



**Hot Button issues in
Canadian Foreign Policy
since September 11, 2001**

**Group of 78 Annual Policy Conference 2002
21st Annual Policy Conference**

Conference Report

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Econiche House: 32 River Road, Cantley, Quebec J8Y 3A1

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Acknowledgments

Our thanks must go first to the speakers, panelists, and resource people at the discussion groups who freely gave their time and effort to making the Conference a success.

A special word of thanks goes to Peggy Mason, who chaired the preparatory committee for the conference and the conference itself. Our congratulations to her and Penny Sanger, who helped build the G78 as executive secretary in the 1980s, on becoming Chair and Vice-Chair respectively of the Group of 78.

The Group is most grateful to all those who helped to organize and run the conference, which this year drew 86 people, of whom 61 were members, to Econiche Lodge. Particular thanks go to:

Conference Coordinator: Working with the chair and preparatory committee, conference coordinator Mary Edwards did a fine job of handling the administrative side.

Members of the preparatory committee: Peggy Mason (chair), Élisabeth Barot, Geoffrey Bruce, Tim Creery, Jennifer Dickson, Mary Edwards, Ross Francis, John Graham, Robert Judge, Graeme Kirby, Arch MacKenzie, Peter Meincke, Clyde Sanger, and Michael Shenstone. The committee would like to thank Nancy Drozd, former Treasurer and Executive Secretary, for her continuing advice and support.

Conference Rapporteurs: Once again we were pleased to welcome graduate students from the Norman Paterson School of International Affairs at Carleton University as working guests@ at the Conference. This report is based on their work: Rebeca Batres-Doré, Marie-Noëlle Desrochers, Zeynep Ersahin, Tiani Jimenez, Adria Mays, Brendan Sutton, and Alexa Wilson (who is also a law student at University of Ottawa).

Moderators of panels and discussion groups: Jennifer Dickson, Dwight Fulford, Michael Shenstone, Graeme Kirby, Penny Sanger, Tim Creery, Peggy Mason.

Editors: Arch MacKenzie and Tim Creery organized the rapporteur group and were the editors of this report; Mary Edwards was production editor.

Translation: Suzanne Chabot and Evelyn Dumas

Financial Contributions: While members pay their own way to the Conference and participants in the program donate their services, the Conference would not be possible without financial support for organization and administration. This year=s gathering was made possible by the continuing generous support of the John Holmes Fund, administered by the Canadian Centre for Foreign Policy Development located in the Department of Foreign Affairs and International Trade, and by important grants from the International Development Research Centre and the Special Projects Fund of the Department of National Defence.

Rev. James Christie and Élisabeth Barot,

Co-Chairs of the Group of 78, 2000-2002

Introduction: Themes and Speakers

Themes

The world in the wake of Sept. 11, 2001 - specifically the impact on Canadian foreign policy - was the target of the Annual Policy Conference of the Group of 78.

Three principal speakers, three panels, four discussion groups, and a final plenary session to consider the results filled the three-day event.

The theme "Hot-button issues in Canadian foreign policy since September 11" was explored by speakers' panels in three main areas - environmentally-sustainable development, trade and global equity, and national and international security. The four discussion groups explored Canadian policy on water, defence, anti-terrorist legislation and the International Criminal Court.

The final plenary session reviewed the conference as a whole and approved a number of statements; they are set out in the section that follows: Conclusions and Proposals.

Principal speakers

Margaret Catley-Carlson, a recent Order of Canada recipient whose career reflects a glittering collection of domestic and international postings, was the opening keynote dinner speaker. She is a former federal deputy health minister, a former president of the Canadian International Development Agency (CIDA), a former president of the Population Council and a former deputy executive director of UNICEF. She outlined seven areas in which the hot-button issues cause "Astatic" in global management.

Currently, Ms. Catley-Carlson is the chair, director or advisor with several organisations applying science and knowledge to the better management of national and international problems ranging from fresh water to health, agriculture, environment protection, and international development and its financing. They include Global Water Partnership (Chair), Water Resources Advisory Committee for Suez: Paris (Chair), and the International Development Research Centre in Ottawa (Vice-Chair).

Warren Allmand, a former Liberal solicitor general and the past president of Rights and Democracy (formerly the International Centre for Human Rights and Development), gave a luncheon address on the perilous balance between human rights and security.

Mr. Allmand, 33 years a Member of Parliament and a minister of three portfolios including Solicitor General, worked against South African apartheid and the death penalty and for tougher gun control laws, arms control and disarmament, and human rights protection for the disabled, aboriginals, the poor, elderly, jobless, prison inmates and others.

Professor **Manfred Bienefeld**, at Carleton University's School of Public Administration since 1986, has had a lengthy academic career as economist, teacher, author and consultant on national and international issues in countries ranging from Fiji to Cuba, Russia, Thailand, China and many other sectors. His voluminous list of publications includes four books and participation in 12 others as well as scores of published papers.

He has been associated with the London School of Economics and the universities of Dar es Salaam and Sussex, and his scholarly and professional activities cover a broad range of issues from the environment to international development, labor markets and industrial policy and the factors bearing on the formation of public policy.

Panels

1. Environmentally-sustainable development - International commitment and implementation: Are we going forward?

Roy Culpeper joined the North-South Institute in 1986 and became its president in 1995, with previous background with the Manitoba government, the federal finance department and Canada's foreign affairs service. He has been an advisor to Canada's executive director at the World Bank in Washington.

Mark Winfield is acting policy director of the Pembina Institute as well as director of its environmental governance program. Previously, he was director of research with the Canadian Institute for Environmental Law and Policy, has published widely, and was an expert witness on Ontario environmental policy at the inquiry into the Walkerton water tragedy. He also teaches at York and Toronto universities.

2. Trade and global equity - New partnerships or recolonization?

William Dymond, executive director of the Centre for Trade Policy and Law at Carleton University, has been a senior official in Canadian foreign relations and trade matters including ambassador to Brazil from 1992 to 1995. He has headed the department's chief think tank, the Policy Planning Secretariat, led negotiations on international air agreements and the Multilateral Agreement on Investment, among other missions, and published abundantly.

