Foreign Policy as a National Asset

The Right Honourable Joe Clark

(Check Against Delivery)

I COMMEND THE CONFERENCE ORGANIZERS FOR FOCUSING ATTENTION ON THE RISE OF THESE FOUR “DOMINANT EMERGING POWERS”. THEIR EMERGENCE CONSTITUTES ONE OF SEVERAL SIGNIFICANT CHANGES IN THE WORLD. WHAT I WANT TO DEAL WITH TODAY IS THE RELATED, AND EQUALLY PRACTICAL, TOPIC OF CANADA’S DECLINING CAPACITY TO ADDRESS THESE AND OTHER INTERNATIONAL ISSUES, AND WHAT WE MIGHT DO ABOUT IT.

THAT DECLINE IN OUR CAPACITY DIDN’T HAPPEN SUDDENLY, AND MUCH OF IT IS DUE TO DEVELOPMENTS BEYOND OUR BORDERS. FOR EXAMPLE, WHEN CANADA AND ITALY BECAME MEMBERS OF THE G-7, THE BRIC AND OTHER COUNTRIES WERE NOT CONSIDERED PART OF THE COMPETITION. NOW, EMPHATICALLY, THEY ARE.
HOWEVER, THAT NATURAL DISPLACEMENT, AS OTHER NATIONS FIND THEIR STRENGTH, IS AGGRAVATED BY DECLINING BUDGETS FOR DIPLOMACY AND DEVELOPMENT IN CANADA, AND BY THE RELATIVE ABSENCE OF THE PRESENT GOVERNMENT FROM THE INTERNATIONAL STAGE ON WHICH CANADA HAD PLAYED AN INFLUENTIAL AND INNOVATIVE ROLE.

IT IS WORTH NOTING SOME SPENDING PATTERNS.

THERE ARE THREE DEPARTMENTS IN THE GOVERNMENT OF CANADA WITH EXPLICIT INTERNATIONAL VOCATIONS – RANKED ACCORDING TO THE GOVERNMENT’S PUBLISHED SPENDING REPORTS FOR 2008-09. THEY ARE: NATIONAL DEFENCE, WHICH ACCOUNTS FOR 8.29% OF FEDERAL PROGRAM SPENDING; CIDA, WHICH ACCOUNTS FOR 1.39%, LARGELY BECAUSE OF G-8 COMMITMENTS MADE BY PREVIOUS GOVERNMENTS; AND FOREIGN AFFAIRS AND INTERNATIONAL TRADE, WHICH CURRENTLY ACCOUNTS FOR 1.0% OF FEDERAL PROGRAM SPENDING.
HERE ARE THE SPENDING TRENDS. COMPARED WITH 2007-2008, THE D.N.D. BUDGET INCREASED BY CLOSE TO 8.4%; CIDA’S INCREASED BY 0.68%; DFAIT DROPPED BY 17.96%. DFAIT ESTIMATES THAT THIS DECLINE WILL CONTINUE FOR AT LEAST THE NEXT TWO YEARS AND THAT, BY 2010-2011, ITS BUDGET WILL DECREASE BY ANOTHER 13.38%. IN REAL TERMS, THIS WOULD MEAN A LOSS OF $700 MILLION IN JUST OVER THREE YEARS, FROM A BUDGET THAT IS NOW APPROXIMATELY $2.4 BILLION.

TO THE HARPER GOVERNMENT’S CREDIT, CANADA IS NOW INCREASING ITS DEFENCE SPENDING. FOR TOO LONG, WE HAD LET OTHER COUNTRIES CARRY AN INCREASING SHARE OF OUR DEFENCE BURDEN. BUT OUR DIPLOMATIC AND DEVELOPMENT RESOURCES ARE BEING RUN DOWN NOW AS STEADILY AND CERTAINLY AS OUR DEFENCE RESOURCES WERE RUN DOWN IN EARLIER DECADES.
Why the double standard? Why are we more prepared to accept our share of the military burden than we are of the diplomatic and development burdens?

It is worth asking: why the double standard? Why is Canada more prepared to accept our share of the military burden than we are of the diplomatic and development burdens?

