand. It is as though our reaction to Mikhail Gorbachev had been to sanction him for failing to privatize all industry and hold free elections within his first two years of office.

Here are two myths we must abandon if we are to treat South Africa wisely. The first is that apartheid is South Africa's basic problem. The second is that economic sanctions will hasten the end of apartheid.

**Myth #1: apartheid is South Africa's basic problem**

South Africa has two basic problems. The first is the coexistence of Third World poverty and First World wealth. This will not end with the apartheid laws, but only after massive investment in education.

South Africa's second basic problem is the coexistence of twelve major ethnic groups with separate and alive cultural traditions. This will not end with apartheid either. Moreover, it poses a major challenge to the universal franchise.

"Apartheid" refers to the purposes and effects of a series of statutes enacted in the 1950s by the National Party government after it won its first election in 1948. Most responsible white South Africans, including the present Nationalist government, now admit that the laws were a mistake, much as George Wallace and his ilk have now abandoned their "separate but equal" prescription for the American south.

Strictly speaking, the Group Areas Act, its relative, ethnic Population Registration, and some remnants of the Separate Amenities Act are all that remain of apartheid. Predating the apartheid laws is the infamous Land Act of 1913, which is still in effect and which prohibits blacks from buying white-owned rural land.

The Group Areas Act, though eroding at its edges, still requires the vast majority of non-whites to live in separate neighborhoods. However to the outsider looking in, separate public school systems and the absence of voting rights might as well be termed apartheid also. In fact one reason that Group Areas has taken so long to go is that with mixed residential areas, separate public schools would be a farce. And a second reason is that with mixed communities, both population registration and separate municipal finance would break down, and with them much of the bureaucratic rationale for the present tricameral parliamentary system that maintains separate voter rolls for "coloureds," Indians and whites, and excludes the black majority altogether.

Apartheid legislation restricting labor mobility ("influx control" and the "pass laws") and restricting access to jobs ("job reservation") has been removed. At least in the formal sector of the economy, where job classifications are well defined, pay scales for blacks and whites are now equal. This is not to say that pay scales are yet equal in practice, but the intent of the law is at least clear.

Influx control, the pass laws and unequal pay scales certainly contributed to income inequality between black and white, but they are not the main source of that inequality. Unequal incomes in South Africa do not derive in the main from "exploitation," any more than do unequal incomes in North America. The main cause of income inequality in South Africa, as elsewhere, is productivity inequality. This, in turn, derives from unequal education.

Neither removing remaining apartheid legislation nor extending the franchise will go far toward equalizing incomes. The end of Group Areas legislation (which will come soon) will leave the vast majority of blacks in situ in the euphemistically termed "townships," without the incomes to afford housing on the other side of the tracks. The franchise could in the extreme empower blacks to redistribute wealth equitably in a one-off measure. But the result would almost certainly be to drive white, and probably

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much black, business out of the country as rapidly as it could run. Highly progressive income taxation would have more gradual but similar effects: it would distribute the present pie more equally, but by discouraging entrepreneurship and exceptional effort would shrink the size of future pies.

**Education key**

The only way that the black/white income gap will be narrowed is through education. That it has neglected this is probably white South Africa's greatest delinquency. Nevertheless, we on the outside must restrain ourselves from uninformed accusation. Out of a total population of thirty million, fewer than five million are white. These five million generate more than half the GNP and pay most of the taxes. An astonishing percentage of these taxes goes toward redistributive transfer payments, health care, education and infrastructure. Over the past six years, the percentage of the government budget spent on education has risen from 14 percent to 20 percent, whereas that spent on security has declined from 28 percent to 21 percent.

Black public schools are both segregated and inferior, but probably no worse than many in inner-city America. Private and church schools are mostly integrated, though to widely varying degrees. The black school population is growing dramatically: an average of one new primary school opens every day.

The public purse supports five black universities, one "coloured" and one Indian, as well as the University of South Africa (Unisa), which is one of the world's largest correspondence universities and serves more non-whites than whites. I have lectured at one of the black universities, the University of Fort Hare. Academic standards were higher and physical plant in better condition than at many universities in America.

The public purse also supports ten universities that between 1959 and the early 1980s were closed to non-whites except for courses of study unavailable in non-white universities, although the universities lobbied, protested, and to a minor extent violated the ban. Today, all "white" universities are open without restriction. Witswatersrand University in Johannesburg at 30 percent has the highest percentage of blacks, and in keeping with a long liberal tradition practises affirmative action. The level of leftist political activity is reminiscent of North American campuses in the sixties.

The second major challenge facing South Africa is constitutional change toward universal franchise. It is fine simply to prescribe "one person, one vote" from afar, but a closer look reveals an ethnic mosaic comprising eight major black tribes, two main white groups, plus Indians and "coloureds." Unlike the US, African tradition, black, white, Indian or Coloured, has never been to melt in a common pot. It is true that urbanization, unionization, and political umbrella groups such as the United Democratic Front (UDF) have cut across tribal lines. Nevertheless, it remains true that a Zulu might be almost as unhappy with a Xhosa, Coloured or Indian President as with a white.

**Myth #2: sanctions have seriously disrupted the economy and will speed up the end of apartheid**

Sanctions against South Africa began to bite in 1977, and 1985-86 saw the most serious round yet imposed. Their most obvious effects have been to impose costs on blacks and confer benefits on whites.

Sanctions can be either on exports and imports of goods and services, or on imports of capital. Disinvestment is the third usual economic weapon.

Sanctions against South African exports have been overwhelmingly outweighed by price discounts, by a depreciating rand and by a booming world economy, with plenty of replacement demand forthcoming from nonsanctioning countries. About 60 percent of South Africa's exports, mainly her precious minerals and metals, are virtually unsanctionable. Gold, diamonds and platinum are easily disguised as originating in other countries. Chrome and vanadium are critical to world supplies. And to the extent that sanctions were effective, they would lead to price rises likely to compensate for losses in export volume. Other unsanctionable exports, such as wool and pulp and paper, simply go to too wide a range of customers to permit a coordinated embargo. The remaining 40 percent of exports, mostly agricultural but some manufactured, have proven highly responsive to price discounting, with Asian and even Eastern European countries as ready customers.

South Africa is somewhat more vulnerable to sanctions against its imports, which are mainly capital goods, arms and oil. But more than a decade of sanctions has fostered the largest arms industry in Africa and the world's leading technology in extracting oil from coal. A study by Edward Osburn (1986) estimates that 45-65 percent of current imports are either inessential or could be replaced "without serious impairment to the economy."

Nevertheless, sanctions on South African imports have gradually biased their industry toward wider varieties of goods. This drive for self-sufficiency has increased the capital intensity of production processes, and reduced the demand for unskilled relative to skilled labor. The premium on skilled labor has been increased further by spurts of emigration.