Bernard Wood is the founding chief executive officer of the North South Institute with a broad mix of experience in development, political and security affairs. He now heads a consulting group in Ottawa but has worked with the Organization for Economic Cooperation and Development, the United Nations, the Canadian International Development Agency, and Parliamentary committees, among others. He was the CEO of the then Canadian Institute for International Peace and Security.

3. Redefining national and international security: Canadian foreign policy at another crossroads or a steadily-narrowing bicycle path?

Professor **Andrew Cohen** has a cross-appointment to the Carleton University School of Journalism and Communications and the Norman Paterson School of International Affairs. He joined the Carleton faculty in 2001 after four years as the Globe and Mail's Washington correspondent and had worked previously for the Financial Post, Saturday Night magazine and the Globe and Mail editorial board. He is the author of *A Deal Undone: The Making and Breaking of the Meech Lake Accord*.

Fen Osler Hampson, director of the Norman Paterson School of International Affairs at Carleton University, is the author of six books and editor or co-author of more than 20 others. They reflect his studies at the universities of Toronto and Harvard and the London School of Economic, numerous awards, and a deep interest in international conflict resolution. His articles have appeared in a number of leading international journals.

Peggy Mason, newly-elected chair of the Group of 78, was Canadian ambassador for disarmament and arms control affairs from 1989 to 1994 and maintains a busy consulting role on international security policy, particularly the role of the UN. She gives pre-posting lectures to Canadian diplomats and has been a faculty member of the Pearson Peacekeeping Centre, Cornwallis, N.S. since 1996 She develops courses and lectures on the political and diplomatic components of modern complex peace operations. She is a recognized international expert in disarmament, demobilization and reintegration of ex-combatants in post-conflict environments.

Discussion Groups

1. Canadian defence policy:

Stan Carlson served from 1993 to 2000 as chief of the UN's Situation Centre in the Department of Peace-keeping Operations, a 24-hour-a-day system providing contact point services, reporting and crisis-management facilities. He was in the Privy Council Office from 1985 to 1993 as executive secretary of the intelligence committee. He held earlier postings to embassies including London and New York.

Douglas A. Fraser ended 40 years of military service in 1993, retiring as a colonel to become a political officer in the UN Department of Disarmament Affairs. His final military appointment, following command of the second battalion of the Royal Canadian Regiment, was military advisor to the permanent Canadian mission at the UN, and a senior member of the Canadian delegation to the UN first committee, responsible for arms control and disarmament. From 1996 to 2000 he was executive director of the then Canadian Council for International Peace and Security. He is an active external faculty member of the Pearson Peacekeeping Centre.

2. Canadian Water Policy:

Margaret Catley-Carlson, Mark Winfield (see above)

3. Canadian Anti-terrorism legislation:

John Reid, a Liberal MP from 1965 to 1984 and a former minister of federal-provincial affairs, began his seven-year term as Information Commissioner in 1998. His House of Commons work helped shape the current Access to Information act introduced in 1983. He founded his consulting agency in 1984, was president of the Canadian Nuclear Association from 1990 to 1996 and in 1997 joined the UN transitional administration in Eastern Slovenia as political advisor to the chief electoral officer. His text on "Anti-terrorism and Secrecy" is given in full in Appendix 1.

4. The International Criminal Court and the future of international law:

Fergus Watt has been national executive director of the World Federalists of Canada since 1985. The non-profit organisation has 1,500 members and is dedicated to the application of democratic federalism to world affairs, advancing the rule of law and a more effective and accountable global governance.

Mike Perry, an officer with the Human Rights and Humanitarian Law Section, Department of Foreign Affairs and International Trade, is co-ordinator of the International Criminal Court Campaign. His work includes technical support and capacity building with developing countries to facilitate their ratification of the Rome statute of the ICC.

Conclusions and Proposals

This year as last, the Group of 78 Annual Policy Conference stressed the key role of the United Nations in dealing with global security in the wake of September 11, 2002. The UN-centred approach is in keeping with the principle of a strengthened and reinvigorated United Nations system embedded in the original statement of the G78 in 1981.

Last year, the plenary session of the Conference urged that the September 11 terrorism attacks on the United States be pursued as criminal acts by the United Nations, and that the UN Security Council create an *ad hoc* tribunal to try those suspected of the attacks, similar to the international tribunals set up by the Council to deal with the atrocities in Rwanda and the Balkans. This year, the Group similarly put the emphasis on a UN approach to the problems with Iraq:

Iraq

The Canadian government should consider the participation of Canadian forces in military action against Iraq only if such action is authorized by the United Nations.

The plenary session also considered the background to the hot-button issues of the times and adopted a statement reflecting many of the views heard from the principal speakers and panelists who participated in the Conference.

Support for Prime Minister's worldview

The Group of 78 supports Prime Minister Jean Chrétien's statements pointing to poverty and powerlessness among the younger population of the Third World as being among the causes of terrorism. The Group welcomes his pledge to increase by eight per cent Canada's Overseas Development Assistance (ODA), directed in particular to measures of poverty-reduction and human rights.

Valuable UN conferences

The Group of 78 further welcomes the raising of public awareness of global issues through the staging of United Nations conferences, and through the thorough airing of these issues in Canadian and other media. While recognizing that the implementation of agreements reached at these conferences necessarily takes considerable time, the Group expresses disappointment at the measurably modest outcome of the UN conference on sustainable development. It calls for more sustained action by the Canadian government to implement the measures set out in Agenda 21 and in particular in the areas of renewable energy and biodiversity, which received inadequate attention at Johannesburg.

Fairer trade with developing countries

The Group of 78 recommends the removal of subsidies by developed countries on products also produced by developing countries, removal of quotas on the import of such products, and the immediate ending of subsidized exports of such products by developed countries, with transitional fiscal measures to compensate producers in developed countries harmed by such measures.

Monitoring foreign aid -- by the recipients

The Group also welcomes the emerging mechanism by which independent monitoring groups in recipient countries (such as in Tanzania and Rwanda) compile regular reports on the performance of donor countries, particularly the co-ordination of their efforts.

The plenary session endorsed a number of recommendations made by the four Discussion Groups and adopted them as G78 policy.

