

*The Simon Reisman Lecture
in International Trade Policy*

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**FOREIGN POLICY:
MORE COHERENCE, LESS PRETENCE**

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I am honoured to have been invited to give this year's Simon Reisman lecture. You may detect from what I will say a slight tinge of Reisman in my remarks. Simon is a man I admire for his clear vision, his pugnacious conviction and his unparalleled ability to negotiate – all of which have served Canada with distinction. His talents are in short supply in Ottawa these days, but are ones that are as necessary now as they were when he was in the public service. I also want to thank Michael Hart, who currently holds the Simon Reisman Chair at Carleton University, for inviting me to pinch-hit for him this year at the Norman Paterson School of International Affairs.

I want to address our government's most recent effort to define Canada's foreign policy and, in Reisman spirit, offer some prescriptions of my own. Given my brief experience in the world of academe, this will, I caution you, be longer on opinion than analysis but, if it provokes some debate, it will be worthwhile. (Initially, I had planned to respond to the government's International Policy Review but, after many delays, this remains a work in progress.)

No country has reviewed, pondered and consulted about its foreign policy more often, and more openly, than Canada. That in itself should be a message for caution to anyone contemplating a prescription. What it really suggests is that there is an undercurrent of self-doubt in Canada about our role and place in the world; also, a lack of leadership in articulating and implementing policies and programmes that actually serve Canadian

interests and reflect Canadian capabilities. We seem to prefer a role in world affairs that is long on good intentions but short on substance, confusing activity or attendance with results and photo-opportunities with achievement; putting process above purpose and being more concerned about how we are perceived rather than by what we actually do.

These perpetual consultations and reviews are, in a sense, an abdication of responsibility. The purpose of government is to lead, not follow, public opinion. We have a department of highly trained policy specialists whose day job it is to analyze, plan, and advise the government on foreign policy. The task for the Ministers involved and the Prime Minister is to choose, to decide, and to lead on the basis of this advice, and to articulate to Canadians compelling reasons for the courses selected. The world does not stand still allowing Canada to ponder yet again where it stands or where it fits. Choices and decisions are required almost daily as a matter of course and, like it or not, they form a pattern, if not a strategy. The pattern of late is as uncertain as the compass. A government that does not seem to know its way in the world should not be surprised that Canadians at large are uncertain about their place in the world.

My predecessor in Washington, Allan Gotlieb, had some basic advice for the government on this topic. Instead of yet another study, Gotlieb recommended, in effect, "Just do it." There is merit to his advice, but it presumes that we have a government that knows what it wants to do.

I suspect that Simon Reisman would have little patience with the concept of yet another policy review; he had even less patience with the seemingly interminable inter-departmental consultations which became the fashion after Simon left gov-

ernment service but to which his free trade negotiations were subjected. I can remember walking with him on the Sparks Street Mall after a lengthy session in which he had been asked many questions that he obviously thought had not been pertinent to his objective. Simon's frustration was evident as we approached a few Hare Krishna disciples on the Sparks Street Mall. "And what is your view on U.S. countervail?" he bellowed. The Hare Krishna chanters were undoubtedly perplexed but had nothing to contribute. Simon often saw the views of his many inter-departmental colleagues (and some Ministers) as being of similar value.

Nonetheless, Simon had prepared a concise memo to an initially sceptical Prime Minister providing the rationale for a free trade negotiation and that, along with the verdict of the Macdonald Royal Commission and support from some in government, helped get the ball rolling. It was influential and, in fact, landed Simon the job as Chief Negotiator. Among other things it gave him real authority, but it also proved that there is no substitute on policy – foreign or domestic – for good people with good ideas. It also gave Canada a free trade agreement with the United States, securing our prosperity for decades thereafter and underscoring the centrality of trade to our foreign policy.

In 1970, Pierre Trudeau presented a series of booklets entitled "Foreign Policy for Canadians." Not bad as far as they went but there were a few major gaps. No mention of the GATT or multilateral trade negotiations, for instance. Even more strikingly, no analysis or prescription on Canada's relations with the U.S. An oversight? Not really, more likely, a bridge too far or too close or, at any rate, a topic too contentious to merit analysis, let alone prescription. A few years later, in an attempt to close the

gap, Trudeau's Foreign Minister, Mitchell Sharp, volunteered what was called the "Third Option" – in essence a middle course for Canada between "closer" and "farther" ties with the U.S., reminiscent of the old joke – Why does the Canadian chicken cross the road? To get to the middle!