It is mostly whites who have benefited from this, and blacks who have suffered. Although it is true that the last decade has seen the wage gap between whites and employed blacks narrow substantially due to the erosion of employment and wage discrimination against blacks in skilled occupations, it is also true the black unemployment rate has risen continuously.

**Capital sanctions**

South Africa is most vulnerable to capital sanctions, a point not lost on participants at last February's Commonwealth Conference in Harare. Gross domestic product must grow at a minimum of 5 percent to avoid further increases in unemployment. It is currently growing at 3 percent, largely due to the shortage of loans and investment from abroad. And there is good reason to believe that with slow growth, the government protects its own constituents first, notably those employed by the bloated civil service.

The year 1985 saw a severe capital crisis, when major international banks refused to roll over South Africa's substantial short-term foreign debt. Between July and August, the rand dropped from fifty cents to thirty-five cents. These actions were voluntary rather than government-mandated, and reflected as much lack of confidence in the South African economy as moral judgments. The 1985 capital "sanctions," though since partially lifted, accelerated net capital outflows from South Africa, ensuring the need to finance these outflows with exports well in excess of imports for the foreseeable future.

Proponents of capital sanctions often argue that loans to South Africa strengthened the apartheid state. However, less than half of foreign loans have gone to the public sector. The public sector spends substantially more on social programs such as education and housing than on the army and police. Moreover the last

fifteen years has seen rapid growth in social programs targeted at blacks. And since in South Africa as in other threatened states, security and defence programs are the last to be cut when funds are tight, capital sanctions are likely to impinge first and foremost on social programs. In other words, capital sanctions, even those confined specifically to loans to the South African government, have in all probability slowed down the otherwise accelerating trend toward redistribution from white to black. Moreover each round of sanctions raises demands for government circumvention, and actually strengthens the state in its least liberal roles.

**Domestic pressure**

An alternative hypothesis is that the pressure for redistribution actually originated with sanctions. But most who are familiar with the Afrikaner mentality agree that if anything, foreign pressure redoubles Pretoria's resistance to change. Effective pressure for apartheid reform and social programs originated largely with domestic sources. Notably, the South African business community has sought to remedy the shortage of skilled workers, and to generate more affluent black consumers. Improved black education, the lowering of color bars which affect consumers and the removal of pass laws can all be traced to business pressure. Probably the second most important domestic pressure group has been the black labor union movement, which has arisen despite sanctions rather than because of them.

Disinvestment has proved perhaps the least gratifying anti-apartheid weapon of all. Since the beginning of 1986 well over 100 foreign firms have pulled out. Their physical plant has usually remained intact in South Africa, and has been acquired at bargain-basement prices that have made South African buyers rich. The most tangible effect on apartheid reform has been that foreign influence over unemployment practices, and moral support for South Africa's liberal business community, has markedly diminished.

**Big business winners**

A leading winner from sanctions and disinvestment has been big business. The share of the big four conglomerates on the Johannesburg exchange — Anglo-American, Sanlam, South African Mutual and Rembrandt — has gone from 70 percent in 1983 to 83 percent in 1987. Big business will also gain from capital-intensive import-replacement projects, such as the Mossel Bay oil-from-gas scheme. Management also gains from disinvestment, as local employees of disinvested firms move up the corporate ladder.

In theory, black businessmen can also compete for the spoils from disinvestment and sanctions, and their prospects have been enhanced by the Small Business Development Corporation, set up by Pretoria to provide financial and technical aid for black entrepreneurs. But black losers greatly outnumber black winners, as capital:labor ratios rise, and as foreign firms leave, reducing both employment and the quality of remaining employment. A study by the liberal South African economist R.W. Bethlehem (1986) estimates that "low intensity, gradually escalating" sanctions would add two million to the ranks of South Africa's unemployed by the year 2000. Perhaps the heaviest costs stand to be borne by the one to two million black migrant workers from the neighboring "front-line" states, whose jobs are the first to be lost.

And black unemployment not only hurts blacks directly, it also foments violent unrest, which takes its toll primarily on blacks themselves, which prompts harsh clamp-downs such as the State of Emergency that has been in effect since 1985, and which dampens the government's enthusiasm for continued reform.

**Black attitudes toward sanctions**

But even if sanctions primarily hurt blacks, many foreign governments, Canada's included, seem to believe that blacks want sanctions, that they are willing to bear the burdens as part of the struggle for ultimate freedom. Of course it is not at all clear that sanctions have accelerated the reform process, and in the late 1980s they seem to have done the reverse. But the main arguments for sanctions seem to be political: either that they will strengthen black bargaining power, or that they will so intensify black suffering as to trigger revolution.

Several significant black organizations do support sanctions. Most surprising among these is the National African Federated Chambers of Commerce (NAFCOC), which represents about 16,000 black businessmen. This is perhaps because among blacks, businessmen stand to lose least from sanctions and lose most from apartheid. The Group Areas Act keeps them from living in neighborhoods they could easily afford. Until recently, various statutes prevented them from doing business in core downtown areas. But NAFCOC's opposition is muted, and indeed dates only from 1986: before then it opposed sanctions. Similarly, the (black) Confederation of South African Trade Unions (COSATU) came out in favor of sanctions only in 1985. Part of the reason was pressure from the African National Congress (ANC) and its surrogate, the United Democratic Front (UDF). COSATU's support for sanctions, like NAFCOC's, has been marked by internal dissent.

**Leaders versus followers**

Much of what the Western world gleans of black opinion comes from a handful of vocal and charismatic individuals, notably Oliver Tambo and Allan Boesak, spokesmen for the ANC and the UDF, and Archbishop Desmond Tutu. But Tambo repeatedly voices his concern that white businessmen not emigrate, Boesak has recently suggested that "disinvestment... over five, six or seven years...[will leave] us with an economy that is a wasteland," and even Tutu admits that sanctions are a far from desirable weapon, though he maintains he can think of none better.

The level of ANC and UDC pressure to conform to a pro-sanctions line is very high, and undoubtedly stops many black leaders from speaking their minds. Intimidation among blacks on university campuses, as elsewhere, is rampant. Nevertheless Elias Links of the University of the Western Cape, South Africa's most prominent non-white economist, opposes sanctions. So do both the "Coloured" and Indian parliaments. So does Mangosuthu Buthelezi, who represents some six million Zulus, one-quarter of the black population.

