

# STATEMENTS AND SPEECHES



CANADA

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 72/22

## CANADA AND LATIN AMERICA

An Address by Mr. Klaus Goldschlag, Director-General, Bureau of Western Hemisphere Affairs, Department of External Affairs, to the Third Annual Conference of the Canadian Association for Latin America, Ottawa, October 19, 1972.

I am pleased to participate in this conference. I am particularly pleased to see the many distinguished Latin Americans who have joined you to explore the patterns of partnership for the future. I am impressed by the range of the dialogue that is to mark the conference. I am sure you are right in aiming at clearer understandings in specific areas. I know that if Mr. Sharp had found it possible to be present today he would have wanted to point to the close identity between the purposes of your conference and those of the Government in pursuing the new Latin American dimension of its foreign policy.

It is important to see the new policy in proper perspective. It is not as if Canada were emerging from "100 years of solitude". Far from it. We have had close and productive relations with Latin America for many years. We have been represented in many Latin American capitals and have had diplomatic relations with all. We have carried on an expanding, if still relatively modest, level of mutual trade. Private Canadian capital has been at work for many years in helping to open up the economies of Latin American countries. We have been involved in a program of development assistance to Latin America since 1964. We have, on a selective basis, sought and obtained membership in a number of inter-American institutions. We have also been working with Latin Americans internationally on a whole range of issues of common concern.

Are we, then, simply setting out to do more of what we have been doing in the past? If not, in what sense are we justified in looking on the foreign policy review as something of a watershed in the Canadian relationship with Latin America?

First, the review represents an up-dating of Canadian foreign policy. We had to take account of the cumulative result of change in Canada and in the world around us. It was clear that the time had come for us to recast some of the basic assumptions of our foreign policy. The changing scene in Latin America was very much part of this process. We wanted to be sure that we were pursuing policies -- in Latin America and elsewhere -- that were likely to be relevant to the world of the 1970s and 1980s.

Second, the review involved a stocktaking of the realities of Canada's own situation. Canada is pre-eminently a North American nation. The range and complexity of our relation with the United States needs no underlining. It is a relation marked by the many things we hold in common, both as continental neighbours and internationally. But it is also marked by a great disparity in influence and power. It was natural, therefore, that our review should have turned to the theme of counterweights that has run through so much of Canadian foreign policy. It is in this context that the geographical diversification of Canada's interests emerged as a clear policy direction, and Latin America as one of the areas towards which our efforts should be directed.

Third, the review endeavoured to lodge foreign policy more firmly within the conspectus of national policy and the national interest. There was nothing self-centred or inward-looking about this. On the contrary, some of the main policy themes brought forward by the review -- working for peace and security, promoting social justice, enhancing the quality of life, ensuring a harmonious natural environment -- make it clear that Canada intends to continue to play its part as a responsible member of the international community. But the new orientation was intended to ensure that Canadian foreign policy was shaped by a sense of purpose and direction in keeping pace with a changing world.

All this is relevant to the policy Canada is pursuing in Latin America. It is not just a policy of good intentions; it is a policy that has been identified as reflecting Canada's national interest. It takes account of changing attitudes in Canada and changing realities in Latin America. It recognizes that each Latin American country has its own personality but that there is also a Latin American community that is more than the sum of its parts. It has been formulated on the basis of a careful inventory of what we think we can reasonably do. And we are trying to implement it systematically within the limits of our resources. In all this we think there is an assurance of continuity for our Latin American partners.

We have proceeded from the assumption that nothing should be taken for granted. We have tried to avoid making assumptions unless we could be sure that they reflected hard realities in the minds of Canadians and Latin Americans. We have preferred, instead, to rely on interests manifestly shared and on concerns demonstrably held in common. We have found a shortage of neither.

We look upon Latin America as a promising trading partner. We think that our trade is far from having reached its full potential. We must now proceed systematically to seize the opportunities which the expansion of our respective economies is opening up on both sides. We are confident that Canadian investment can continue to make a useful contribution to Latin American development. We share with Latin Americans a concern to bring the undoubted benefits of foreign investment into line with the priorities and perceptions of the host country. We have a common interest in effective resource management -- to see that resources are developed for the benefit of our economies and with minimum damage to our natural environment. We want to see account taken of these principles in the evolving law of the sea. We are

at one with Latin Americans in attaching importance to a strategy of development that is based on economic growth tempered by social justice. We are playing our part, through Canada's expanding aid program, in helping Latin America to promote that kind of development. We also share some of the same dilemma in our relations with the United States: the search for a formula that will effectively reconcile the benefits of a close and productive partnership with the undeniable impact it has on our national personalities and choices. It is in the interests of Canadians, as it is in the interests of Latin Americans, to find a harmonious way out of that dilemma.

In the course of implementation, our policy has followed two complementary directions. We have endeavoured, on the one hand, to involve Canada more closely in the system of inter-American institutions. But we have also moved forward on a bilateral front to add content and meaning to our relations with individual countries in Latin America.

In plotting our course, we have been guided generally by the Latin American paper in the foreign policy review series. We have taken that paper as an indication of the Canadian Government's determination to pursue an active policy towards Latin America. We have not taken it as a detailed blueprint for progress. In some areas, in particular, we have found that the momentum generated by the new policy is already carrying us beyond the immediate targets envisaged in the paper. In others, the prescriptions of the paper may not turn out, on review, to be the ones that are best calculated to achieve our broad objectives in Latin America.