Sharp's Third Option called for Canada to develop "counterweights" to balance its otherwise extensive links to the U.S. For some, it evoked memories of John Diefenbaker's attempts in the late 1950s to divert 15 percent of Canada's trade to the United Kingdom even as the U.K. was turning inwards to the continent and away from preferences for the Commonwealth. Sharp's talk of counterweights had a similarly hollow effect and proved to be more rhetorical than real in terms of achievement. Comforting perhaps to ardent Canadian nationalists at the time but unrealizable in practice. Counterweights only have meaning if you are capable of calibrating real weight in the first place!

What the Third Option and Diefenbaker's 15 percent diversion reflected, however, was what might be called the Canadian conundrum on foreign policy. Having evolved slowly from colony to independence, Canada has tried, over the years, to straddle first the nostalgic pull of Empire and, ultimately, the proximate advantage of the U.S. while, at the same time, painstakingly asserting a course of greater independence. The emphasis has varied depending on the circumstance of the moment.

By way of example, when confronted with a serious balance of payments problem at the end of World War II – a depleting inventory of U.S. dollars – Mackenzie King initiated secret free trade negotiations with the United States. When preliminary negotiations were on the verge of conclusion in 1948, the bal-

ance of payments crisis had abated. King terminated the negotiations, again in secret. Circumstances as they say, alter cases.

Defining Canada's place in the world can be a difficult balancing act particularly when notions of "independence" assume a virtue in themselves. It does not need to be that complicated. After all, the primary objective for Canadian foreign policy should be to ensure a prosperous and safe Canada within a stable, more humane world. The real test of Canadian foreign policy should be its effectiveness in advancing these fundamental objectives. No need for a P.R. spin or Oxonian cadences in order to be intelligible but we could use an injection of realism about what we can and should do in the world. If, instead, we indulge fancifully about bringing our "values" or providing a "model" to the world, we will, I suspect, be confined more permanently to the periphery as a dilettante, not to be taken seriously. The problem with platitudes like that is that they are seen by others as narcissistic or naïve – labels that can be humbling in world councils. But, if we articulate clearly what we will do and why, based on a solid analysis of our interests and our capabilities, we can regain respect and be of some value to the world community.

"Independence" is not a legitimate objective for foreign policy. It is an illusion especially in an increasingly interdependent world. (North Korea enjoys a kind of "independence.") If by "independent" what is really meant is "different from the U.S.," that is a goal easily achieved ... but it is unlikely to meet any tangible measure of effectiveness and may well require major increases in government spending, e.g. on security, to be credible. Similarly, debates about "hard" or "soft" power are essentially irrelevant unless they carry substance or commitment.

If we accept my premise about Canada's fundamental foreign policy objectives, what we really need is greater coherence among the key components or instruments of foreign policy, namely trade, defence or security and development assistance and less pretence about our capability to play an international role. If we establish a clear set of global priorities against our goals, we should ensure that each of these components has the resources needed to contribute in complementary fashion, both in policy and in practice. That is what is least evident today.

You cannot expect greater clarity or effectiveness on foreign policy if the instruments of delivery are diluted – as in the case of security and development assistance or fragmented – as is the case most recently for trade. The bone-headed decision last year to divide International Trade from Foreign Affairs defies rational explanation and is now presumably hamstrung by the vote in parliament. Instead of plowing full steam ahead, the government should use the defeat of its proposed legislation as an opportunity to rethink whatever mysterious purpose it sought to serve – other than individual vanity. Our beleaguered and under-resourced foreign service certainly does not need a prolonged period of organizational infighting and policy paralysis.

Nor will we achieve greater coherence by subcontracting vestiges of foreign policy to the provinces under the "Let's Pretend" euphemism of "asymmetrical federalism." Rather, this demonstrates how 'more' international representation can have 'less' impact for Canada and diminish, if not confuse, Canada's voice in the world. The provinces have more immediate responsibilities closer to home – education and health care come to mind – and should refrain from global indulgences at the expense of over-burdened taxpayers. If we want to squab-

ble about the future of our federation, let us at least confine the debate within our borders.