The most meaningful indicator of black opinion is scientifically conducted surveys. In recent years, there have been some fourteen of these, of which twelve show that blacks do not want sanctions if they lead to job losses. On disinvestment, two surveys stand out. Professor Lawrence Schlemmer of Natal University produced seminal results (1986) which showed that 70-90 percent of blacks favored foreign investment as long as the relevant firms followed codes of conduct and recognized black unions. Mark Orkin of the Institute for Black Research produced results (1986) which were interpreted as contradictory

by the sanctions lobby, since 49 percent favored "conditional disinvestment." But by definition these respondents also supported conditional investment. They agreed with the following statement: "Foreign firms should not be allowed to invest here unless they actively pressure the government to end apartheid and recognize the trade unions chosen by workers." Thus Orkin's results were virtually identical to Schlemmer's, since a full 75 percent supported conditional or unconditional investment. Only 24 percent supported disinvestment, despite the questionnaire's linking this position to black radical organizations like "the ANC, the Pan-Africanist Congress, Azapo, ... and the UDF" as well as "some trade unions."

**After disinvestment**

Since disinvestment accelerated in 1985-86, the Johannesburg stock exchange has boomed. Canadian, US and European multinationals have sold their South African assets to local investors at bargain-basement prices. In most cases, technology and spare parts are still supplied from former parent firms, and typically brand names (e.g., GM) are retained as well. GM has divested its financial interest, but its South African plants, now South African-owned, still produce Opals. Several months after the much-publicized pull-out of Barclay's bank, and its sale to Anglo-American for a nominal 500,000 rands, branches retained the familiar logo (with small and obscure new "National Bank" stickers here and there), and people still bought booze with Barclay cards. In fact among all disinvested firms, only Kodak, Polaroid and Barclays are no longer marketing their products in South Africa. Little wonder that the typical South African consumer, of any race, is vaguely aware if at all that foreign firms have divested.

What will hurt in the long run is the reduced inflow of direct and portfolio investment. The net capital flow from South Africa is outward, especially since the dramatic decision by major US and European banks in August 1985 to call their short-term credit lines, a decision which caused the rand to plummet within weeks from fifty to thirty-five cents. But the capital outflow, plus current account debt service payment, is more than matched by a huge trade surplus, encouraged by the low rand.

Yet the negative effects of disinvestment and sanctions thus far have been negligible. This is particularly so for whites. The most dramatic effect on whites has been that some have got paper rich. Over the long haul, reduced capital inflows will slow real growth. The most dramatic effect of this will be on blacks, whose rate of absorption into the market economy will be slowed down.

**Failure of sanctions**

In sum, sanctions have done absolutely nothing to accelerate the reform process. Indeed, what reform there has been was set in motion before sanctions were even mooted. Since then, the reform process has slowed down. This has been partly in "emergency" response to the violence, but partly also because divestment and cultural and political boycott have removed much-valued Western moral and financial support from the (very significant) indigenous white reform movement, weakening the political middle. On the right, the Afrikaner government has been goaded into an ugly and reactionary mood, and on the left, young black radicals are angrier than ever.

Among white South Africans, there is a widespread feeling that with sanctions the West has played its cards and can now safely be ignored. Before sanctions, the US enjoyed far more credibility with the liberal business community than it does now.

**What Canadians should do**

Canadians concerned about racism and injustice in South Africa, or about peace and prosperity in the southern subcontinent, or about keeping the West's staunchest African ally, should do the following. They should invest rather than sanction. And they should seek every opportunity for personal contact with South Africans, rather than indulging in the cowardice of boycott. They should visit South Africa and discover whether real ostriches also bury their heads in the sand. Shareholders willing to suffer losses from divestment should instead invest their potential losses in black or liberal white South African enterprise.

Blacks can now own property and businesses, in white urban areas as well as black, and a black entrepreneurial class has existed for over a century. The black businessmen's chamber of commerce in Johannesburg now has over 15,000 members. It might serve as a clearing house for such investment. White big business in South Africa has vociferously opposed apartheid all along. Many firms would welcome joint ventures with Canadian business.

Concerned Canadians of charitable bent also have many options. They could choose an existing black organization or white charity; or, they could manage their own. Education would be an excellent place to start. Black pre-university education is wide open to private funding and initiative, and there are no laws restricting racial integration outside the government system. Black universities could benefit enormously from a Canadian connection, perhaps one that would exchange students and faculty as well as send funds. On white campuses, black-oriented programs are a growth industry: for example the business school at the University of Cape Town now has a research and education center for black management.

One well established white charity is the Urban Foundation, largely inspired and funded by Harry Oppenheimer of Anglo-American, which works to mobilize mortgages for black housing, and, more recently, aid for black education. It was the Urban Foundation, not sanctions or outside pressure, which in 1984, after a year of research and another year of well-placed lobbying, succeeded in getting influx control and the pass laws scrapped. For the more radically inclined, there is United Democratic Front, which despite government discomfort is still legal, and open to all races. Or there is the Black Sash, originally formed by white women to provide legal aid for blacks arrested under the pass laws. And there is no limit to the variety of charities that Canadians could organize on their own.

Most important of all, concerned Canadians in a position to do so should visit South Africa, whether as tourists, business people, politicians, religious people, academics, sports people, artists or entertainers, and they should encourage their South African counterparts to visit Canada. When Canadians take employment in South Africa, they should use what leverage they have to insist on completely color-blind conditions.

North Americans have never been happy punishing other countries. Two years after Germany's defeat, US Secretary of State Marshall proposed massive aid to put her back on her feet again. If North Americans are wise, it will not be necessary to destroy South Africa before it can be rebuilt with racial justice. If North Americans are wise they will once again set an example for the free world and help South African reform peacefully. □

# Book Reviews

## Controlling battlefield chemicals

by William Barton

***Towards a Chemical Weapons Convention (Aurora Papers 9)** by Jane Boulden. Ottawa: Canadian Centre for Arms Control and Disarmament and the American Academy of Arts and Sciences, 1989, 60 pages, $12.00.*

The history of efforts to ban the use of chemicals in war goes back more than a century. Public horror over the consequences of chemical warfare during World War I led to the adoption of the Geneva Protocol in 1925, which forbade the use, but not the possession, of such weapons. Later efforts by the League of Nations to negotiate a more complete ban came to naught. The United Nations did not pick up the charge until the 1960s, and the prospects for real progress did not become evident until the 1980s. This was partly due to significant modifications to the traditional Soviet position regarding inspection and verification, but perhaps even more significant was the worldwide revulsion at the use of chemical agents in the Iran-Iraq war. The impact of that public pressure manifested itself at the recent Paris Conference when world leaders called for an effective ban on the use of chemical agents.

The problems associated with negotiating a chemical weapons convention are complex, both politically and technically. The main problem areas can be summed up under the general headings of verification (both military and industrial), inspection, and implementing machinery (including costs). The trick is to balance the degree of comprehensiveness of the verification and inspection apparatus against feasibility in terms of intrusiveness and costs, and succeed in achieving wide political acceptability. This is why, notwithstanding the general climate of accommodation, the completion of the negotiations is likely to be a lengthy process.