Canadian defence policy: review needed

From Discussion Group 1, on Canadian defence policy, the gathering adopted the recommendation that:

Canada urgently needs a comprehensive, integrated review of foreign affairs, defence, and security policy.

The plenary session also agreed with the Discussion Group's view that: "Canada can play a significant role in peace-keeping, peace-making, and conflict resolution".

Canadian water policy

Discussion Group 2 on Canadian Water Policy won approval for a range of views:

Foreign There should be global emphasis on exploring and applying small-scale technical alternatives in water use and preservation. This would include run-of-the-river (no dam) turbines, water harvesting, and storage tanks.

Domestic A major challenge is the lack of government regulation to encourage compliance by agriculture with agricultural protection, especially domestic water sources threatened by pollution from chemical fertilizers.

Other The interpretation of chapter 11 of the NAFTA agreement should be narrowed to ensure government has the power in dealing with the question of bulk water exports to conserve water resources and protect health and the environment. The current treaty language could lead to international legal challenges on control of water exports, resulting in applications for compensation where export schemes are denied.

Anti-terrorism legislation goes too far

The following conclusions of Discussion Group 3, on Canadian Anti-terrorism Legislation, were adopted by the plenary:

The Group concluded that under pressure of time and a panic reaction to the terrorist threat, Parliament adopted a bill providing for unreasonable restrictions on citizens and impairing the capacity of the courts to protect a number of citizens' rights.

The Group recommends that the anti-terrorism legislation should now be subject to thorough study by the House of Commons Justice Committee with a view to repealing or amending those provisions that cannot be shown to be needed for the protection of citizens and their rights and liberties from terrorist attack. This would offer citizens and interested parties a full opportunity to express their views.

If such a course is not adopted, the Group recommends that the Government refer the legislation to the Supreme Court of Canada to determine whether all its provisions are consistent with the Canadian Charter of Rights and Freedoms.

Building support for the International Criminal Court

The plenary session supported the following recommendation from Discussion Group 4 on the International Criminal Court and the Future of International Law:

1. Public advocacy: Create a network of NGOs and groups of lawyers who are interested in criminal law and human rights issues. Members of this network could:

- Create an international criminal bar association.
- Promote the further development of Canadian criminal legislation.
- Propose definitions of the crime of aggression that would further strengthen current laws, including the UN Charter.
- Help expand efforts to create a trust fund for victims, and to pressure the Canadian government to make a substantial initial contribution.
- Generate further discussion promoting the ICC and publicize those discussions. Media groups should be targeted, lunches can be organized, members of local bars should be included, a speaker's bureau can be formed, and faculties of law could also be included in the process.

2. Individual initiative: Support the ICC by accessing the Amnesty International Web site and signing the petition at the following Web site: www.amnesty.org - then click on the International Justice link.

Clearly there is cause for optimism in the current movement to establish a permanent international criminal law system. With active support by members of governments and civil society, the ICC has the potential to make vast improvements to criminal law protections worldwide.

Principal Speakers:

SCANNING THE HORIZON: SYSTEM STATIC AND ROUGH WATERS

Margaret Catley-Carlson

(Edited transcript)

This talk will address what I call sources of static in international affairs. Sources of static are hot button issues in the tapestry of international relations. Sources of static are not events in themselves, but background forces that influence the capacity of international actors to manage global issues effectively.

In the Post Cold War era, the global horizon is not as we had hoped. Now there exist even fewer manageable sources of tension than seemed to be the case when bi-polar missile issues were the main topic on the menu. These include: the rise in disparity of income (the United States makes up 5 per cent of the world's population, but 21 per cent of its output), shifts in the global economy, increased interdependence leaving each country more vulnerable to crises, rising disaffection with foreign aid programs, extension of weapons capacities outside national borders, new diseases, and new environmental threats. Another source of tension is disintegration. In 1900 there were 60 nation states; today there are 190-plus. In the western world, 50 per cent of marriages collapse, thereby destabilizing society within states. Urbanization has led to a breakdown of social structures, and the push factors - the resistance and the political backlash associated with immigration - add to a global sense of disintegration.

On the other hand, there are certainly positive elements discernible in Post Cold War times. For instance, the world witnessed a dramatic dissolution of communism, a global movement toward greater democracy, increased concern with poverty and human rights, wider participation by civil society institutions in national and global affairs, more people living better than ever before, and greater advances of education in global society.

Unfortunately, for each positive element of change, exceptional situations exist. In addition, the sources of static I mentioned have made global management more difficult. Clearly, the Post Cold War era is different from what we expected. The following seven sources of static reflect the new international horizon that makes global management a complex task.

Static in the system: Seven hot-button issues

1. Static from living with the hegemon

Living with the hegemon is the single greatest source of static affecting the world's ability to manage international affairs. All issues, global or national, are now played as domestic issues in the United States. In a bipolar world, there was a good deal of concern for winning hearts and minds'. Policy makers felt that if they did not act on an issue, the other side would. Expertise on non-U.S.A. cultures, political issues and domestic realities has much less currency than in a bipolar world. Currently, decision makers in the United States place a greater emphasis on the impacts of international decisions on domestic interests. This focus extends to the district level and dominates the bulk of discussions on issues of foreign policy. Canadian policy makers adopt the opposite approach, exploring international implications of policies before considering their impact on domestic issues. Further, the rise of American focus on internal issues has increased over the last five years.

Bilateral issues between Canada and the United States will worsen. The softwood lumber issue is only the beginning of bilateral tension. Another source of tension for Canada and the world will arise from coping with how the hegemon acts on other issues, such as the U.S.-Iraq relationship, the International Criminal Court, an acceptance of the global-warming concept, addressing the need for renewable energy research, and the definition of terrorism and acceptable responses to that problem.

2. Static from globalization

- How can the world manage globalization? This is one of the most controversial issues in public discourse.
- Is globalization worsening the divide between rich and poor nations and creating a global underclass?
- Is globalization an essential step toward universal peace and prosperity?

The controversy surrounding the appropriate definition of *globalization* is an issue in itself, since there is no clear and widely agreed-upon notion of the word. Clearly, as a result of globalization the world experiences greater flows of goods, services, investments, and people across national borders. In addition, globalization has become a source of significant stress on the instruments of global management.

