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Shaping the Future – Remarks by the Right Honourable Joe Clark PC CC to the Boston Alumni of McGill University, Boston, Massachusetts, USA, September 19, 2007

Let me summarize the case I want to make tonight.

- The capacity to define the future is shifting gradually away from the traditional “Western” societies.
- The developing world is becoming increasingly important in international affairs. That is where poverty and inequality are most prevalent, violence most contagious, health pandemics most likely to arise, natural resources most likely to exist.
- And that is where new markets are most likely to be found.
- Canada enjoys natural advantages in the developing world which far outweigh our GDP and our current role. We combine a membership in the G-8 with a reputation that is free of imperial or colonial taint.
- McGill’s name has remarkable resonance in the world, and members of McGill's faculty are engaged in significant projects in Africa, Asia, Latin America and the Caribbean. The Centre for Developing Area Studies is seeking to bring more coherence and attention to that existing role, and to expand it.

Now, why is an increased Canadian engagement in the developing world important? Let me just offer four reasons, of many.

Our planet is deeply-troubled and highly-connected. However strong our homeland security, the real protection lies in addressing the sources of conflict – poverty, anger, the growing inequality between the rich and the dispossessed. Canada has a capacity and a duty to address some of those basic problems.

Then there is a Canadian reason. One of the historic functions of Canadian foreign policy has been to draw together Canadians who are otherwise divided or disinterested. It can be an instrument of Canadian purpose.

There is a market reason. An active foreign policy builds a Canadian reputation for engagement that is simply good for Canadian business. Ours is a good flag to fly, particularly in the developing world.

Finally, shaping the future. In any era, there is a place which sets the pace, triggers the innovations, inspires the styles which mark the age. For a long time, the USA has been that place – and before that Europe. The new creative places are in the developing world, and we Canadians have unusual access to that energy and synergy.

Let me state a Canadian principle. When Canada has been most effective internationally, it has been because we pursued two priorities at the same time. We worked hard at our friendship with the United States. 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, and both must be given attention, or we will debase our currency.

Our access to Washington can add real clout to the standing which we earn by our actions in other countries, because we are thought to be able to influence the super-power. By the same token, our reputation in the developing world, and in the multilateral community, is often an asset to our neighbour. In parts of the world where the USA might generate envy or fear, Canada has built partnerships and trust, and earned respect.

Mr. Harper's government is using only one half of the Canadian coin. More exclusively than ever before, Canada-US relations have become the dominant international priority. That shapes our role in Afghanistan, and the recent welcome initiative in the Americas.

The Mulroney government – in which I was Foreign Minister for six-and-one-half years – worked closely with the United States, and achieved major breakthroughs, most notably on free trade and acid rain.

At the same time, we disagreed sharply on other contentions issues:

- Cuba;
- The way to fight apartheid;
- Nicaragua and the authority of the World Court;
- The Palestinian right to self-determination;
- The Strategic Defence Initiative, to so-called “Star Wars”, in which President Reagan believed avidly, and to which Prime Minister Mulroney said: “No, thank you. The Government of Canada will not take part”.

Our reason for being active in the wider world was the objective importance of what Canada was doing – in Africa, in Central America, in multilateral agencies, in Official Development Assistance. But a consequence was that we had cards to play in Washington.

That wasn't a Progressive Conservative innovation. That's how the Trudeau government persuaded the Economic Summit to let Canada become a member of what was then the G-7. That's how Lester Pearson and General E. L. M. Burns persuaded the United Nations to invent peace-keeping. We used both sides of the Canadian coin.

That's a lesson from the past. Now, let's look to the future.

We are witnessing gradual, global shift in power. In December, Professor Victor Bulmer-Thomas, then of Chatham House, predicted there would be five potential mega-powers in 2020: the USA, the European Union, the Russian Federation, India, and China. He judges that "the United States will still deserve to be described as a mega-power in 2020", in part because "the global institutions and rules that prevail will still carry a large US imprint."

China will be well on the way to achieving a status at least equal to the USA – in economic, political and military power including in space, and as what Bulmer-Thomas calls a "...considerable cultural attraction ... strongest in the Asia-Pacific region, where language, family and ethnic ties give China a huge advantage."

Those global shifts have immediate implications. What we call globalization began with powerful Western economics reaching outward, and changing the way business is done, and life is seen, in the rest of the world. The process is largely one-way, our way. Now, the shaping influences are more diverse.

You see that in stalled trade negotiations. You see it in the more skeptical view of privatization in many developing countries, and a growing interest in finding new ways for the state to advance community interests. Jose-Miguel Insulza, the Secretary-General of the Organization of American States, noted in Montreal just this month that, in Latin America "the state is back" – not as the clumsy and controlling entity whose excesses spurred privatization, but as some guarantee that the interests being served in resource development include the national interest of the country involved.