Aurora Paper No. 9 is based on the Proceedings of a Conference entitled "Implementing a Global Chemical Weapons Convention," held in Ottawa, October 7-9, 1987. The author has incorporated developments and changes in the draft convention up to the end of 1988.

Participants in the conference felt that the time had come "to involve the public in the negotiation process." People should be made aware that a convention is possible, but that there is a host of potential problems involved. "Public pressure can help to encourage a speedier resolution of outstanding issues."

As will rapidly become evident to those being exposed for the first time to the intricacies of the issues, the public which is likely to be willing and able to involve itself in the negotiating process is going to be a limited one. But for that select group Jane Boulden's account of the history of the negotiations, the scope of the proposed convention, and the problem areas that the negotiators are addressing, is clear, cogent and thorough.

Of course, the paper is commenting on an on-going negotiation, and thus a measure of obsolescence is unavoidable. For example, at the time of the conference the position of the French government was based on the concept that states should be allowed to maintain a minimum security stockpile until the states with the largest stocks disarmed to a minimum level. As was evident at the Paris Conference, President Mitterrand has substantially modified this position. That having been said, however, the main points brought out in the paper remain valid.

Included among the appendices to the study are useful papers, presented at the conference by some of the participants, on the scope of the convention, the verification of the declaration and destruction of stocks, the problems associated with the application of challenge inspection, and institutional machinery.

Aurora Paper No. 9 is a valuable addition to the literature on the subject of chemical disarmament, and will be particularly useful to the informed layman who wishes to follow this important international issue.

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*William Barton, a former Canadian ambassador to the United Nations, is Chairman of the Canadian Institute for International Peace and Security. He recently carried out a government study of Canadian chemical warfare defence policy.*

## NATO forever

by Courtney Gilliatt

***Canada, NATO and the Bomb: The Western Alliance in Crisis** by Tom Keating and Larry Pratt. Edmonton, Alberta: Hurtig Publishers Ltd., 1988, 230 pages, $14.95.*

***NATO: Towards the Year 2000** edited by J. J. Sokolsky, F.W. Crickard and Robert Boardman, Halifax, N.S.: Centre for Foreign Policy Studies, Dalhousie University, 1987, 80 pages.*

This first book is one that should be read by anyone who has doubts about the need for Canada to continue to participate in, and fully support the North Atlantic Treaty Organization (NATO). Its value lies in the fact that not only is the historical background behind the formation of NATO carefully documented, but as well the reasons for Canada's continued participation are placed in the broadest strategic perspective.

The only alternative to a multilateral approach to sovereignty and security for Canada through NATO is isolationism, or a form of lock-step security arrangement with the United States. This is rejected by the authors as both too expensive and leading to less, not greater, national independence or sovereignty. In a "Fortress North America" Canada would be forced to participate in such contentious US defence programs at the Strategic Defense Initiative (SDI) and the potentially provocative US Navy forward maritime strategy.

The history of nuclear deterrence in Europe is traced and the continuing dilemma concerning the military utility of nuclear weapons is highlighted. The alternative, an all conventional defence, is rejected by some members of the Alliance on purely military grounds, as well as being very costly. Arms control agreements to limit or eliminate whole categories of nuclear weapons should in the authors' view go hand in hand with agreements to create a more equitable balance of conventional forces.

The stresses and strains in the Alliance created by the increasing tendency of the US to initiate unilateral out-of-area military actions are strongly attacked by the authors. The US tendency to expect NATO allies to support such actions as Grenada and the Libya bombing are very divisive. The Alliance does however, exercise some restraining influence on such unilateral activities.

The philosophy of the New Right that the Reagan administration followed, with the trend towards military coercion rather than diplomacy, is criticized. This is deemed to be a departure from the high-minded internationalist foreign policies of earlier US governments.

This book presents a strong argument for NATO and for Canada's continued active participation. Two statements from the concluding chapter are worth quoting: "NATO helps to guarantee the security that the West requires to explore and expand the opportunities for cooperation that Gorbachev's Russia may provide," and "Europe must remain at peace if Canada is to prosper."

The message of this book is that Canada needs NATO and NATO needs Canada.

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The second volume — a slim one — is a record of the proceedings of a conference held in Halifax three years ago. The aim of the conference was to provide a public forum to complement the meeting of the North Atlantic Council in Halifax, May 29-30, 1986.

The presentations were generally orthodox NATO military doctrine and strategy. They stressed the continuing validity of the strategy of flexible response and forward defence; the need for stronger conventional forces; more efficient use of resources; and retention of the option for first use of nuclear weapons.

Unfortunately this book has already been overtaken by events such as the decision to remove medium range Soviet and US missiles from Europe and by the changed East-West climate resulting from Gorbachev's initiatives.

It is perhaps a useful record of the Halifax Conference, but it is more a reiteration of cold war orthodoxy than a thinking through of the problems of NATO to the year 2000.

*Courtney Gilliatt is a retired Canadian military officer living in Ottawa.*

## The chill of nuclear disorder

by Joan DeBardeleben

***The Social Impact of the Chernobyl Disaster by David R. Marples. Edmonton: University of Alberta Press, 1988, 313 pages, $29.95 cloth, $10.95 paper.***

Nuclear power is on the defensive in most of the Western world. Countries such as Sweden and Austria have rejected the nuclear option, and in numerous other nations orders for new plants have come to a virtual halt, as increased safety demands have raised serious questions about the economic viability of the technology and as popular protests have sprung up in many localities. Now, in the wake of the Chernobyl accident of April 1986, the Soviet authorities also confront an increasingly visible and at times efficacious anti-nuclear "movement" of their own. In the final pages of his book David Marples acknowledges that Gorbachev's *glasnost* has created an atmosphere "that permitted the public to deal a devastating blow to the Soviet nuclear energy program." While the official commitment to nuclear power has not waned, public criticism has begun to plague all new nuclear construction projects and some Ukrainian plans have actually been canceled.

This book, a follow-up to Marples's earlier book *Chernobyl and Nuclear Power in the USSR*, seeks to explore some of the most important effects of the Chernobyl disaster. It is based on a painstaking analysis of available Soviet materials, which are considerable in the era of *glasnost*. The introductory chapter by Victor G. Snell of Atomic Energy of Canada Limited provides the lay reader with an understandable technical discussion of the causes of the accident. The remainder of the chapters by Marples stun the reader with the dramatic impact of the disaster on individual lives, human communities and social attitudes. While international repercussions of the accident did impose stresses far beyond Soviet borders, the reader may well be grateful that the confluence of unfortunate circumstances occurred "over there," not in one of our close-to-home Canadian nuclear complexes.

