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STATEMENT DISCOURS

SECRETARY OF STATE FOR EXTERNAL AFFAIRS.

SECRÉTAIRE D'ÉTAT AUX AFFAIRES EXTÉRIEURES. INTERVIEW OF THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, THE HONOURABLE MITCHELL SHARP, WITH MR. BERNARD KALB OF CBS NEWS, APRIL 13, 1972. Q. Mr. Secretary, what do you expect to come out of the President's visit to Canada?

- SSEA: I think its: main purpose is to show how important Canadian-American relations are. If I could put it in the opposite way, if the President did not come to Canada that would be a matter that would be remarked. The fact that he does come here indicates that he looks upon Canada as being one of the important allies of the United States.
- Q. Well, the Presidential Party does not include the Secretary of the Treasury, John Connally, and on the Canadian side you don't have your own Trade Minister there so that they will not be talking specifically about the item that is of the most irritation at the present time. That is to say, the safeguards of the auto pact.
- SSEA: Yes, well when the Prime Minister went to Washington he just took me, there were no other ministers who went. Meetings of this kind at the highest level are not for the purpose of negotiation. Sometimes they can be used to complete a negotiation, but they're not for the nitty gritty. This is where the leaders, the top men in the country, get together to talk in general about the state of relations between the two countries. We'll probably talk about trade -- I'll talk to Rogers about it, and the Prime Minister will talk to President Nixon about it, but we're not negotiating on this occasion. That's not what the purpose of the visit is. It is to exchange views upon the state of relations between our two countries and our respective interests in the world as a whole.
- Q. Do you think that the trip of the President coming here, of the form of summit talks between the President and the Prime Ninister are in fact necessary at this time?
- SSEA: I think they are, yes. I think, as I said at the outset, if the President went to Moscow, and he went to China, and he went to Europe or wherever he went, and he omitted Canada that would be a matter for remark.
- Q. Is it possible that the President is coming here because we are now in a period that has been described as perhaps the worst state of relations between Canada and the United States in, say, the last decade?
- SSEA: Well, I question this. I have probably negotiated more on behalf of Canada with Americans, and with the United States Government than anybody else in either of our countries. I don't detect any bad relations between Canada and the United States. What I do detect is a changing relationship. And it arises out of changing policies of the United States and changing policies in Canada. For example, we have a new foreign policy of the United States, the Nixon Doctrine that affects the relations of the United States with Canada as it

...2

- 2 does with other countries. We have a rather different approach which is very parallel to the Nixon Doctrine. You reject the word "bad" in describing relations between Q. Canada and the United States; you prefer the word "changing". SSEA: Changing, yes... How do you explain Prime Minister Trudeau's saying in reference to the Secretary of the Treasury, "With friends like Mr. Q., Connally, who needs enemies?"? Well, these are the sort of offhand remarks... SSEA: If you'd heard the other part of the exchange as I did. What was the other part? Q. Well, the other part of the exchange was something about SSEA: Mr. Connally and some remark that he had made about Canada. so the Prime Minister in a rather light-hearted way used the old cliché, but... What was that remark? Can you share that with us? Q. Well, this was a question put to Mr. Trudeau about a criticism SSEA: that had been made by Mr. Connally of Canada's policy, so the Prime Minister, just in order to make a little retort in kind, as he felt, but not to be taken seriously. Q. I wonder if you'd excuse me if I say that I find what you are saying to be in a kind of minority on the basis of what I've been hearing in my few days in Canada, and that is to say that the relations between the two countries are described in terms of their being irritating at the present time, their being difficult, awkward, and even the worst, as I've read in one Canadian newspaper. You accept "changing". I get it told to me in a much more negative way. SSEA: No, I don't accept that. If you look around the world, and perhaps I see it a little more clearly from my position as Foreign Minister of Canada, and I look at relations between other countries, I would still say that relations between Canada and the United States are the best between any two countries in the world, and the closest. Q. How do you explain what I've been hearing -- the rhythms of irritation, discontent; the fear of economic absorption, and so forth? SSEA: Well, this is because of the changing relationships between the two countries. In both countries there is a rather different spirit. You know, the Nixon Doctrine is inspired by the idea that the United States should limit its commitments to its capacity to discharge them. We have done the