Since our policy paper was published, we have joined three of the most important inter-American organizations. This brings to eight the number of inter-American organizations of which we are now full members. We have also sought and been admitted to permanent observer status in the OAS. But the last impression I would want to give is one of Canada's joining institutions for the mere sake of joining. In essence, we have tried to do two things: we have sought links with those institutions which are key institutions in the inter-American system such as the OAS and the Inter-American Development Bank. But we have also joined some of the specialized inter-American organizations operating in areas where we have common interests with our Latin American partners or where we felt that Canada was in a position to make a distinctive contribution.

The question is sometimes asked why Canada opted for permanent observer status in the OAS instead of full membership. It is, I suppose, the question that received the most searching review of all the questions that entered into the formulation of our new Latin American policy. It is often assumed that our hesitation stemmed from Canadian reluctance to complicate our relations with the United States or the countries of Latin America where their views might be in conflict. While that was a factor that might have carried some weight in our consideration of the issue, I do not think it was at any time the decisive factor. We recognized that Latin America was not monolithic in its views, that a diversity of political, social and economic models was, in fact, emerging in Latin America and that, in this much more articulated context, the character of the OAS was also changing. We wanted to observe this evolution at closer quarters to see how it might affect Canadian interests.

A more important factor, I believe, was represented by the collective-security provisions of the OAS charter and the closely related articles of the Rio Treaty. In particular, it might have been difficult to muster public support in Canada for an arrangement under which constraints could be placed on Canada's freedom to conduct its foreign policy in accordance with what Canadians see as their national interest. We are, of course, members of a number of organizations in which we have agreed to consult on matters of foreign policy. But in none of these, with the sole exception of the Security Council of the United Nations, is there provision for taking decisions by majority vote -- decisions which become binding on member states whether or not they have explicitly subscribed to them. At a time when Canadians look to the Government to pursue a foreign policy that will be seen to reflect Canadian perceptions and Canadian aims, it would have been difficult for the Canadian Government to accept commitments in the OAS that would be seen by many Canadians to run counter to this trend.

Canadian membership in the OAS is not, however, foreclosed. We hope, from the vantage-point of permanent observership, to gain a better view of the workings of the OAS. We are also following closely the shift in the direction of OAS activities that commenced with the Act of Bogota in 1960 and that culminated in the adoption of the Protocol of Buenos Aires in 1967. The new emphasis the OAS is placing on raising living standards, on ensuring social justice, on achieving economic development and on promoting educational, scientific and cultural advancement is in line with Canadian priorities and represents a promising focus for fuller Canadian participation in the affairs of the hemisphere.

It is this same line of reasoning that prompted Canada, in May of this year, to become a member of the Inter-American Development Bank. This was not, of course, the beginning of our association with the Bank. Since 1964 we had, in fact, found it convenient to use the Bank as a channel for Canadian development assistance to Latin America. At the time of the foreign policy review no substantial modification of this arrangement was contemplated. A decision on full membership was explicitly set aside because of the relatively high proportion of Canada's total development-assistance budget that membership was expected to absorb.

In the event, we decided to move beyond the policy foreshadowed in the foreign policy review. We did so because it seemed to us that it would not be compatible with Canada's reshaped policy towards Latin America to remain detached from the institution that, perhaps more than any other, is identified by Latin Americans with their hopes for a brighter economic future. I am glad to say that our Latin American friends understood Canada's accession to membership in the Bank in precisely that spirit. They welcomed the increased funds Canadian membership will mobilize for Latin American development. They also welcomed the fact that the addition of another donor member will help to give the Bank a more distinctively multilateral character. But, above all, they welcomed our accession to the Bank as a real and convincing expression of Canada's commitment to the hemisphere.

We look upon the Bank as the main vehicle of our participation in Latin American development. But we have also instituted a bilateral program of technical assistance for Latin America that will enable us to put Canadian skills and Canadian experience at the disposal of our Latin American partners. These two steps, between them, will involve more than a fourfold increase in the level of our development assistance to Latin America as compared with our assistance to that area before the new policy was brought into effect.

So much for the record of what has been accomplished. But we do not look upon our Latin American policy as something static. We intend to push forward on the course that has now been laid out. In particular, we hope to be able to enhance our participation in the inter-American institutions of which we are members. We also hope to associate the Canadian provincial governments and Canadian institutions and organizations of various kinds more closely with the functional activities of the inter-American system that are of direct interest to them.

On the bilateral plane, we made a very promising start in strengthening relations with Mexico at the ministerial meeting that was held here in Ottawa almost exactly a year ago today. We are pursuing the many avenues of closer co-operation that were opened up by that meeting -- cultural, commercial and technical. We shall be concerned in the months to come to extend that pattern of co-operation to other countries of the hemisphere. We shall be holding a meeting of our Latin American heads of mission in Brasilia next month to review progress and to identify new directions for carrying forward our Latin American policy.

No policy ultimately stands much of a chance of being viable that is not backed by public opinion. That is why we have looked to organizations like the Canadian Association for Latin America to help us bring home to Canadians the value of the closer partnership with Latin America at which we are aiming. That is why we have been meeting periodically with your executive to make sure that we were moving in parallel and not at cross purposes. That is also why the Canadian Government has now formally agreed with the CALA to support it in the efforts it is launching to acquaint the Canadian business community and others with the new opportunities that are being opened up by closer Canadian involvement in the hemisphere.

If any evidence of the Association's pioneering work were needed, we need look no further than this conference. The aim of the conference -- to identify what Latin Americans seek from Canada and what Canadians can offer to Latin America, to define the principles that should guide our partnership, and to create a basis for better understanding -- is a promising pointer to the future. It will be for decision-makers at every level in Canada to try to translate the conclusions of the conference into concrete results.