Overall Marples is critical of many dimensions of the Soviet response to Chernobyl, even as he acknowledges that the accident produced a serious reexamination of Soviet nuclear technology (including a long-term abandonment of new Chernobyl-type RBMK reactors, new training procedures for operators, and technological changes in existing RBMK reactors). In Marples's view, there was precipitous resettlement of areas affected by radioactive contamination, the premature restarting of Chernobyl 3 (the twin to the damaged reactor) and a lack of candor on the part of official spokespersons in advising the population of the region of the dangers. In other words, *glasnost* functioned only in a restricted manner in the aftermath of the accident, even as some outspoken critics were able to air their views in leading "reform" journals.

Marples's assessment raises two questions. First, were inadequacies in the Soviet response a product of the peculiarities of the Soviet system or might they well have occurred in any major industrial nation following a major environmental disaster? Second, how have both the accident and the Soviet response to it affected the prospects for Gorbachev's overall program of reform? Marples does not address either question directly, but at least implies an answer to the first. In his view, deficiencies in the Soviet response resulted from efforts to minimize economic repercussions of the disaster, the strong leadership commitment to a nuclear strategy, and a relatively compliant scientific community. Presumably the more critical public lobby in most Western countries, supported by scientific expertise, would have produced a more cautious response. Nonetheless, if one compares the Soviet response to this disaster with previous Soviet actions (e.g., the complete silence about the accident at a nuclear waste disposal site in the 1950s, documented by Soviet dissident scientist Zhores Medvedev in his book *Nuclear Disaster in the Urals*), one should certainly give the reform leadership high marks for improvement.

Marples has little if anything to say about the impact of Chernobyl on the fate of *perestroika*. During his relatively brief tenure in office, Soviet party leader Mikhail Gorbachev has seen the occurrence of two of the worst human tragedies his country has experienced in recent times — the Chernobyl nuclear accident and the Armenian earthquake. Neither was in any sense an effect of *perestroika*, but both may well have a significant impact on its viability. Apart from the immediate economic costs and loss of face in the international sphere, Chernobyl also imposed psycho-

logical trauma on a nation facing the uncertainties of major reform. Marples does not explore this broader impact of Chernobyl. Perhaps it is still too early to detect such effects or perhaps they will prove as difficult to assess as the long-term effects of the accident on health and mortality. Marples cannot be faulted much for avoiding such shaky terrain; his thorough depiction of the horrifying and immediate effects of the accident provide ample food for thought for us, the global companions of the Chernobyl victims.

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## Trading for keeps

by John English

***Limits on Middle Power Diplomacy: The Case of Commodities** (No. 2 in the series **Middle Powers in the International System**) by Jock A. Finlayson. Ottawa: North-South Institute, 1988, 54 pages, $10.50.*

***World Agricultural Trade: Building a Consensus** edited by William M. Miner and Dale E. Hathaway. Halifax, N.S.: Institute for Research on Public Policy (with the Institute for International Economics of Washington, D.C.), 1988, 214 pages, $19.95.*

In February 1944, as the shape of the postwar international system emerged from the wartime rubble, Lester Pearson warned his External Affairs colleagues that "states in between sometimes, it seems, get the worst of both worlds. We are necessary but not necessary enough!" From this fear that the great powers would dominate the postwar settlement, especially the United Nations, came the notion of functionalism that each nation's role in international organization should reflect the extent of its particular interest or contribution in any relevant area. Underlying this conception was the notion of common interests of the states "in between," a group that became known as middle powers.

Two generations later, it might well be argued that the states in between got the best of both worlds. Certainly the postwar years have been good to the nations originally conceived of as middle powers, such as the Netherlands, Sweden, Canada and India. The widely accepted concept of a "golden age" of Canadian diplomacy, a concept best reflected and analyzed in John Holmes's work, rests upon the assumption that Canada, a leading "middle power," worked in concert with other "states in between" to make postwar international organization more effective and to place some restraints upon superpower dominance.

Jock Finlayson's concise and clear study of commodities and "middle power diplomacy" is dedicated to the memory of John Holmes and is part of a broader study undertaken by the North-South Institute to discover whether the concept of a middle power grouping could be reinvigorated in the 1980s when, the book's foreword claims, "the management of the international system can no longer be left to great powers [which] have shown themselves more and more unwilling or unable to carry such a role." Finlayson's study, which is impressively argued and detailed, does not offer much encouragement for those who would seek to reinvigorate the middle power tradition at a time when the international system has four times as many actors as in 1945. Finlayson defines middle powers rather arbitrarily as those countries with 1982 GNPs between $50 billion and $500 billion — a list of thirty-three countries as diverse as Algeria, Iran, Romania, Sweden, Malaysia and Canada.

Did this middle group identify any common interests during the protracted negotiations of the 1970s to stabilize commodity markets through market regulation? Very few, it seems. For "middle power" developing countries, membership in the Group of 77 was, in most cases, the preeminent consideration. The UNCTAD group negotiating system intensified this effect, leading to an aggregation of various G77 demands into "ambitious, sweeping and vaguely formulated proposals" that invited "quick rejection by the major developed countries." Canada did in fact seek to play a mediating role in the 1975-77 period when it was co-chair of the Conference on International Economic Cooperation (CIEC). As with so many bursts of Canadian enthusiasm in recent times, interest waned quickly when the spotlight shifted.

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Successful middle power diplomacy depends upon consensus, and *World Agricultural Trade: Building a Consensus* represents an attempt by Canada's Institute for Research on Public Policy and the Institute for International Economics in Washington to develop a program to deal with the agricultural crisis of the 1980s. The book incorporates and builds upon "Reforming World Agricultural Trade," which is "a policy statement by twenty-nine (agricultural) professionals from seventeen countries." In comparing Finlayson with *World Agricultural Trade*, one sees how the international atmosphere has changed. In the 1970s the focus was on management of trade, on the creation of increased intergovernmental regulation of trade in order to redistribute income. In the eighties, market regulation is no longer intellectually fashionable.

The Statement attracted much attention when it was issued a year ago, but its impact on agricultural trade talks has been limited. Of the twenty-nine professionals included, five are Canadian, six are American, and nine are from the EC. Five are from Third World countries, including Argentina, a notable exporter. In many ways, the document reflects those which were produced in the forties. Functionalism, which Canadians urged upon international organizations, implied that special contributions or interests should receive recognition in the composition of international bodies. Wheat and uranium were examples in the Canadian case. In retrospect, we can see that it was the interest of the producer not the consumer that was emphasized. In the case of agriculture today, the crisis too often reflects the producer's predicament. A consensus and a solution must ultimately rest upon a broader base.