same thing in a sense. We have said, "Our foreign policy is to be directed to the advancement of Canadian objectives", just as American policy is to be advanced to the interests of American objectives. In this process, interestingly enough, we both moved on parallel lines. So when one talks about worsening relations, I think of foreign policy. There was criticism in Canada and in the United States when Canada decided to enter into diplomatic relations with the People's Republic of China. That didn't last very long. Shortly thereafter President Nixon said, "I'm going to Peking". We had criticism in Canada of our exchange of visits with Kosvgin when the Prime Minister went to the Soviet Union and Kosygin came to Canada. There was criticism that somehow we were diverging from our policy of friendship with the United States. But Mr. Nixon said, "I'm going to Moscow, too.", so that in fact there is a new appraisal, I think, in both countries of our respective roles in the world.

- Q. Well, you seem to be addressing the question of American criticism of foreign policy initiatives taken by Canada. I'm talking about possibly not a groundswell, but a building sentiment of suspicion, of anxiety. about the United States... inside Canada.
- SSEA: Canadians are not anti-American. What is going on in Canada, I feel, is a recognition of Canada's unique role in the world. There had been, I think, too much emphasis formerly upon the role of Canada as the honest broker, as the helpful fixer. Now we're looking at Canada in the interests of Canadians and looking at our relations with the United States as we look at our relations with other countries. In the case of the United States it rests upon the fundamental assumption...two assumptions: first, that the United States is our closest The second is: how do you live distinct friend and ally. from such a vast and overwhelming power? These are the two considerations that we have in mind. and it is the second of these: how do we live distinct from this overwhelming world power...
- Q. Is it possible?
- SSEA: We think so, and it is in this effort to remain friendly but distinct...
- Q. But aren't there certain built-in contradictions? For example, there seems to be a sense of unease about the dimensions of American investment, economic investment, in Canada. A fear that perhaps too much control rests in the hands of Americans. At the same time it would seem to me that you are also concerned about there being enough American investment to come into Canada so that the Canadians can proceed with certain economic programmes they have for development. Aren't you caught in a contradiction?

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SSEA: No, we do have an ambivalent view.

- Q. What's the difference whether its ambivalence or contradiction? It's a cycle that you're in.
- SSEA: Yes. There are two aspects to foreign investment which we've always recognized. We have benefited enormously from having access to foreign capital. foreign technology foreign initiatives, particularly from the United States as our closest friend and neighbour. At the same time. Canadians would prefer if they had this kind of capital, this kind of technology, and this kind of expertise and initiative at home.
 - Nr. Secretary, isn't Canada caught up in some sort of contradiction in its relations with the United States: a certain amount of complaint. possibly even of resentment about the dimensions of American investment, economic investment in Canada because of the control exercised by Americans, at the same time the Canadian desire for American investment so that Canada can proceed with its plans for development and progress? Aren't you caught up in that contradiction?
- SSEA: I think it's more of an ambivalent attitude that we have.

Are you being diplomatic now?

Q.

Q.

- No, no, no. I think this is true. We do speak out of both SSEA: sides of our mouth and for good and sufficient reasons that we do realize that we have benefited. We are a much stronger country industrially. We're much more independent because we had access to more capital, foreign technology, and initiative and so on in fields in which we didn't have these things. Now we are getting to the point where we feel that we would like to be more selective -- where we do have more capital, where we do have more trained people. where we do have more technology. So it is a bit ambivalent. We realize we are still going to be dependent to some degree upon this, but we're trying to limit the dependence. This is the attitude of Canadians. It's a developing attitude. I'm This is quite satisfied. for example, that it was because we did have access to capital and technology and enterprise that we are a strong and independent country as we are today. Otherwise we'd have been very weak.
- Q. Can you ever get out of that psychological situational predicament that Prime Minister Trudeau once described as "living next door to an elephant, when it grunts you twitch", or words to that effect?
- SSEA: No. I think this is our inevitable destiny: living next to the United States. We are becoming, of course much stronger ourselves -- a bigger country, more internal capacity. I think the underlying problem in the world, which we're trying to reconcile, and this is not only in relations between