Rather than diminish, fragment or duplicate Canada's resources for foreign policy, the government should establish clear guidelines and linkages across the network of foreign policy practitioners and increase, selectively, resources dedicated to each major component. Foreign service should be a magnet to attract the best and brightest to public service in Canada and not a trinket or travel agency to serve impulses of the moment.

Whatever structure is used, we need focus – a focus on where our major interests lie and on issues where Canada's resources and ideas can play an effective role. Instead of attempting to be "involved" in all things globally in order to be seen to be "active," we should channel our attention, our analyses, and our resources to those matters that count for Canada and where Canada can make a difference.

Top priority must be given to the manner in which we manage relations with the United States. This would strike non-Canadians as a blinding statement of the obvious and yet it is one that Canadians and Canadian governments often choose to neglect or, most recently, mismanage.

Robert Thompson once famously said that the "Americans are our best friends whether we like it or not" and that sentiment captures much of the Canadian conundrum. Our foreign policy priorities hinge to a great extent on what we choose to do with the U.S. – whether we like it or not. In basic terms we can choose either to harness proximity to our advantage – with all the risks that entails – or we can strive to counter that proximity with "weights," however defined, or with different policy positions that set us squarely at odds with or distance us from the

U.S. The choice is ours to make. But the choice we do make will have implications extending well beyond the bilateral relationship.

History shows that different Canadian leaders have tried one or other approach; some, like Mackenzie King, actually did both. But, any plan for the future must begin with a concerted effort to restore resolve and a mutual level of respect to what is at once our most vital and our most pervasive relationship. Just that statement is certain to arouse suspicion if not outright opposition in some quarters because, simply by acknowledging the priority of relations with the U.S., I risk antagonizing those who would prefer that our inclination and our interests were not closely aligned. Many yearn for the geographic distance of Australia and the policy detachment of, say, France. But foreign policy practitioners must deal with what is real more than what seems to be ideal. The objective must be to serve Canadian interests – primarily prosperity and security, recognizing the extensive economic, social, security and environmental interests we share on this continent with the United States. (Whether we like it or not!)

During his short stint as Canada's Foreign Minister, John Manley called for "a more mature approach to our discussions with the United States." Maturity implies a degree of realism as opposed to knee-jerk reflexes over likes or dislikes at a given moment. Anti-Americanism, whether latent or blatant, may enable us somehow to feel better about ourselves but it is a poor substitute for policy; poorer still on achievement. It also reflects a fuzzy sense of self-importance or moral superiority and leads to foreign policy decisions that are detached from rational analy-

sis of our national interest. (You know exactly what recent decision I have in mind.)

As Michael Ignatieff has observed “the besetting sin of Canadian foreign policy thinking is a kind of airy and empty moral perfectionism that just does not deal with the world we live in.”

To bolster our vital trade relationship, we need to move beyond the “smart border” initiative with the U.S. and use the latest technologies to ease congestion along our border while simultaneously improving systems of security surveillance. The border infrastructure is increasingly out-dated but, with advanced technologies, more harmonization and mutual recognition of standards, an infusion of capital and a dose of common sense, we could streamline procedures and alleviate some of the burden on infrastructure. We should make the border part of the solution and not part of the problem on trade between our two countries.

We should signal our intent clearly and approach the objective with discipline and rigour. A press release outlining a work program is not sufficient. Of course, there is no guarantee that the United States will respond positively – especially these days – but that hypothesis should not prevent us from getting our own act together to address what is *our* problem.

In so doing, we can signal clearly our readiness to move our economic relationship with the United States to the next level of mutual advantage. For example, as our two countries negotiate reduced most-favoured-nation tariff rates in the current WTO negotiations, why not harmonize the new rates on industrial products where the differences are small, so we can eliminate the need for rules of origin on such products in bilateral commerce? Much has been written about the pros and cons of a

Customs Union, including notably by my colleague Bill Dymond at the Centre for Trade Policy and Law. Why not give this concept, or at least the notion of a ‘de facto’ Customs Union, serious attention?