Despite recent claims that Canada is a foremost, principal or, most astonishingly, great, power, in the eyes of others, it sits, as Kim Nossal has said, "somewhere (however fuzzily) in the middle." States in between find their position less comfortable today: there are more chairs around the tables and the designs are not so similar. If there is a lesson from past successes, it is that it matters less where you sit than what you do. It is also a lesson that Jock Finlayson derives from the failure of the seventies. Consensus may be impossible; action is not.

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## Beating Free Trade

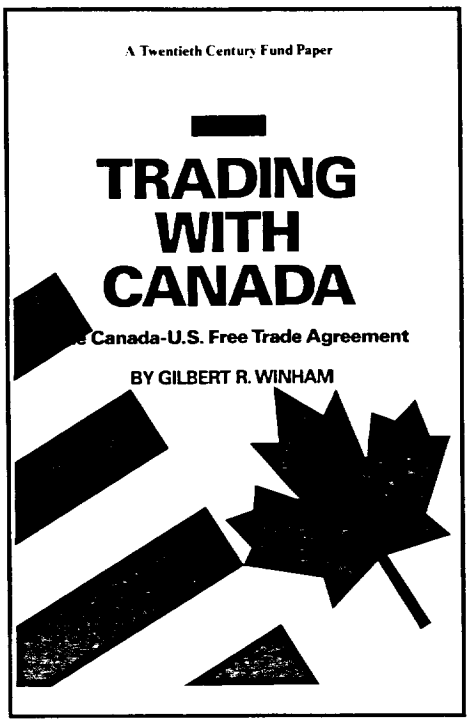
by Peyton Lyon

> ***Trade-offs on Free Trade: The Canada-US Free Trade Agreement*** *edited by Marc Gold and David Leyton-Brown. Agincourt, Ont.: Carswell Legal Publications, 1988, 458 pages, $60.00.*
>
> ***Trading with Canada: The Canada-US Free Trade Agreement*** *by Gilbert R. Winham. Winchester, Massachusetts: Unwin Hyman Inc. (for The Twentieth Century Fund, New York), 1988, 81 pages, US$18.95 cloth, US$8.95 paper.*

Both these volumes were intended to make contributions to Canada's 1988 debate over free trade, but neither appeared in time to have much impact on the electoral outcome. *Trade-offs on Free Trade*, moreover, is too crammed to be likely to alter attitudes; those with firm positions will find ample support; those still confused are likely to have their confusion compounded.

*Trade-offs on Free Trade* consists of fifty-two short papers delivered at a conference at Osgoode Hall in Toronto and thirteen chapter introductions by the editors. The selections represent a fair balance of arguments in favor of the free trade agreement and those opposed; special pleaders and objective scholars; economists (mostly in favor), political scientists (all but one opposed), lawyers and others.

Most of Canada's authorities on international integration have contributed, notably Richard Lipsey, Ronald and Paul Wonnacott, Bruce Wilkinson, Rodrigue Tremblay, Katie Macmillan, Gilbert Winham, Debra Steger and Murray Smith. Absent are the negotiators, such as Simon Riesman and Gordon Ritchie; and the dominant politicians, such Donald MacDonald, Mitchell Sharp, George Van Roggen, Peter Lougheed, Robert Bourassa, John Turner and John Crosby. Also missing are several of the more articulate interest group spokespersons, notably Thomas D'Aquino, Margaret Atwood, Robert White and Maude Barlow. Despite such absences, the strength of the volume is its inclusiveness. It does capture the flavor of the debate, and its handsome legal binding would make it an adornment on any bookshelf. The introductions are clear and




objective, but the editors were too gentle with their blue pencils when dealing with their contributors, as diverse in talent as they are in background and opinion.

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After this mix, it is a relief to turn to Gilbert Winham's solo effort. *Trading with Canada* was written for an American foundation, The Twentieth Century Fund, and presumably a primarily American readership. Winham, moreover, although a long time Professor of Political Science at Dalhousie and a significant contributor to the MacDonald Commission, is of American origin. Some will attribute to this fact his strong support for the free trade agreement, and relative neglect of the possible impact on Canadian culture and independence. Far more relevant is the fact that Winham is one of the rare political scientists in Canada who really has made a serious study of international integration and trade negotiations. He displays a keen awareness of the Canadian national interest, and the trade agreement and how it was achieved; and he argues his case with lucidity and authority. Anyone still in doubt about the path Canada has taken would do well to read this slim volume.

Both books neglect the comparative dimension, as did the debate itself. It almost seemed as though North America had invented free trade areas. Note how we persist in referring to *The Free Trade Agreement* (or FTA). Experience elsewhere, however, is surely relevant, especially in 2-actor systems where one is much larger than the other. The Canada-US situation is far less unusual than many Canadians believe. In every case — such as Britain and Ireland — the smaller actor has gained the most from free trade, and has maintained or augmented its independence. Of course it *could* work out differently here. But surely it is up to the naysayers to show why. And the yea-sayers in these two volumes could have strengthened their case by looking beyond our shores.

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## UN in Lebanon

by Camille H. Habib

> ***UNIFIL: International Peacekeeping in Lebanon, 1978-1988*** *by Bjørn Skogmo. Boulder, Colorado: Lynne Rienner Publishers, 1988, 279 pages, US$28.50.*

Since its establishment by the Security Council in March 1978, the United Nations Interim Force in Lebanon (UNIFIL) has been trying to confirm the withdrawal of Israeli forces from South Lebanon, to restore international peace and security in this part of the world, and to assist the government of Lebanon in regaining its effective authority. Unfortunately, none of these objectives has been fulfilled. Israel's control of Southern Lebanon through its surrogate — the South Lebanon Army (SLA) — and the "daily ritual" of armed clashes, shellings, and other terrorist activities across the Lebanese-Israeli border, are indications of UNIFIL's small achievements or its great failures in accomplishing its mission.

Writing under the conviction that the identification of a problem is part of the solution, Bjørn Skogmo provides a comprehensive analysis of the many obstacles that UNIFIL has had to face over the last ten years. According to Skogmo, UNIFIL's nightmare was caused by the lack of cooperation among all the parties involved — at the local, regional, strategic and UN levels. He argues that the weakness of the Lebanese government amid the country's ongoing civil war, the perplexity of the Palestin-

ian question and the Syrian-Israeli struggle over Lebanon, the antagonistic relationship between the United States and the Soviet Union after Moscow's invasion of Afghanistan in 1979, and the UN's failure to provide a framework to "de-link" the Palestinian question from the Israeli-Lebanese aspect of the situation, have all impeded the conduct of UNIFIL's operation. It follows that the effectiveness of the force requires an agreement among the parties directly involved in the conflict on the implementation of the mandate of the UN force, and for such an agreement to be supplemented by a sufficient support from the permanent members of the Security Council.