You find that post-globalization idea in nearly-revolutionary new ways of thinking about business. Consider, for example, Muhammad Yunis of Bangladesh who won the Nobel Prize this year, for his Grameen Bank's barrier-breaking work on micro-credit. It is the instrument by which the near-destitute become productive entrepreneurs.

In the same vein, consider Professor P. K. Prahalad and his book entitled "The Fortune at the Bottom of the Pyramid", drawing upon the experience of the desperately poor in rural India. Prahalad's hypotheses are two.

First hypothesis: there is extraordinary ingenuity among the poorest of our world – when they are given the opportunity to improve their condition. They respond to initiative at least as quickly as someone with a BMW and an MBA.

Second hypothesis: the more than four billion people who now earn less than \$2 a year constitute an immense potential market, if we can marry their ingenuity with our own.

Dr. Prahalad argues that, in the developed world, the capacity to consume is reaching its limits. The real opportunity is to create new consumers among the recently poor and destitute – that is where the market opportunities lie.

Some companies are taking that quite seriously – and are finding unconventional partners. For example, in any debate about globalization, conventional wisdom would put Unilever and Oxfam on starkly opposite sides. Yet the two organizations co-operated extremely closely in jointly identifying the impact of Unilever on the lives of people who are poor in Indonesia. Both adversaries opened their books, completely, to the other. Unilever discovered business opportunities in Indonesia which it had never contemplated before.

Such intimate co-operation between a company and an NGO is still the exception – but it marks a major change in the thinking of a significant corporation, and reflects the growing range of actors and factors which now influence how business behaves.

Globalization now comes with rules. Common standards are being promulgated and accepted – on health, the environment, the way business is conducted. The choice now is not whether to have rule or not – but whether they will be set in an atmosphere of partnership or of conflict.

In addition, there is a growing impact of public attitudes on private actions, by consumers, by interest groups, by media, by voters. Greenpeace is one obvious example. Transparency International is another. So are the growth of international pressure about the response to HIV/AIDS, and the consumer boycotts which have changed the practice of countless corporations, and governments.

In this age of globalized, mobilized public opinion, both government and business work in a context that is both more public and more demanding. There is more relentless scrutiny. There are tougher standards. When trust is broken, by business or by political leaders, there are consequences.

These developments hold some very interesting opportunities for Canada. We have a double advantage in the world that is taking shape. We are a developed and modern economy, and we have been an independent and respected country, often a bridge between the developing and developing worlds.

I use the analogy of the bridge deliberately. The traffic on the best bridges goes both ways. The Western developed world has to modify the mindset that the only traffic will be from us to others. That assumption has set the pattern since the Second World War – from the Marshall Plan in Europe, the aggressive promotion of market-based globalization, to the attempt to transplant Western models of democracy in the Middle East. Without judging what worked and what didn't, in specific cases, it is clear that assumption won't prevail in a world of multiple mega-powers and melting glaciers.

The developed world has to be much more modest about our own models, and much more open to the traffic coming towards us. That will be harder for developed countries whose reflexes or reputation are still colonial, or who have been the place where the world assumed the buck would stop. It could be a more natural role for Canada.

Our success in managing diversity is a Canadian asset. We have always been an immigrant nation – open, connected to the world, noted for our respect of differences. Those demographic changes are occurring more rapidly in Canada than they are elsewhere. In 2001-2002, both Canada and the USA asked a national census question – in effect: “were you born in this country?” In the USA, the “foreign-born” comprised 11.1 per cent of the total population. In Canada, the “foreign-born” comprised 18 per cent of the total. There would be some under-reporting in the USA because of controversy over illegal aliens, but that is a substantial difference which affects both the culture and, in this context, the capacity to advance a credible model of making international diversity work.

The BBC recently released an international survey, by Globescan, which listed twelve countries and asked a broadly-based sample of 28,000 respondents if each of those countries had a “mostly positive or mostly negative impact in the world.” The best ratings in the poll went to Canada – 14% negative, 54% positive. The figures for the USA, by contrast, were 18% positive, and 51% negative. That isn’t a contest result. It is a description of an asset. The question is: what will we do with that asset?

There are certain core functions which a nation’s foreign policy must address – our security, our ordinary relations with our neighbours, our multilateral obligations – the United Nations, NATO, the WTO, our service to citizens abroad. That is maintenance-level foreign policy – it keeps a country in the game.

But what has distinguished Canadian policy is when we move from the necessary to the innovative. That is where our reputation has been won.