Obviously, we shouldn’t exaggerate Canada’s traditional role in the world. But the risk -- in Canada -- is not exaggeration, it is neglect.

It is both healthy and honest for this country to recognize that our past international contribution has been constructive and significant. From the design and nurturing of the multilateral system, to the partnership of developed and developing countries from the Colombo plan to the campaign against apartheid to the creation of La Francophonie, from the opening of trade and diplomatic relations with China, to peace-keeping and the Land Mines Treaty -- and on and on -- we have been a poster child of “punching above our weight”.

That was the case with Liberal as with progressive Conservative Governments. More than that, it has been a national characteristic, manifest in the international engagement of our teachers and churches and NGOs, and sometimes by our banks and businesses. Barbara Ward was not mistaken in calling Canada “the first international country”.

I don’t intend to re-animate a “hard power”/“soft power” debate. We have, and we need, both capacities. But as the world changes, the national assets which help determine events also change. Diplomats, like generals, can’t afford to fight the last war.

We have considered economic policy, and security policy, to be the central instruments in advancing and protecting Canadian interests. No doubt they are critical instruments, but the importance of Canada’s other international attributes may be increasing, just as we turn away from them.

This is a world of Brics, and Greenpeace, and the Gates Foundation, and remittances, and NGOs, and conflicts flowing from Culture and Faith. What assets are relevant in that world, and where does Canada have natural advantages?
GOLDMAN SACHS HAS PUBLISHED A CAREFUL PROJECTION OF THE CHANGES IN WORLD ECONOMIC STANDING, BY 2050.
LOOK WHERE CANADA WILL BE, IN 2050. WE WILL BE A RESPECTABLE ECONOMY – A LITTLE SMALLER THAN VIETNAM, A LITTLE LARGER THAN THE PHILIPPINES.

SO – IN THIS WORLD OF SHIFTING POWER – HOW LONG WOULD CANADA HAVE A PLACE AT THE TABLE OF A G-8 SUMMIT? WOULD WE MAKE THE CUT OF A G-20? IN OTHER WORDS, WOULD WE KEEP OUR SEAT IN THE INNER CIRCLE OF COUNTRIES WHICH DEFINE INTERNATIONAL TRADE AND MILITARY AND DIPLOMATIC AND DEVELOPMENT POLICY?

NOT IF WE FOCUS NARROWLY ON TRADE AND ECONOMIC POLICY, OR DEFINE OUR INTERNATIONAL PROFILE BY MILITARY PRESENCE. BUT THE ODDS ARE THAT WE COULD INCREASE OUR INFLUENCE AS A COUNTRY WERE WE TO RENEW OUR TRUSTED, ACTIVIST DIPLOMATIC AND DEVELOPMENT CREDENTIALS, AND DEPLOY OUR OTHER ASSETS.

FOR ALL OUR GROWTH AND INNOVATION, CANADA CAN HAVE RELATIVELY MORE INFLUENCE IN POLITICS AND DIPLOMACY THAN WE DO IN TRADE AND ECONOMICS.

ECONOMIC POWER REFLECTS SIZE; DIPLOMACY DEPENDS MORE ON IMAGINATION, AND AGILITY, AND REPUTATION. CANADA’S POLITICAL STRENGTHS HAVE MORE CURRENCY AGAIN, IF WE CHOOSE TO USE THEM.

FROM SOME PERSPECTIVES, FOREIGN POLICY IS JUST ANOTHER NECESSARY FUNCTION OF THE STATE – SELF-RESPECTING COUNTRIES NEED A POLICE FORCE, A TAX POLICY, A FOREIGN POLICY, A DEFENCE POLICY. IN THAT VIEW, FOREIGN POLICY IS A FUNCTION, NOT AN ATTRIBUTE – AND SOME OF THE TRADITIONAL “FOREIGN POLICY” FUNCTIONS ARE LESS RELEVANT IN THIS HIGHLY-CONNECTED, MOBILE WORLD.