Further, globalization raises questions of how to manage the sheer speed and scale of change. New technologies in telecommunications and information management accelerate the process. Illustrating the advance in connectedness, for instance, broadband use in Japan is expected to rise 50 per cent in four years to include 87 million users. Terrorists and anti-globalists use these same tools. By contrast, more than 50 per cent of the world's population has never spoken on the phone.

Globalization also presents challenges to systems of governance. Economic, financial and political crises in one part of the world quickly affect the others. In addition, poor and vulnerable groups tend to bear a disproportionate share of the impact of today's adversities.

Another challenge for governance is increased pressure to adopt the so-called Washington Consensus Model. Individuals in capital markets who subscribe to the model monitor government transactions closely and assess investment opportunities accordingly. Without the approval of such capital markets when a government deviates from the model, transactions become increasingly difficult to conduct. This system has a strong impact on the issue of Third World debt and international trade. Inhibiting the possibility of borrowing in poor countries, this aspect of globalization hinders their efforts to provide basic social services for their people.

3. Static from demography - root causes

The good news is that the world's population will eventually stabilize. The present population is 6 billion people; it will settle at something less than 9 billion. The difficult news concerns the *momentum* of global population trends. Momentum describes an important phenomenon of population growth. Although more people wait longer to have children, and more people use birth control, a significant proportion of the world's population is reaching the age for childbearing; ergo, massive continuing population increase.

This momentum in population growth produces problems for global management. For example, the cohort issue. Who is what age in what countries? For example, in an economy that is not growing, where 40 to 50 per cent of the population is below 25 years old, there is a good deal of unemployment and frustration. Since 50 per cent of that cohort will be male, this can lead to violence. These demographics are linked to the incidence of terrorism and violence. Another problematic issue is that African urbanization is not well managed. For instance, with increased urbanization in Africa, the very poverty of African cities means that effective tax bases have not been established.

As another cohort example - this time positive - more favourable demographics gave rise to the "Asian Miracle". In these countries, population growth was on the decline, while economic growth as a result of sound policies produced employment opportunities for the largest cohort in that society at that time - an able work force that was mostly between the ages of 15 and 35. Family formation and housing demand of a large young working cohort can and did provide very powerful impetus for the growth that occurred. This growth in the cohort entering the labour force *when the economy was growing* assisted the economic miracle that ensued.

By 2050, there will be 2 billion people over the age of 65; if we look further into the future, 40 per cent of the global population may be over 60. Such demographics set political and economic agendas.

4. Static from the Arab and Islamic world

The Arab and Islamic world poses particular challenges to global management. In contrast to the downturning demographic shifts just mentioned, the population in the 22 Arab countries will grow from 280 million to between 410 and 459 million by 2020. This means that one in 20 people in the world will come from the Arab and Islamic world.

In addition to population growth, the Arab and Islamic region will suffer the most from climate change. The ability to cope with climate change and other adverse events will be complicated by the increasing rigidities regarding policy change in the whole Arab (but not the whole Muslim) region. These indicators point to a dramatic increase in what are already strong sources of tension in this region.

The first United Nations Development Report on Arab Development, which was written by a number of Arab intellectuals from a variety of disciplines, indicates very difficult questions for global management. The report indicates that per capita income *growth* shrank in the last 20 years to a level just above that of sub-Saharan Africa. In addition, productivity in the region is declining. Research and development efforts are weak or nonexistent, and science and technology are dormant. Significant numbers of intellectuals are moving from this part of the world.

Other gloomy indicators include evidence that use of the Internet in the region is low. Film-making appears to be declining. There is a "severe shortage" of new writing. The whole Arab world translates 330 books annually, or one-fifth the number of books translated by Greece alone. In the one thousand years since the Mamoun caliphate, Arabs have translated only as many books as Spain translates in one year. Fifty per cent of women cannot read or write; the maternal mortality rate is two times that of Latin America and four times that of East Asia.

BUT - life expectancy in the Arab and Islamic world is longer than the world average of 67 years. The level of abject poverty is not one of the world's lowest, because of the strength of family structures. Education spending is higher than in the rest of the developing world. So there are strengths to build on - but how?

These paradoxes make the Arab and Islamic World a source of static and pose difficult questions for global management. Such causes of tension are exacerbated when the first cause of static (the hegemon) seems to be travelling on a direct collision course with the Arab and Islamic world. The two sources of static together produce a tension that poses significant challenges to global management.

5. Static from poverty in Africa and sub-continental Asia

In Africa, 340 million people (which is nearly half the entire population of Africa), live on less than a dollar a day each. Only 60 cent of the population has access to safe water. Two hundred million people suffer from malnutrition. The death rate is high due to sicknesses such as malaria, HIV/AIDS, and diarrhea. For example, infant mortality (for

children under five years old) is 140 per 1,000 infants. In addition, population growth is still very high.

Why do the poor stay poor? The main reason is systemic failure, which impacts on everything. Well-implanted vicious circles impede development. For instance, if a mother has six children, the two eldest daughters may be pulled from their schools to help raise the family; these two also may grow up to have six children each, again each pulling two to help raise the family; the cycle continues.

Another reason why the poor stay poor is the indifference of monied people in the domestic economy and the international system. For instance, India experienced a rise in middle class society, but that sector of society is not taxed in a way that could improve Indian levels of poverty.

The international system makes it difficult, if not impossible, for the impoverished to succeed. The use of agricultural subsidies shows why. In Ghana, for example, consumers find it may be less expensive to buy food from the European Union than from their own farmers.

Indeed, figures show that agricultural subsidies account for \$350 billion dollars, or seven times the amount of foreign aid. In addition, \$50 billion is lost on agricultural export opportunities, with the impact on domestic production worse - and the impact on water worse still. The African share of world trade is only 2 per cent, but this is still 10 times the amount of Overseas Development Assistance sent to Africa. In other words, their ability to trade is a stronger and more important factor, even now, than the ability to attract aid. In addition, Africa attracts less than 7 per cent of foreign direct investment, compared with 15 per cent 20 years ago.