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Canada and the United States is the growing interdependence of countries and this we must recognize in anada as I'm sure you do in the United States, that our two countries are more interdependent than any other two countries in the world. More trade roes on between us, more people cross our borders, more capital flows backwards and forwards, so we are the most interdependent of countries. We are not going to break that nor should we.

- Q. But with the accent on national sovereignty and national dependence...
- SSEA: Interdependence, not dependence.
- Q. As well as independence?
- SSEA: As well as independence.
- Q. How do you feel, sir, about the new developments in Vietnam, and how do you feel, sir, about the President's decision to move more air and more naval power to Vietnam?
- SSEA: Well, Canadians would prefer that the United States was not in Vietnam. That is the overwhelming sentiment of the Canadian people. We regret very much the revival of the war. It seems to have been revived from the North Vietnamese side, but at any rate it has been revived. We, I'm sure, share the desire of the President and I know of Mr. Rogers that the Americans should get out of Vietnam and leave those problems to be settled there. And therefore we are heartily in favour of the withdrawal of the Americans and we hope it can be accomplished successfully.
- Q. When you talk about regretting revival of the war, does that regret as well include the American air and naval buildups, sir?
- SSEA: Yes, it does.
- Q. What would you isolate as the single biggest problem in relations between the two countries?
- SSEA: I don't know whether I could isolate a single problem. We are..our relationships are so close in such a broad field that it is difficult to isolate any one factor. Our economic relationships are extremely close, our financial relationships, our defence relationships. I suppose the problem itself is just that. from the point of view of a country like Canada. We are Canadians. We don't want to be Americans. We like Americans, but we want to be distinct. And our problem is: how do we prevent the United States from overwhelming our economy, our culture? How do we do it?
- Q. How do you...?
- SSEA: How do we do it? For a hundred years this has been our problem. Canada, in a sense is a reaction to the United States.' The federation in Canada was formed

...6

because we were fearful that at the end of the Civil War the United States would move north. So Canada was formed, and at every stage of our history this relationship exists. We are to some extent a reaction to the United States. but it is not anti-American. It is a desire to be a distinct country living in harmony with the United States. That is the problem, and for us it's an extremely difficult one.

Q. Do you feel you're making progress, sir?

- SSEA: Yes, I do. When I think back to my youth, I think how much more our institutions are developed, how much more our economy is developed. All of these things. But here we are on television. If you lived in Canada you'd see almost as much American television as you would see in the United States. And yet we're trying to promote our arts, our musicians, our books, our writers, and we're making considerable progress, but it is always an uphill battle.
- Q. Mr. Secretary, do you see anything in President Nixon's view of Canada that is different from the view, say, of the President's predecessors?
- SSEA: No. I don't really see very much difference. Like the Prime Minister, I felt it was a very significant statement that the President made when Mr. Trudeau saw him: that it is not the desire of the United States to impose any kind of economic régime upon Canada.
- Q. But then Secretary Connally made some remarks that infuriated Canadians.
- SSEA: Yes he made some remarks that seem to us not to be in line with what the President had said, and we assume that the President speaks for the Government of the United States. We do recognize, however, that there are inherent problems, nothing to do with the policy of the Government of the United States. Problems for us that are caused by simple proximity to the United States. It has nothing to do with the policy of the United States Government as such. It's simply that a very dynamic society of vast power is situated alongside of us. That's our real problem. And we hope that we have the sympathetic understanding of the United States, and we think in President Nixon we have such sympathy.
- Q. What is that button on your lapel, Mr. Secretary?
- SSEA: This is to identify me for the purposes of security while the President is here so that I can move in and out without being stopped by the guards on one side or the other.
- Q. Do you anticipate any problems?

...7