BUT, IF BARBARA WARD WAS RIGHT, IF CANADIAN TRAVELLERS AND BUSINESSES WHO STITCH ON THE MAPLE LEAF ARE RIGHT, IF WE HAVE SOMETHING DISTINCTIVE TO OFFER, WE SHOULD TREAT CANADA’S “INTERNATIONAL VOCATION” AS AN ASSET – AS WE TREAT OUR ENERGY RESOURCES, OUR LITERACY AND INGENUITY, OUR DIVERSITY AS AN ASSET.
TWENTY YEARS AGO, THE END OF THE COLD WAR CHANGED THE FUNDAMENTAL DYNAMICS OF FOREIGN POLICY IN WESTERN COUNTRIES. THE PRIORITY BECAME TRADE AND ECONOMIC GROWTH. GOVERNMENTS CHOSE TO BELIEVE THAT TRADE WOULD COMBAT POVERTY, THAT MARKET MODELS WOULD RELEASE ENERGIES WHICH WERE INHERENTLY DEMOCRATIC, AND THAT MILITARY FORCE WOULD CONTAIN LOCAL CHALLENGES AND DISORDERS.

THE TWIN FAILURES OF THE MILITARY INTERVENTION IN IRAQ, AND THE COLLAPSE OF THE FINANCIAL SYSTEM, DEMONSTRATE THE LIMITATIONS OF THAT FAITH.

AT THE SAME TIME, THERE IS A SHIFTING OF POWER -- ECONOMIC, CULTURAL, POLITICAL, EVEN MILITARY. FAREED ZAKHARIA ARGUES THIS IS NOT ABOUT ANYONE’S DECLINE – BUT RATHER THE RISE AND ASSERTION OF NEW FORCES. CALL IT A “POST-AMERICAN WORLD”, CALL IT A BRIC WORLD, THIS IS A NEW SITUATION, IN WHICH CANADA NEEDS TO EVALUATE OUR ASSUMPTIONS AND CAPACITIES.

LET ME REFER BACK TO AN EARLIER ERA, A SUCCESSFUL ERA FOR CANADA, THE 1980S AND EARLY 90S, SOME OF WHOSE LESSONS MIGHT GUIDE THAT EVALUATION.

CANADA WAS EFFECTIVE INTERNATIONALLY BECAUSE WE PURSUED TWO PRIORITIES AT THE SAME TIME. WE WORKED HARD ON OUR FRIENDSHIP WITH THE UNITED STATES AND THE REST OF THE RICH WORLD. AND WE WORKED HARD ON AN INDEPENDENT AND INNOVATIVE ROLE IN THE WIDER WORLD. THOSE ARE NOT OPPOSITE POSITIONS. THEY ARE THE TWO SIDES OF THE CANADIAN COIN.
Two Sides of the Canadian Coin

Our access to Washington adds real clout to the standing which we earn by our actions in other countries, because we are thought to be able to influence our powerful neighbour. And our reputation in the developing world, and in the multilateral community, has traditionally been an asset to our neighbour. Often, where the U.S. might generate envy or fear, Canada has built partnerships and trust, and earned respect. We are the different North America.

Yet we are devaluing that significant difference now, concentrating too much on Canada’s continental interests, and not enough on our international currency. I am not raising the question: why are we so close to the U.S.A., but rather the question: why are we not working harder on our advantages – and our interests -- in the wider world?

Our moderate reputation, our diversity, our skills are more relevant, in a world of multiple powers, in which the relative weight of economic and military power is declining. As the world’s religious and cultural and economic divides grow deeper, the critical international skills – now and for the foreseeable future – include prominently the ability to draw differences together, to manage diversity, to generate trust – the traditional and genuine signature qualities of Canada.

Let’s review a little list of some Canadian attributes which might be considerable assets in this emerging world.
Demographic Changes are Evident

• Between 1996 and 2001 45.5% of new Canadians came from Asia
  ◦ 14.8% came from Europe
  ◦ Of the immigrants from Asia, 94% settled in urban areas
• 50% of Canadians now live in Calgary, Montreal, Toronto and Vancouver

ONE. DIVERSITY AT HOME.