Programs for foreign debt relief have rigid conditions. The suggestions for improved governance are strict: a requirement that countries provide evidence that they will use the "Afiscal space" created by debt relief to address poverty issues places increased burdens on already troubled economies. This debt relief formula has been successful for a few countries, but most cannot borrow enough to improve social conditions, let alone enough to buy and trade goods. Finally, results indicate that the 25 worst-nourished countries are all badly governed. The figures point to a strong source of static that is difficult for global management.

6. Static from environmental problems

The Johannesburg Earth Summit caused me to question the utility of mega conferences. The conference was vast, distances were enormous, and sites were widely separated (often as much as 30 kilometers or one hour apart from each other). There was little inter-sectoral communication (forests and water and biodiversity, for example, were separated) and little awareness of what was going on at other sites. Official government activity and other activities were almost totally separated. I was unable to retrieve the contents of

ministerial texts or declarations until after the conference. Clearly, one must question the continuing utility of mega conferences.

On the other hand, unlike the conference on racism, Johannesburg did not fall apart. Participants seemed to recognize that the environment and development (and poverty, but less so) are inextricably linked. Intergovernmental agreements were achieved, although with results that were modest, to say the least. The conference demonstrated high awareness of water as an issue of concern; in fact, this was at the top of the agenda for many delegates.

The accomplishments of the conference were that two main documents were negotiated and adopted: the plan of implementation and the Johannesburg declaration on sustainable development. While significant, they left major areas of disagreement. Those include: time-bound targets for sanitation, renewable energy, energy subsidies, chemicals and health, natural resource degradation, biodiversity, loss of fish stocks, certain Rio principles, governance, trade, finance and globalization, the Kyoto protocol, and health and human rights. Clearly the abundance of key areas of disagreement makes for a source of static that will challenge global management.

7. Static from growing water concerns

The final source of static - critical water problems - troubles many actors internationally. Water tables are declining, many rivers no longer reach the sea (including seven major rivers that for 60 to 70 days of the year do not reach the sea), and over 1 billion people lack consistent access to fresh water (twice that number lack access to proper sanitation). Twenty-eight per cent of all freshwater fish are in peril; deltas and wetlands are disappearing. Water quality everywhere is in decline. The majority of the population, even in the developing world, will be in burgeoning cities by the end of the first decade of the 21st century. This poses major difficulties for water management.

The world can therefore expect more conflict and competition for access to water and use of water. Irrigation is a key issue: it will use between 17 and 38 per cent more water than now. Industry is projected to need 20 per cent more water. At the same time, drinking water needs are projected to grow by 70 per cent by 2025. During the period that population trebled (with the addition of 3 billion people), water demand rose six times. Two to 3 billion people will be added to our population, which will no doubt make extremely high demands on water.

In relation to such problems, global hot spots, namely in the Indus valley, the Middle East, and the United States Mid-West, will vie for increased water, disputing its territorial sources.

What is the response of global water laws? They are just not adequate for today's world. Our current water laws may be traced from time immemorial up to and including the time when the world's population was 2 billion, when there was one-twentieth the amount of chemicals in the water (or none at all), populations were mostly rural and people were

mostly poor. At that time the role of governments was to provide traditional delivery systems based on traditional thought patterns, as opposed to providing a regulatory system for water management. There is usually no Ministry of Water; nor is there a water organization within the United Nations. People believe water should be available at low cost, or no cost, and that water governance and expertise were best organized sectorally.

Fortunately, things are changing and now there exists a kind of "Anewwaterthink". Public authorities are establishing policy and regulatory frameworks. There is a recognition that old systems must be reformed and new institutional frameworks developed. Transparency is needed toward subsidies and introducing full-cost pricing, which shows in turn that an interest in making use of market mechanisms is required. Finally, water problems are increasingly recognized as cross-sectoral.

The Global Water Partnership (GWP), which I serve as chairperson, is an organization created to address this cause of static worldwide. GWP is a platform for alliance-building that mobilizes political will and brings awareness to key areas of water management. Decision makers, professionals, the public, and all key stakeholders are targeted. Information is disseminated via the Internet, the media, the distribution of background papers and what we call a toolbox with over 50 tools for enabling effective water management.

The GWP operates in 12 regions which touch over 100 countries and directly in 26 countries. These operators do not receive financial support from the GWP for the implementation of their projects. They are, however, able to use the GWP label and share in the knowledge network that is now well established. This is one mechanism for addressing the pressing need for change in the global management of water.

Evidently, the Post Cold War era is not how it was envisioned. The seven sources of static on the international horizon - the seven hot-button issues, to put it in the terms of this conference - point to significant challenges to the management of global affairs.

Principal Speakers:

THE BALANCE BETWEEN HUMAN RIGHTS AND PUBLIC SECURITY

Warren Allmand

(Edited text)

As I have no taste for retirement, I appreciated your invitation as an opportunity to keep up-to-date and in touch. As you know, the mission of Rights and Democracy, where I ended my mandate as president three months ago, is to defend and promote democracy

and human rights in the international arena. This gave us an opportunity to deal with some of the most challenging current issues, including those in the aftermath of September 11, such as the relationship between "public security and human rights", which is my subject this afternoon. I would like to discuss it with you under seven headings:

- The human rights implications of the September 11 terrorist attacks.
- The response of governments to September 11.
- The international campaign against terrorism.
- The war against the Taliban and Afghanistan.
- The treatment of prisoners of war.
- The enactment of anti-terrorist legislation.
- Some conclusions and recommendations, including a consideration of the roots of terrorism, the need for a multilateral approach, and respect for the international rule of law.

1. Human rights implications

We must first state emphatically that the attack on the World Trade Centre and the Pentagon was a massive violation of Article 3 of the Universal Declaration of Human Rights and Article 6 of the International Covenant on Civil and Political Rights (ICCPR). That "Everyone has the right to life, liberty, and security of person" (Article 3) is the most basic of all human rights. Consequently, these rights cannot be understated or trivialized in any way. I say this because some commentators have done just that. There can be no excuse or justification for this attack on thousands of innocent people, of many nationalities, not just Americans. Furthermore, governments have a responsibility to ensure and protect these rights and rights of the life and security of the person.