In a world where, all too frequently, “trade is politics” and “all politics is local,” it is axiomatic that Canada’s economic interests in North America are better served in a rules-based regimen than by the whim of Congress seeking to please local interests. Where there are gaps or chronic trade disputes, we should seek to negotiate better rules and new disciplines.

Some may argue that it is futile to negotiate better rules with the Americans when, as in the case of softwood lumber, they bend and even abuse the rules already in place – to the point where we seem again ready to succumb to a ‘managed trade’ solution. I share much of this frustration but it is not the dispute settlement mechanism that is deficient. Rather, there is insufficient political will or desire to live with the existing rules and abide by the means for resolution. It is difficult to resolve fundamental glitches or engage necessary attention and inclination when the messaging from the top is inconsistent and, as of late, erratic. After the nasty cattle prod by the U.S. Senate two weeks ago, it should be evident that we need to improve the tone and fabric of relations at many levels. That is essential especially if we expect to negotiate clearer agreements and better rules that are in fact the best means of reconciling the overwhelming power imbalance between our two countries. We have been successful on this front in the past and there is scope for more now, provided we have the will, the courage and the stamina to negotiate as a full player in our own right knowing that there may be limited popular appeal on the home front. (Unfortunately, the

allure and distance of Tripoli or Ouagadougou or Khartoum seems more immediate than that of Washington.)

Energy and the environment are two other prime areas where our mutual interest calls out for heightened and enlightened stewardship. For instance, instead of travelling on different paths to reduce greenhouse gas emissions, we should be seeking common ground, charting common goals and negotiating firm commitments pertinent to our shared continent. Better for the environment and for our increasingly integrated economy. Similarly, on energy, instead of allowing local political interests and short-term political perceptions to determine long-term outcomes, we should be planning jointly the most efficient means of transmitting gas from the high Arctic to southern markets, while exploring ways to develop Canada's substantial hydroelectric potential. Transmission plans for the MacKenzie Valley are pivotal to the development of our northern frontier and could also provide Canada with real leverage in North America. Yet they are wallowing in a rudderless morass of process; no political leadership, no decisions and minimal investment. (Jack Mintz of the C.D. Howe Institute has written cogently about the tax disadvantage faced by Canadian companies competing with American firms in the North American energy market. We should not be giving American companies an advantage in any commercial sector more than they already have.)

In short, while moving to prevent global warming in the next century, let's make sure we do not freeze in the dark in this one. The fact that neither of these practical approaches is occurring speaks ominously to the lack of priority and leadership both governments are giving to what is clearly in our mutual best interest. (While I believe that these suggestions are objective, I

should note for the record that I serve on the board of Shell Canada and therefore have a direct interest in this topic.)

As everyone knows, America is pre-occupied these days with homeland security. We should be much more sensitive to that basic fact and committed, tangibly and creatively, to common cause here in North America to help combat the scourge of global terrorism. We need to invest in resources, technology and infrastructure and to establish closer intelligence and police cooperation to ensure that we do our share in establishing a more secure North American perimeter. If we are prepared to be more serious about the threat of terrorism we should also take a very hard look at our refugee policy which is today in a state of shambles. As my former colleague Joe Bissett has pungently stated, “we can’t stop anybody from entering the country if they claim asylum and we can’t remove or even detain the really bad guys who should be kicked out.” The Auditor General has pointed out that there are 36,000 outstanding warrants for the arrest of failed asylum seekers still living somewhere in Canada.

At a time of maximum concern over security in the U.S. and elsewhere, we seem mesmerized by Charter “rights” and by what some describe as “values” to a degree that puts Canadians generally and our American neighbours at risk. Do we need a major incident before we smarten up? We should not allow the openness we cherish as a democratic society to become a source of internal weakness.

We could take a leaf from Australia’s playbook and acknowledge the primordial importance of our relations with the U.S. without compromising our sense of self or our broader global aspirations. Unlike Australia, Canada has the advantage of proximity but, unfortunately, this also tends to give us the luxury

of vacillation – a crutch of convenience – on security issues. In this case, I suspect that he who vacillates is lost – as we have been for more than a decade now in defining a role and making a contribution to our own security, let alone that of North America.