This does not mean that the presence of the UNIFIL in Southern Lebanon has been useless. Skogmo argues quite convincingly that an evaluation of the UNIFIL's role should be calculated against the circumstances under which the force operates. For unlike the United Nations Emergency Force (UNEFII) and the United Nations Disengagement Observer Force (UNDOF), which were established in Sinai (1973) and Golan Heights (1974), respectively, UNIFIL has never enjoyed a high degree of support from the superpowers. Rather, UNIFIL was deployed in a densely populated area that was under the control of local and yet irresponsible barons. But despite these and other difficulties, Skogmo observes, UNIFIL has succeeded in restricting Israel's military activities and in providing humanitarian assistance to the population there.

Should UNIFIL be withdrawn from southern Lebanon or should it continue its difficult mission there? Surprisingly, the author — in spite of his diplomatic service at the Permanent Mission of Norway to the UN — does not support or oppose either argument. Instead, Skogmo goes so far as to see a possible settlement in the Middle East outside the framework of the United Nations and its method of international peacekeeping. The book is a non-polemical account of the tragic developments inside Lebanon and the politics of pulling and pushing which took place in New York and other capitals. Skogmo's book will increase people's awareness of the UN and its peaceful operations. I strongly recommend it for every student of international politics.

*Camille H. Habib is a doctoral candidate in political science at Dalhousie University in Halifax, Nova Scotia.*

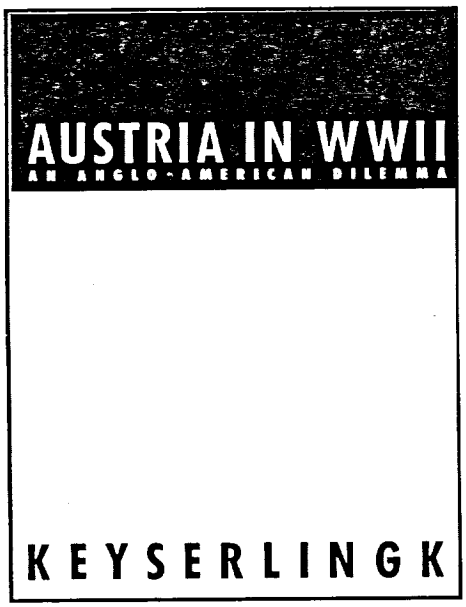
## Cold War beneficiary

by Wolfgang Haider

***Austria in WWII: an Anglo-American Dilemma** by Robert H. Keyserlingk. Montreal: McGill-Queen's University Press, 1988, 305 pages, $29.95.*

The author sets out to "investigate post-Anschluss and wartime Anglo-American intentions regarding Austria." In particular he questions the accepted postwar interpretation of the Moscow Declaration of 1943 that Austria was the first victim of Nazi Germany and therefore deserved to be re-established as a sovereign nation. The author contends that this interpretation emerged as the product of the realpolitik at the beginning of the Cold War in 1946-47. "It helped the Anglo-Americans to establish the legitimacy of their occupation presence in Austria, and to justify their postwar support for an independent Austria to be freed from Soviet control." At the same time this interpretation provided the Austrians with an argument to "distance themselves from Nazi Germany's crimes, and to retrieve their republican roots." The original purpose of the Moscow Declaration was merely wartime military propaganda, and it failed in its purpose to demoralize German troops.

Keyserlingk substantiates his argument through painstaking research in mostly British and US archives. He observes that Anglo-American reactions between 1938 and 1945 fall into two categories: public propaganda statements and a much more secretive political planning. The former were often purposely dubious and therefore susceptible to a wide range of interpretations, but documents on political planning in particular leave little doubt that despite certain differences between the two allies, neither of them planned for a sovereign Austria after the war. Planning for Austria was included in the general plans for Central and Eastern Europe, where the Treaty of Paris had failed to stabilize the region along the nationalistic principle. Therefore a new form of a Danubian Federation was sought, or perhaps a union between some parts of Southern Germany and Austria. The eventual re-emergence of Austria was a historic accident.




The author documents some curious incidents, if not to say blunders. For example, Roosevelt as an admirer of the late Austro-Hungarian Empire and personal friend of Otto von Habsburg, appointed the latter as head of the recruitment committee for an Austrian battalion, which would have included exiles of the former crown countries! Needless to say the effort backfired.

The book is of a high academic standard, with the arguments well documented and rounded. This very fact, however, makes it a book that only the genuinely interested will read from cover to cover. At the same time, the Introduction, the beginning of Chapter 1, and the Conclusion provide an excellent overview for the general reader.

Austria should be grateful to this Canadian scholar for filling an important void in its history. Frequently, such books are better written by outsiders with a certain distance from the country as well as period under scrutiny. A few years ago this book could have made an important contribution to the discussions surrounding Austria's presidential campaign, both on the domestic level where the issue was swept under the carpet for too long, and to international critics of Austria, who would have been reminded of the coincidental circumstances of Austria's rebirth. The book will provide an important historic background to neutral Austria's next international agenda — its application for membership in the Common Market later this year.

*Wolfgang Haider is Austrian, a graduate in history from the University of Vienna. He is currently a doctoral candidate at McGill University in the Department of Geography.*

## South America south

by Paul George

*Geopolitics of the Southern Cone and Antarctica edited by Philip Kelly and Jack Child. Boulder, Colorado: Lynne Rienner Publishers, 1988, 273 pages, US$35.00.*

The democratic trend in Latin American politics has encouraged many outside observers to predict the emergence of the Southern Cone as an independent force in the global geopolitical system. This may be a premature forecast but it is worth taking seriously. After all, as the British discovered in 1982, an awareness of the geopolitical underpinnings of Southern Cone politics is a prerequisite for avoiding unexpected problems. The Falklands/Malvinas War would have come as no surprise to anyone who had read the Argentine geopolitical literature.

The essential problem of the distance of the Southern Cone from the crucible of Western security concerns forms the core of this useful book. The editors handle this by presenting a wide ranging collection of essays which draw attention to the geopolitical imperatives of the regional states. Given the complexity of the continent, however, the parameters of the study are inadequately defined. The Southern Cone is more than an arbitrary latitudinal concept. To designate it as "South American territorial and maritime spaces below 10 degrees south latitude" simply does not do justice to the cultural and historical traditions of the region. For example, to explain the exclusion of Peru from this collection because, "its geopolitical involvement for the most part has been more internal than external in scope," is not only historically debatable, but it ignores the potential geopolitical impact of the burgeoning Shining Path revolution.