Article 28 of the Universal Declaration of Human Rights says: "Everyone is entitled to a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized". But in protecting these rights - the right to life - governments must do so in a manner that does not violate other rights. Again the Declaration of Human Rights in Article 30 says: "Nothing in this Declaration may be interpreted as implying for any state, group or person any right to engage in any activity or to perform any act aimed at the destruction of any of the rights set forth herein." Consequently, in taking action against terrorism, governments must be careful to maintain a delicate balance between collective security and individual liberties. So in our letter to the Prime Minister on September 20, 2001, we said that any response to September 11 must respect the UN Charter and international human rights obligations - and in no way should we target any one religion or ethnic group. Otherwise we are repeating the sins of those we are condemning.

2. Response of governments

Well, what was the response of the U.S., Europe, Canada and other countries to the tragedy of September 11? First we had the establishment of the international

coalition and campaign against terrorism. Now, while admitting that such a campaign was necessary, that something had to be done to prevent more September 11s, we have to be very clear that this particular campaign and this coalition was put together with little or no consideration for human rights and democracy. I had great difficulty believing President Bush when, soon after, I heard him say that this was a campaign to defend democracy and "our way of life." In effect, to get the broadest possible support for the campaign against international terrorism, the United States, the United Kingdom, and others included nations that had little respect, or no respect whatsoever, for democracy and human rights; many of these nations are now using the anti-terrorism campaign to more aggressively suppress democratic movements in their own countries. In effect, the anti-terrorism campaign in several countries has encouraged the labelling of legitimate dissent as terrorism.

We have seen this in Pakistan, China, Israel, India, Russia, Turkey, and Colombia and so on. As a matter of fact, in several of these countries it can be said that terrorists are in the government or tacitly supported by the government. This sort of unholy alliance has happened before, with the U.S., the U.K., France and others supporting non-democratic, even terrorist governments to achieve their national objectives and international goals. In recent years, the U.S. support for the Mujahideen to fight the U.S.S.R. in Afghanistan, for Saddam Hussein and Iraq against Iran, for corrupt military dictatorships in Latin America to suppress pro-democracy struggles.

3. International campaign against terrorism

Consequently, this international coalition and campaign to combat terrorism is not supporting but is rather undermining democracy and human rights.

I want to emphasize that we were not opposed to a coalition against terrorism, but this campaign was put together without conditionality or long-term thinking and outside the purview of the UN and international law.

President Bush recently described North Korea, Iraq and Iran as the 'evil axis', but it is questionable whether these three countries are any more evil than several of the states in the coalition.

The real criteria for membership in the coalition does not seem to be "Good" or "Evil", but rather whether or not the country in question will cooperate with the U.S. To be cynical, one might observe that this is really a coalition against terrorism directed at the U.S. and perhaps its close allies, and not a coalition against terrorism of all kinds and in all places. After all, there has been terrorism for some time in Pakistan, India, Colombia, Zimbabwe, Sierra Leone, Algeria, Sri Lanka, Burma ... and I could go on.

4. The war against the Taliban and Afghanistan

The second response to the terrorist attacks was the war against the Taliban and Afghanistan. Again, while accepting that we should take action against states that harbour or encourage international terrorism, we said in our letter to the Prime Minister (to be found on the Centre for Human Rights and Democratic Development Web site) that such action should not harm those innocent Afghan civilians who were already victims of a repressive government and various wars over a period of ten years.

The United States, United Kingdom and Canada and others said at the beginning they would attack or bomb only military targets. While it has been difficult to get reliable information - as distinct from propaganda - from either side, it is clear that Afghan civilians and civilian targets were hit, and there were numerous civilian casualties.

The euphemism "collateral damage" for killing of innocent civilian is a misuse - an outrage of language - and certainly not acceptable. A violation of human rights is a violation of human rights and not collateral damage.

Unfortunately this war in many respects did repeat the sins of September 11, killing innocent civilians and therefore betraying the principles we said we were defending.

Furthermore, we have to ask how the war in any way advanced the solution to the issues of September 11 and the threat of massive terrorism. It does not appear that any of the principal culprits who planned September 11 have been arrested and charged, and very few al'Qaeda cells (allegedly in 70 countries) have been discovered and broken. I expected, and would have supported, surgical strikes and commando operations assisted by first class intelligence, directed against al'Qaeda operational centers and terrorist cells. But that is not what we got. We got an all-out war against the Taliban government and, of course, that government has now been defeated.

No doubt, it was an oppressive, cruel government, but that is not the way under international law or the UN Charter that we remove oppressive governments. The military success against the Taliban led the U.S. Secretary of Defence to state that "Awar works". That is a totally unacceptable and extremely dangerous pronouncement of public policy with respect to war. These criteria for launching war - whether or not it will work, whether or not it will achieve national objectives, without any reference to international law or the morality of those objectives - have worked for many tyrants and despots. The fact of the matter is that almost all nations (189 states) have ratified the UN Charter and according to the UN Charter war (or military action) is prohibited - is illegal - in all but two cases: self-defence (Chapter 7, Article 51), or when authorized by the Security Council after a breach of the peace or an act of aggression (Chapter 7, Articles 39 and 42). There was no such authorization by the Security Council for the war against Afghanistan; consequently one must conclude it was illegal.

True, the Security Council passed two resolutions condemning the terrorist attacks and affirming the right to self-defence (Resolutions 1368 of September 12 and 1373 of September 28, 2001), but neither resolution authorized the use of military force against Afghanistan. As a result, this war or military action sets a bad precedent, which could

come back to haunt some or all of the key partners in the attack in years to come. If you don't respect the rule of law yourself, it is pretty difficult to ask others to do it later.

5. Treatment of prisoners of war

The same unilateral disregard for the law on international human rights is being shown with respect to the Afghan-Taliban prisoners of war shipped to Cuba. The U.S still has not recognized the provisions in the third Geneva Convention of 1949 respecting the treatment of "prisoners of war" and continues to label these prisoners as "unlawful combatants", presumably to remove itself from the Convention and its obligations, which the United States has ratified. This is despite the fact that the Convention stipulates that decisions on "who is" or "who is not" a prisoner of war are to be established by procedure set out in the Convention. It is not a matter to be decided unilaterally by any one state.