For sixty years, under Liberal and Progressive Conservative governments, Canada played above our weight in international affairs. We were active at the creation of the international trading system, the United Nations, NATO, the Colombo Plan of Commonwealth scholarships and co-operation. So a characteristic of Canada – part of our definition – has been as a country of international initiative. It is a long, proud, bipartisan list:

- Suez and the invention of peace-keeping;
- The explicit establishment of an international development agency, first by the Diefenbaker government, later as CIDA;
- The Diefenbaker decision to maintain relations with Cuba, and to sell wheat to China;
- The Trudeau decision to establish formal diplomatic recognition of China;
- An active defence of human rights from the response to the Vietnamese “boat people”, through the fight against apartheid, to the steady encouragement of women in development;
- Effective, often brilliant, leadership in building the multilateral trading system, shaping the law of the sea, and the Rio Conference on the environment.

So, where are we now? How is Canada applying that sixty-year tradition of active internationalism?

Our citizens are as active as ever – church groups, non-governmental organizations, businesses serious about their social responsibility, Canadian diaspora communities helping their countries of origin.

But, in terms of official policy, we are essentially prominent in three places – in Washington, in Haiti and in Afghanistan. The Prime Minister has announced a priority for the Americas, and we will simply have to see what that means. But we are quiet in the multilateral fora which we once animated. We are increasingly absent from Africa, the continent where we can make the most difference. Our Development Assistance is diverted increasingly to conflict zones, away from the work which might prevent conflict. We have become invisible on an international stage where Canada had been a consistent and constructive presence for more than half a century.

Jean Chretien was my immediate predecessor as Foreign Minister. Just days after I was sworn in, he said: “One of the things Joe Clark and I have in common is that neither one of us knows anything about international affairs”. Now, Mr. Chretien can speak for himself

But what he might have said is that we both came to Parliament as domestic politicians. What drew me to public life was not international policy, but national – and, more particularly, national unity and identity. Part of what interests me about effective foreign policy is that it is an instrument of Canadian identity. What we do in the world helps define who we are at home, and vice versa.

A classical student of international relations might design Canadian foreign policy by looking at the world’s needs, and asking how they might be met by Canada. I begin by looking at Canada’s strengths and how they might apply in the world.

So let us match strength and circumstances. Let’s identify issues which are, first, becoming more prominent and, second, require some of the assets in which Canada is strong. In practical terms, what might Canada do that needs doing? Again, let me suggest only three possibilities, among many.

First, emphasise our mediation skills at least as much as our military prowess. We have a proud military tradition, demonstrating the kind of toughness that real conflict requires. But if one lesson is clear from Iraq, it is that military interventions don’t solve cultural problems. Those cultural tensions are growing everywhere in the world, and they need to be addressed before they harden into conflict.

This post-globalization age needs nations able to draw differences together, to form alliances and common ground, to manage diversity, to generate trust. In other words – the traditional signature qualities of Canadian diplomacy will be more pertinent than ever – if we nourish them, and deliberately deploy them.

Second, let us marry two issues which Mr. Harper has declared a priorities – the hemisphere of the Americas, and our capacity to be an “energy superpower”. North and South America have immense and varied energy resources – oil and natural gas, hydro power, nuclear capacity, and alternative energy sources such as wind, biofuels and solar energy. Too often, those resources are used for political purposes, dividing states rather than helping them move forward together.

Canada has world-class credentials in the management and regulation of energy resources, in bridging differences among producer and consumer governments, in environmental protection, working with indigenous communities, promoting “social value” dealing with complex international issues. Often, in the past, the USA has been able to lead the hemisphere in responding to new opportunities, but they are less able to do that today. This is an ideal issue and opportunity for Canada to invest both sides of our Canadian coin.

Third, in a developing world where, to quote Secretary-General Insulza, “the state is (coming) back”. Why not build on one of the real distinctions between the two North American members of the G-8 Summit? Canada understands the positive role the state can play. We depended upon public investment to provide the original central services of rail and air transport, power generation, and public broadcasting, so co-operation between the private and the public sectors is rooted naturally in Canada. A sense of social responsibility is part of our national history. It is who we are – in more than just our social safety net and our tradition of diversity.

That includes the private sector. Many of our international companies have experience at home negotiating fairly with indigenous people, and taking account of both cultural diversity and environmental imperatives. Why not a deliberate plan to advance “corporate social responsibility” as a Canadian brand, in the way that, in an earlier age, multilateralism and peace-keeping became powerful public symbols of and for Canadians?

These are only three potential initiatives – there are many more – which would help Canada take advantage of an international circumstance that is full of opportunity. This is a time when the world is turning our way – and we should not back away.