The geopolitical heritage of South America has been overshadowed by the dominant East-West axis of postwar rivalry and by the disgrace the study of geopolitics suffered in the northern hemisphere as a result of World War II. South American geopolitics is also not without its own disreputable practitioners; General Augusto Pinochet of Chile, for example, has taught and written on the subject. Unfortunately, this has tended to make the Southern Cone's isolation as much perceptual as physical and it is lamentable that contemporary Anglo-American strategic writing largely ignores the region. Nevertheless, a vigorous geopolitical tradition has developed in the Southern Cone and the extensive bibliography demonstrates just how much Spanish-language geopolitical material has been produced.

Of more theoretical significance, the collection confronts the misunderstood breadth of geopolitical thought. Geopolitics is more than the study of geostrategy and national security; the chapters dealing with the economy of the La Plata basin are particularly useful as counterweights to the more conventional studies of applied geopolitics in Chile, Argentina and Brazil. The book also provides a useful assessment of regional aspirations in Antarctica, where the Southern Cone states will be crucial players in the future settlement of the status of the frozen continent.

Although several economic, social, political and international problems remain to be resolved before the Southern Cone can attain a degree of regional geopolitical cohesion, few observers can doubt that it will ultimately be achieved. The editors have provided an effective introduction to the wealth of geopolitical writing from the region.

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## British Wright brothers

by A. J. Shortt

*Patrick Y. Alexander (1867-1943): Patron and Pioneer of Aeronautics by Gordon Cullingham. Bath, England: Cross Manufacturing Co., 1984, 292 pages, £7.50.*

Histories of aviation's pioneer days are punctuated with well-known names of successful inventors and aviators such as (the brothers) Wright, Codey, Bleriot and Bell. Others made substantial contributions but are virtually unknown. One such man is Patrick Young Alexander.

In this book the life of Alexander, a man who made substantial and significant contributions to British and world aeronautics, is detailed, perhaps for the first time. Permanently lame from a youthful accident at sea, he turned to aviation and devoted his life and inherited fortune to the advancement of aeronautics. He excelled at ballooning and experimented with heavier-than-air-flight; he began the aeronautical collection of the Kensington Science Museum; his financial support saved the Aeronautical Society; in 1910 he sponsored a successful competition for an efficient British aircraft engine. These and other acts were performed in a typically selfless manner with no anticipation of reward. Alexander travelled extensively and was accepted worldwide as a leading aeronautical authority. At a time when accurate aeronautical information was rare, he did much to report events and progress objectively.

This book, based on Alexander's own collections and papers held by the Science Museum in Britain, is not easy reading. It is extensively illustrated with rare photos, but the text tends to read somewhat like a manual. However, because it documents such an extraordinary career, as well as that important era when the airplane advanced from dream to reality, the book is both educational and rewarding.

In spite of the author's diligent research, Alexander remains an enigma. His personal life seems to have been lonely and his research lacked focus. He was convinced that he would die by the age of fifty, and by that time had given away most of his inheritance. He lived on in difficult circumstances until he was seventy-six, sustained by generous assistance from friends, but with no official recognition. Alexander deserved better from his country and from the aviation industry. Gordon Cullingham (not the Editor of this journal. Ed.) is to be congratulated for recording at long last the contribution of this unusual and significant historic figure.

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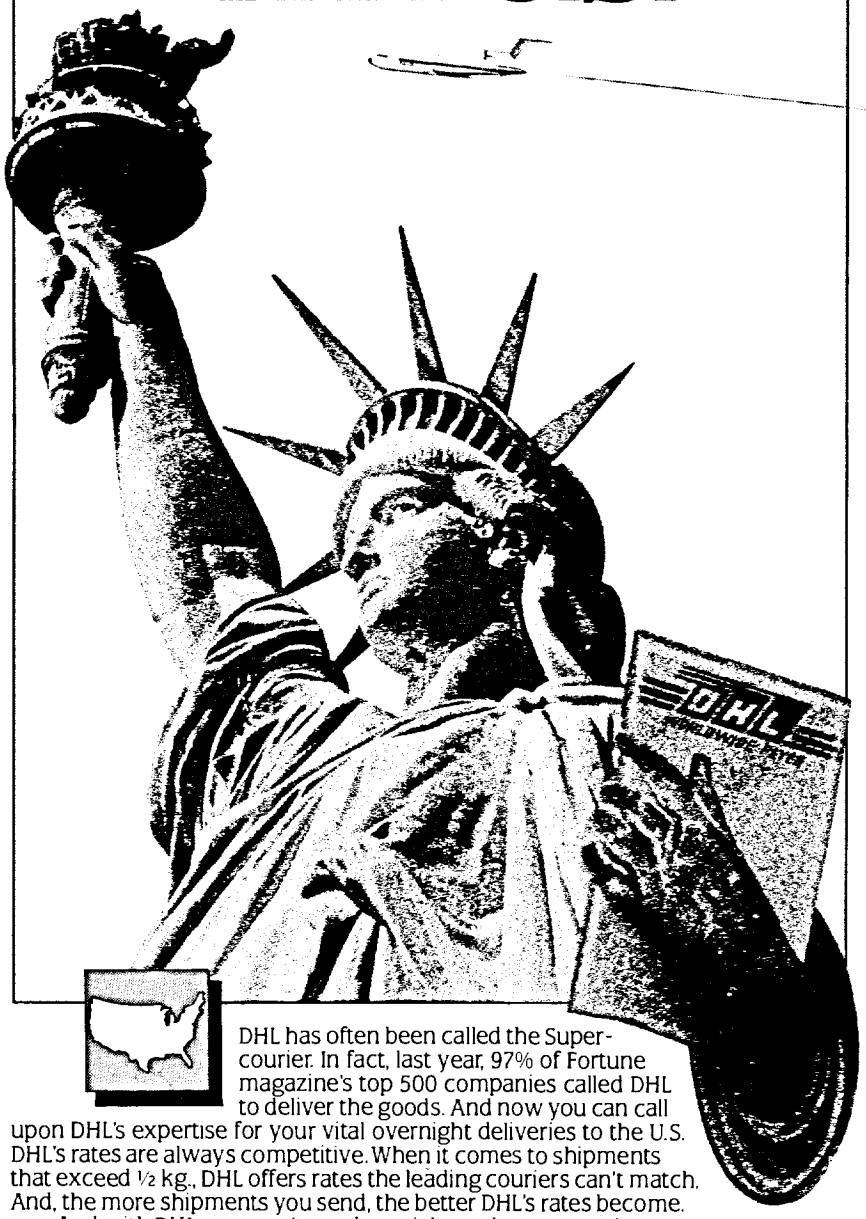


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