Then there is the proposal by President Bush to have all non-Americans tried in military courts. This would result in two systems of justice for the same offences, one for Americans and another for non-Americans. One more open, the other more closed.

The option of using military tribunals for Nazi war criminals at the end of World War II was rejected in favour of the Nuremberg process, which was open, transparent, and respected the international rules of law. In a letter that we and several other non-governmental organizations sent to President Bush, we argued against the use of military courts and suggested an international tribunal which would give the process greater credibility and acceptance. Such a tribunal could be similar to the Rwandan or Yugoslav special tribunals. Another possibility was a tribunal based on the model of the International Criminal Court.

6. Enactment of anti-terrorism legislation

The fourth response to the terrorist attacks was the introduction and passage of domestic legislation to combat terrorist activity - in Canada Bills C.35, C.36, C.42, C.44 and certain amendments and regulations to the Immigration Act; in the U.S., the Loyalty Bill; in Europe and throughout the world, similar legislation.

I want to say immediately that a proper analysis of Bill C.36 in Canada was a massive undertaking. The bill had 175 pages and 146 articles, amended 17 existing Canadian statutes (laws), and referred to 11 international conventions. In the view of many experts, it was virtually impossible for Parliament to properly examine the bill in the short time allotted for its consideration. Consequently, it is feared that neither the government nor Parliament can predict the adverse impact the bill might have on human rights, access to information, privacy, international aid, and democratic development. The debate was cut short by an allocation-of-time provision in both the House of Commons and the Senate. For this reason, many of us pressed for a "sunset clause" as recommended by the Canadian Bar Association and the Senate Committee.

If you pass a controversial measure quickly and cannot predict all the consequences, it is reasonable to introduce a "Sunset clause" that terminates the measures after a period of time, say two or three years. Then, if necessary, provisions might be reconsidered and passed again. In the end, some amendments were made to the Bill, including a limited "Sunset clause". In the view of many experts, however, the bill is still too ambiguous and too far-reaching in restricting our rights and freedoms; it goes further than necessary to combat terrorist threats.

Some felt it would be more productive to improve the enforcement of our present laws and to have more effective police and intelligence services. Many of us who appeared before the House of Commons Justice Committee on the bill pointed out that the definitions of "terrorist activity" and "terrorist group" were so broad that they could catch many innocent Canadian organizations, whose only activities were to help pro-democracy and development groups in other countries.

In the bill, which is now an Act, it is an offence for a Canadian organization to assist, facilitate, instruct, or finance what might be considered a "terrorist group" in another country, or a group that carries on what might be considered a "terrorist activity". These considerations, judgments and decisions about such groups would be made by police forces or security agencies, often in other countries. For example, China considers the Falun Gong to be a subversive, terrorist group, but many of us in human rights are helping the Falun Gong. This is only one example. Under the Act, if a Canadian NGO is linked to a foreign organization through, say, assistance or financial aid, it could be listed as a "terrorist entity" without any notice or right to object, and subject to a range of sanctions.

The Act also provides for preventive detention and investigative hearings that do not have the protections traditional in our law. The Act does not distinguish between those who struggle against oppression and terrorist governments, and those who attacked the World Trade Center on September 11th. There is thus no distinction between those who are freedom fighters and those who are fanatical thugs. I don't think our government and our MPs meant to catch innocent Canadian organizations working in development and human rights; but terrorism, while easy to recognize when it takes place, is not easy to define in law.

It will take some time to see how these measures are used and the laws enforced. During this past summer, some of us put together a broadly based monitoring coalition of NGOs, unions, churches, the Assembly of First Nations, and others to advise civil society on what they can and cannot do under the law; to identify where there might be *Charter* challenges; to document cases of unfair or excessive application of the law; and to campaign for amendments and the repeal of draconian articles. The important question for Canadians to answer is whether the legislation goes too far. Is there an imbalance between human rights and public security?

In attacking the evil of terrorism, are we opening the door to other evils: the suppression of important human rights and democratic freedoms we say we are defending? In my

view, the more severe parts of C-36 should be repealed or amended. We need legislation that will help us stop the real terrorists but avoid interfering with those who are defenders of human rights and democracy. Furthermore, when Canada and similar democracies pass similar legislation, they send the wrong message to borderline democracies, states in transition from dictatorship to democracy, as to the real value and sustainability of democracy in the face of challenges and threats.

It makes it so easy for certain transitional democracies to return to the old ways and their justification is that they are simply following the example of Canada, the U.S., and other model democracies.

7. Some conclusions and recommendations

In arriving at conclusions and making recommendations, I would repeat that it is clear that terrorism is a serious violation of human rights and must be dealt with. But any serious action to address this issue must look to the root causes of terrorism, including factors of poverty, injustice, exploitation, domination and hopelessness, which generate an environment of political instability, resentment and hostility, and which can easily lead to violence, terrorism, and revolution. Now the Prime Minister and other leaders are saying the same thing. History has many examples of such incidents. If we want real security against terrorism, these matters must be dealt with.

There is no doubt in my mind that the continuing violence in the Middle East, on both sides, and the Israeli occupation of Palestinian territory and the expansion of settlements, contribute to terrorism, not only in the Middle East, but in many other parts of the world. Yes, we must strengthen our laws to deter, prevent and prosecute terrorists, but in doing so, not betray our principles of democracy, our basic freedoms and human rights. Finally we must urge that solutions to such problems be addressed multilaterally and not unilaterally. There must be respect for the UN Charter and the international human rights treaties; there must be respect for the international rule of law.

Otherwise we end up with international anarchy, where military power prevails, where might is right, and brute force rules all decisions. If we rely primarily on military solutions today, we open the door for our enemies and others to take a similar path tomorrow. In the long run we won't defeat terrorists who violate human rights standards by violating these same standards ourselves; we won't build a more secure, civilized, law-abiding world by the use of self-centred seeking after unilateral military power.

Principal Speakers:

THE TROUBLE WITH GLOBALIZATION

Manfred Bienefeld

(Edited transcript)

Let me begin with my conclusion, so you know where I am going. To construct socially desirable policy we need democracy. That means a flexible, responsive policy process and a meaningful political space where people and parties can be held accountable and must live with the consequences of their decisions.