WE HAVE MORE CAPACITY THAN MOST OF THE DEVELOPED WORLD TO BUILD AND ENLARGE RELATIONS WITH THE CULTURES AND SOCIETIES WHOSE GLOBAL INFLUENCE IS ON THE RISE. FOR ONE THING, SO MANY OF THOSE CULTURES ARE DYNAMIC PARTS OF OUR OWN IDENTITY – SOUTH ASIANS, OVERSEAS CHINESE, DYNAMIC AFRICAN AND CARIBBEAN DIASPORAS, A DISPROPORTIONATELY HIGH AND INNOVATIVE REFUGEE POPULATION.

BUT, AS IMPORTANTLY, THOSE CITIZENS ARE TREATED WITH RESPECT, AND NOW GUARANTEED EQUALITY BEFORE THE LAW, IN THIS OPEN, IMMIGRANT NATION WHOSE TRADITION OF DIVERSITY IS SO DEEP THAT IT PRE-DATES OUR CONFEDERATION ITSELF.

TWO. OUR ABILITY TO BRIDGE DIFFERENCES.

WE HAVE EARNED RESPECT AS A PARTNER IN THE DEVELOPING WORLD AND GENERALLY CARRY THE ADVANTAGE OF NOT BEING SEEN AS SEEKING TO IMPOSE OUR VIEWS AND VALUES ON OTHER COUNTRIES. WE ARE THE ONLY MEMBER IN THE G-8 WHICH CARRIES NEITHER AN IMPERIAL NOR A COLONIAL TAIN T AND, IN THAT AND OTHER FORA, HAVE BEEN A NATURAL AND PRACTICED BRIDGE BETWEEN THE RICHER WORLD AND THE POORER.

THREE. THE DIFFERENT NORTH AMERICA.

THE WORLD STILL REVIVES THE AMERICAN IDEAL OF EQUAL OPPORTUNITY, EVEN IF IT IS BRUISED OR DISAPPOINTED BY WHAT U.S. POLICY HAS ACTUALLY BEEN IN PRACTICE. CANADA IS CLOSEST TO THAT DEMOCRATIC REPUTATION WHICH IS SO ADMIRE ABOUT THE UNITED STATES, AND WE ARE NOT YET SUBJECT TO THE NEGATIVE STEREOTYPES. WE ARE THE OTHER NORTH AMERICA, AND WE NEED TO EMPHASISE THAT DISTINCTION.
FOUR. OUR MULTILATERAL INSTINCT.

FOR MORE THAN HALF A CENTURY, CANADA HAS PROMOTED A MULTILATERAL SYSTEM PRECISELY BECAUSE NATIONS OUR SIZE WERE NOT BIG ENOUGH TO PROTECT OURSELVES ALONE. WE HAVE A PROFOUND INTEREST IN A WORLD THAT WORKS — SARS STRIKES HERE, REFUGEES COME HERE, POLLUTANTS POLLUTE HERE, AND CLOSE RELATIVES OF CANADIANS DIE IN VIRTUALLY EVERY CONFLICT IN THE WORLD.

OUR NATIONAL INTEREST HAS ALWAYS INCLUDED INTERNATIONAL CO-OPERATION — NOT IN ANY AIRY-FAIRY WAY, BUT AS THE PRACTICAL CENTREPIECE OF OUR TRADE POLICY, THROUGH THE GATT AND WTO, OUR SECURITY POLICY, THROUGH NATO AND OTHER ALLIANCES, AND OUR SUPPORT FOR INTERNATIONAL STANDARDS AND AGREEMENTS IN HEALTH, HUMAN RIGHTS, THE ENVIRONMENT AND OTHER FIELDS. THIS ISN’T A POSTURE — IT IS A CANADIAN CHARACTERISTIC, AS REAL AS WINTER.
In 2008, remittances totaled $375 billion involving some 200 million migrants – or 3% of the of the world population

FIVE. OUR ABILITY TO WORK WITH NON-STATE ACTORS.

INTERNATIONAL AFFAIRS HAVE BEEN TRANSFORMED BY NEW PHENOMENA – THE EMERGENCE OF POWERFUL AND FOCUSED FOUNDATIONS, THE GROWING ROLE OF NGOs; THE NEW COMMITMENT, FOR WHATEVER REASONS, TO CORPORATE RESPONSIBILITY; THE ROLE OF REMITTANCES.