Nowhere is this more evident than in the government's decision to “stand down” on Ballistic Missile Defense – a triumph of pretence over coherence, determined without explanation or the benefit of parliamentary debate. By vacillating on this issue for more than five years, the government essentially ceded the debate to the likes of Mel Hurtig and Carolyn Parrish. This is the antithesis of leadership - becoming the classic “fair-weather friend”, accepting fully the U.S. security blanket while refraining from involvement. Not only did the government fail to lead and muster support in a manner that would have been consistent with decades of mutual commitment to North American security, it has now reduced sharply whatever potential influence we might have had with the U.S. on this project and on security issues more generally. It makes the task of serious engagement with the U.S. on any front that much harder. Believe me, when U.S. officials say they are “perplexed” or “bewildered,” that is diplomatic code for “mad as hell,” reminiscent of a similar debacle over Bomarc missiles more than forty years ago. This decision may well serve a short-term prescription for political survival at home but it will undermine effective management of our most important relationship and do little to instil respect for Canada where we most need it.

Incidentally, after a decade of utter neglect, the modest new support for the Canadian Armed Forces will be marginal at best. We like to see ourselves as global peacekeepers and yet we

rank 34th on that front today, tied with Togo – a status that will not change any time soon. Pretence over substance.

I believe from direct experience that the relevance and effectiveness of Canada in global affairs is never greater than when its views are trusted and considered by the U.S. government and when Canada is perceived by the rest of the world as having such a special relationship. That is not a position we enjoy today and, once lost, trust is not easily regained.

Be wary of nostrums on the virtues of multilateralism. Canada is staunchly in favour of all forms of multilateralism as if the process was an end in itself rather than the means to an end. We can pretend that multilateralism will offset excessive dependence on the United States but history has demonstrated that, without U.S. commitment and involvement, multilateralism has limited effect. That is why, in years past, a major foreign policy objective for Canada has been to try to keep the United States actively engaged in the multilateral system. And, no matter how powerful American military capability is, the U.S. still needs support and cooperation from its friends and allies. The need and the benefit are mutual.

At a time when the United Nations struggles for credibility, when NATO searches for new relevance and when the latest round of global trade negotiations moves at glacial speed, this underlying objective should be in the forefront. Ideas about new global processes or new structures are one thing. Ideas that help galvanize stronger consensus on major issues of concern are more certain to stimulate results.

The actual effect of any multilateral process or Institution ultimately depends on the commitment and resolve of individual participants. There is no magical outcome or value from

the process itself. The goal is collective will, rising above narrow, national interest or the lowest common denominator of consensus. Not by wish fulfilment, nor by assertions of moral high-mindedness, but with less sentiment and more substance. Less pretence and more coherence.

Fundamentally, it is a choice between engagement and irrelevance; between tackling hard issues vital to our well-being or dancing on the periphery to the global tune of the day. Critics may well complain that by “getting closer” to the United States we risk being associated with policies on which we disagree and appearing to the world as having no convictions of our own. This makes for colourful cartoons, sloppy metaphors and easy political game playing, but a careful examination of history would confirm that the opposite is true. We do not have to ‘go along in order to get along.’ Quite the contrary, by building respect through constructive engagement, we also develop a credible platform from which contrary views will receive a fair hearing. (South Africa, Star Wars, and Haiti come to mind as examples where this happened more than a decade ago.)

We have every right and good reason to be concerned about what the U.S. will do, unilaterally or otherwise, with its massive military power. But, if we hope to influence the U.S. on decisions of that kind, we need to have something sensible to say. And, if we expect to be heard, we need to be systematically engaged. It may not be popular on the home front, which is probably why it is often avoided, but popularity should not be the best measure of influence or effectiveness in foreign policy.

The luxury of our geographic proximity to the U.S. works to our advantage without much effort on our part. Would it not be better for us to seek to shape this inevitable trend in a

manner more-suited to our interests and our values and in a way that enables us to make a more credible contribution to global affairs?

We value our involvement in annual G-8 summitry, as well we should, since we are clearly the smallest power at the summit table. But I suspect that this is really a mixed blessing, one that also supports the “Let’s Pretend” thesis of contemporary Canadian foreign policy. It leads us to believe that we are more significant in world affairs than we really are. It gives the impression of involvement without the requirement of tangible contributions.