THE WORLD BANK ESTIMATES THAT, IN 2008, REMITTANCES TOTALLED $375 BILLION, MOST OF IT GOING TO DEVELOPING COUNTRIES, INVOLVING SOME 200 MILLION MIGRANTS -- OR 3.0% OF WORLD POPULATION. THOSE ARE BIG FIGURES.

YET, FOR ALL THESE PRIVATE OR NON-GOVERNMENT INITIATIVES, THIS IS STILL AN INSTITUTIONAL WORLD. SOVEREIGN STATES STILL MAKE THE CRITICAL DECISIONS – TO CUT OR INCREASE BUDGETS, RESPECT OR BREAK TREATIES, SEND OR WITHDRAW TROOPS, PAY OR WITHHOLD THEIR MEMBERSHIP CONTRIBUTIONS, CONFRONT OR IGNORE CRISIS.
NGOs and Institutions - Marrying Imagination and Authority

“So the challenge and opportunity now is to marry mandate with imagination – combine the creativity of these independent forces with the capacity-to-act of institutions...partnerships are what happened in the fight against apartheid, the signing of the landmines treaty, in the Kimberley process to stop the trade in blood diamonds, and in a wide range of less-publicized initiatives...”

SO THE CHALLENGE AND OPPORTUNITY NOW IS TO MARRY MANDATE WITH IMAGINATION -- COMBINE THE CREATIVITY OF THESE INDEPENDENT FORCES WITH THE CAPACITY-TO-ACT OF INSTITUTIONS. WHO COULD DO THAT BETTER THAN CANADA? THOSE PARTNERSHIPS ARE WHAT HAPPENED IN THE FIGHT AGAINST APARTHEID, IN THE NEGOTIATION OF THE LAND MINES TREATY, IN THE KIMBERLEY PROCESS TO STOP THE TRADE IN BLOOD DIAMONDS, AND IN A WIDE RANGE OF LESS-PUBLICIZED INITIATIVES.
Five Assets

1. Diversity at Home
2. Ability to Bridge Differences
3. The Different North America
4. Multilateral Instinct
5. Work with Non-State Actors

Most of you came to public service, or to the academic world, to practice or study foreign policy. I didn’t, and my perspective is tinged by two pre-occupations which are political – first, my interest in the impact of foreign policy on the identity, and thus the unity, of the country; and second, my sense that the natural constituency for foreign policy is small, and needs constantly to be nurtured.

First, the nurturing.

After the 1988 election, some of you joined me for a discussion of the priorities which the then Department of External Affairs should follow in the next four years. That meeting was, not coincidentally, in my constituency, in Jasper. At a reception for the public, Derek Burney, being diplomatic, said to one of my constituents: “You must be proud to have the Foreign Minister as your member of Parliament”. To which the response was: “We’d be a lot better off if he were the Minister of Public Works”.

On the other hand, Canadians have generally supported international leadership by their country, when that was offered. Sometimes that has been passive support – sometimes, in my experience, intensely active and personal, as in the cases of the “boat people”, thirty years ago, or the response to famine in Ethiopia. Those instincts need nurturing.

Second, identity and purpose.
Canada Has Always Been an Act of Will

Canada has always been an act of will. We didn’t come together naturally. We haven’t stayed together easily. Confederation was an act of will. So were Medicare, Equalization, the Charter of Rights, Free Trade. One reality of our country is that we have to keep proving our worth to our parts.

We are a wealthy, lucky country, increasingly self-absorbed. It is easy to take our good fortune for granted, or to see ourselves principally as British Columbians, or Quebecers, or environmentalists, or simply taxpayers, and thus to become smaller than our whole.

So we need to look to issues and aspirations which reach across the lines and aspirations which might otherwise set Canadians apart, and to characteristics which distinguish us, legitimately, from comparable societies. Foreign policy is that kind of issue. Our sense of “international vocation” has helped define and reinforce Canadian identity since the end of the First World War. It is an asset — with a double value. It could strengthen us at home — and now, in an era when the mediation and management of diversity are such critical components of international affairs, it could have an important impact on the world.
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