Team Canada trade junkets also give the illusion of focus or strategy without the benefit. They have more than outlived their limited utility and are no substitute for the analysis and negotiating effort needed to address obstacles to market access affecting Canadian exporters. (The most recent junket to Washington was certainly ill timed.) Our objectives in trade policy need to reflect genuine Canadian aspirations and not be manufactured, like instant meals, to provide a convenient press release for a sudden Prime Ministerial or Ministerial visit. In consultations among key trade negotiators, we have been replaced by Australia. Over the past five or six years we have initiated a flurry of free trade negotiations, but concluded none. What are our priorities and why are there no results? Regrettably, our trade policy actions have become as obscure as our foreign policy objectives. Changing the labels and rearranging the desks in this building behind separate lines of authority will not facilitate much in the way of achievement or clarity.

While refurbishing relations with our neighbour, we should also seek more assertively to strengthen relations within

our own hemisphere, beginning with Mexico but extending throughout Latin America and the Caribbean. The dividends will be less, obviously, than with the U.S. but we need to shake off the last vestiges of a colonial mentality that have us perennially seeking a deeper relationship with Europe, one for which the Europeans generally, and the EU in particular, repeatedly demonstrate is of no interest to them. As others push to integrate more within their regions we should accept and work with the reality and the opportunities of our own hemisphere.

Much of Canada's past was linked across the Atlantic to Europe, but much of our future rests not only with our immediate neighbour and this hemisphere but also with the fast growing nations in the Asia-Pacific region. Several are worthy of greater concentration but we need, in particular, to devote serious attention to prospects with China.

China has become the world's third largest trading country with an economy that now represents 13 percent of global GDP. The dominant relationship in the 21st century is likely to be between China and the United States with increasing focus on trade and military tensions between the two. With that in mind, and in the interest of global stability and common sense, China should be invited to become a full participant in the G-8 – a forum that provides the opportunity and the obligation to contribute to greater common resolve.

For Canada, the burgeoning Chinese market presents both risks and opportunities. We should recognize that China may well replace Canada as America's #1 trading partner. Since 1990, China's economy has grown four fold. But, in the past three years, Canada's exports have increased by only 17 percent, whereas those from the U.S. are up 53 percent and Australia's –

our natural competitor – are up 58 percent. The fact that we are steadily falling behind Australia and others in exploiting export opportunities in China is proof positive that the spasmodic lunges of high level trade missions are no substitute for strategic thinking, careful analysis and targeted resources. It is not simply a problem of government. Canadian exporters and Canadian investors have been lax in addressing the Chinese market. We benefit from China's increasing demand for commodities without any particular effort or competitiveness on our part. Clearly that is not enough.

The desire of energy-poor China to diversify its supply of energy and mineral products through investment in Canadian resource industries is understandable and will inevitably stimulate increased trade. Indeed, China has set a goal of quadrupling trade with Canada by 2010. Canadian investors in China have had mixed results and, in some instances, have faced discriminatory or anti-competitive practices in the Chinese market. Rather than charting an ad hoc and laissez-faire course into the future, we should negotiate a genuine investment agreement that establishes mutual standards and provides firm guarantees on a reciprocal basis. Such a negotiation would also create an opportunity for Canada to identify and seek to remove or reduce regulatory and other obstacles in China for services in which Canada excels, e.g. in education, financial services, the environment – even health.

I believe that the looming prospect of substantial Chinese investment in the Canadian energy sector also creates a window of opportunity for Canada to advance the global environmental agenda. My thesis is simple. The U.S. by choice and China by design are not participants in the Kyoto Accord. As we

all know, the U.S. is currently the single largest emitter of greenhouse gases. Fewer appreciate that, in about ten years, Chinese emissions will surpass those generated in the U.S. and that, by mid-century, at current growth rates, China will emit many times more greenhouse gases than the entire industrialized world does today. Multilateral efforts to date have been focused on reducing carbon dioxide produced from fossil fuels. Yet other greenhouse gases, like nitrous oxide and methane, are actually more potent in their greenhouse effect and disappear from the atmosphere sooner. They also represent a larger percentage of the greenhouse gases emitted by developing countries like China, India and Brazil. Then there are ozone gases – so-called aerosols, like sulphates and soot – not covered by Kyoto that also have greenhouse effect. Unlike carbon dioxide, these pose direct risks to human health – many of them already being subject to domestic environmental legislation, like the U.S. Clean Air Act – and contribute to the severe air pollution in many Chinese cities. Prevailing wind patterns convey such Chinese pollution westward across the Pacific, giving the U.S. a major interest in containing trans-boundary pollution. This situation calls for a new approach to global warming, beyond Kyoto, and one that will engage all countries, including the United States and China – with plans that address all greenhouse gases and that focus on new technology inputs and concrete actions.

Beyond managing the key relationships which are critical to Canada's future security and well-being, special attention is also warranted to the major challenges facing the developing world. The Millennium Goals identified these as the alleviation of poverty and hunger and a concerted attack on viral and infectious diseases as well as child mortality rates. We should concen-

trate on those where Canada can make the biggest difference. We may only be a bit player on the global scene (and with the rise of China, Brazil and India, among others, an increasingly smaller bit) but our bit should have merit and reflect distinct Canadian capabilities.

We tend to talk a good game on development assistance – complete with a Minister and an agency devoted to this objective. But the reality doesn't match our rhetoric. Our commitment in kind has diminished sharply. Our policy focus is diluted by a mix of sometimes noble and usually politically correct initiatives whose impact on real development and whose relevance to Canadian interests (or values) is often difficult to gauge.

What the developing world lacks in varying proportions are basic governance systems and principles along with adequate food, shelter, health and sanitary services. Our assistance – bilateral and multilateral – should be concentrated and channelled in ways that help redress these fundamental deficiencies. Less emphasis and less support for advocacy groups or agencies whose administrative costs outweigh their actual contribution. We cannot solve the problems of the developing world with dribs and drabs loosely administered but we can target areas of special need and purpose where Canadian resources and Canadian capabilities can make a difference. More focus and more resources. And, surely, China should no longer require economic assistance from Canada.

Too much of what we have had in the name of foreign policy is a “something for everyone” sentiment, process without purpose, initiatives without follow through. Not surprisingly, as demonstrated following the tsunami disaster, the people of Canada tend to respond faster and better than the government. By the

time it chose to act, the government over-reacted, and committed a DART team belatedly to a task for which it was never properly resourced – weeks after the Australians and the Italians were on the ground. Like so much of what Canada says it wants to do in foreign affairs, this deployment demonstrated how the illusion of nobility clashed with the reality of insufficient capability.

Canada faces huge challenges in the next decade. We have coasted on the richness of our resources and the economic oxygen of ties with our powerful southern neighbour. The easy life at home and our “let’s pretend” attitude to world affairs may have complemented the no risk penchant on policy of our government but we will need to be smarter and sharper both at home and internationally if we expect to meet and match the challenges of a more complex century. It will take courage and commitment – the essence of leadership.

I have presented my own three priorities for future Canadian foreign policy. They are by no means complete but I am mindful of your patience:

- first and foremost, establishing a new level of trust and resolve with the United States, while forging deeper ties more generally in this hemisphere;
- secondly, a concerted but selective approach to the dynamic Asia-Pacific region, notably China;
- and finally, a more targeted effort with the developing world.

The underlying themes are focus and realism, acknowledging what we are and where we are, dealing with the world as it is, not as we may wish it to be. There is no shortage of opportunities and many creative ideas already in play. Instead of more analysis and more consultation, the situation calls for choices to be made,

priorities to be set, and the will mustered to implement concrete decisions. Instead of offering a “model” to the world infused with sentiment, let’s make a real contribution anchored by a coherent assessment of our interests and a practical view of what we can achieve along with resources that will allow us to make a contribution in kind.

The **Simon Reisman Lecture** honours the work of Simon Reisman who, over a career spanning more than half a century, made a singular contribution to Canadian trade and economic policy. Beginning with his participation in the founding of the General Agreement on Tariffs and Trade (GATT) in 1947 in Geneva, through the negotiation of the Canada-United States Automotive Products Agreement (Autopact), and the conclusion of the Canada-United States Free Trade Agreement, Simon Reisman exemplified the best of public service.

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