This political space must, above all, define citizenship to include binding rights and responsibilities, since only the exercise of citizenship can provide the context for policy-making in the public interest. The political space in a democratic society requires membership and commitment, since only this can lead us to make the compromises needed for harmony, positive political stability, and social cohesion, which are preconditions for building the trust societies need to function well.

These democratic principles are ultimately also preconditions for successful economic development - not only in the developing world, but also in ours. Rather than have conflict between economic institutions and social policy, the two must come to complement one another.

Unfortunately, globalization in its current form tends to conflict with such a desire for substantive democracy. But this globalization' is not something that is simply imposed on societies by outside forces. There are interests in every society that are anxious to promote certain kinds of international entanglement' because these restrict the democratic rights of citizens in ways that they regard as desirable. The fashionable term for this is locking in' and it is widely acknowledged, and frequently praised, when it is applied to the developing world. But it is also a reality in the developed world, and in Canada. Thus, when our former trade minister Pat Carney was asked why Canada needed a North American Free Trade Agreement (NAFTA), she replied that such an agreement was desirable because it would ensure that no future Canadian government ever returned to the bad old days of nationalistic policies. That meant locking in certain policies, which meant locking out certain democratic choices in the future.

Sylvia Ostry, Canada's ambassador for the Uruguay Round of trade talks, said later of the movement to freer trade:

"Rather than simply making it easier for goods and people to move across national borders ... what was created was a system of enormous intrusiveness into our domestic system ...[In retrospect] we in the developed countries did not fully understand all of the implications of the new trade system ... But if we didn't understand all of the implications, the developing countries did not understand the implications at all."

Good policy must be based on political economy, not on economics alone. Development requires setting in motion a cumulative process of accumulation and growth - and not just

growth in the gross domestic product, but also growth in institutional and human capacities, in policy-making capacities, and in technological capacities, with the ultimate objective of enhancing society's capacity to generate and to appropriate technology rents. Such rents denote the extra income that a society can command because it has a technological advantage over its competitors. And its crucial significance lies in the fact that it is a necessary, though not a sufficient, condition for being able to remain competitive while paying relatively high wages.

Development in this sense requires collective investment. And it requires the retention of enough national control to ensure that the resulting benefits can be significantly appropriated by the society that financed the investment; and that this same society has the sovereign ability to make real choices as to the form in which it wishes to enjoy these gains: that is, more income, more leisure, less social or economic insecurity, stronger environmental protection.

I believe that such conclusions can be solidly grounded in theory - even in neoclassical economic theory - and that they are strongly supported by the historical record I now want to underpin this conclusion with three arguments:

- Globalization in its present form is undesirable - and unsustainable.
- The disappointing results of globalization should have been, and were, anticipated; we must consider alternatives.
- The globalization process is driven by interests - and by policy creep' (locking in).

1. Neoliberal globalization is undesirable - and unsustainable

Neoliberal globalization systematically transfers power over patterns of resource allocation to largely unregulated global financial markets, reflecting the belief that these markets are fundamentally efficient. It can best be understood as a desire to extend the power of international finance to the far corners of the earth. And in order to do this it needs to bring things into the ambit of the market. In other words, it needs to privatize: resources, utilities, services, education, health care, water, even where this is clearly inefficient'.

In the language of the Aglobalizers," we need to create a level playing field' for finance, or for capital. And that requires us to curb the ability of local authorities' - at any level, up to and including the nation state - to interfere' in the market by creating arbitrary' rules or restrictions, even if these interventions reflect the democratic wishes of their constituents. Essentially, it is a project to create a form of power that is universalized.

The ultimate rationale of this empowerment of global finance is based on something called the Aefficient markets hypothesis", which asserts that despite large (but random) fluctuations around the efficient' outcomes, international financial markets are inherently

rational, and ultimately efficient, which ensures that they can be relied upon to promote long- term public welfare (as narrowly defined in neoclassical theory).

The efficient markets hypothesis is further supported by the less formal, but possibly more influential "inefficient government hypothesis", which is best summarized in a neoliberal slogan of the late seventies. "Government is not the solution. It is the problem." Of course this assertion never had any scientific status. It was merely a prejudice buttressed by endless anecdotal evidence.

Challenge to free-market theories

These critical foundations of neoliberal globalization have, in fact, been theoretically contested and empirically challenged, from the outset.

The theoretical challenge is rooted in a Keynesian analysis which focuses on the inherent, fundamental irrationality of relatively unregulated financial markets due to widespread information asymmetries and subsequent herd behaviour. The empirical challenge has been equally devastating, leading Paul Krugman as early as 1987 to conclude a review of the evidence with these words:

At this point belief in the efficiency of the foreign exchange market is a matter of pure faith; there is not a shred of positive evidence that the market is efficient, and ... similar results obtain for other asset markets ... that is, both the bond market and the stock market ... The bottom line is that there is no positive evidence in favour of efficient markets, and if anything a presumption from the data that (these) markets are not efficient ... The important conclusion ... is that we are freed from Friedman's ... argument ... that an efficient market could not exhibit destabilizing speculation. ... Now we know that in fact no evidence supports this hypothesis - that it is one maintained purely on faith (emphasis added).

And since then, we have had endemic financial crises:

- Sixty-nine major banking crises from the late 70s to the early 90s (World Bank).
- Crises growing in magnitude - culminating in Asia - now followed by the implosion of stock markets, the dot-com collapse and Argentina, Brazil.

In every case, the mainstream response - the International Monetary Fund response - has been to claim that the problem was due to domestic policy mistakes', and that we can fix it with more transparency, better regulation, bigger and earlier rescue packages.

The questions we should be asking, however, are not just how do we bail people out, although such questions are important. The real question is: how can we continue to justify a fundamental policy thrust based on the assumption that these markets are efficient? The bubble was a monumental mistake from a social and economic point of view, representing an enormous misallocation of resources; but we must always

remember that it was not a mistake for the dot-com entrepreneurs and the financial gurus living in their Swiss chateaux and lecturing the rest of us about the need for prudence and nimbleness.

We need to examine the plausibility of the claim that better domestic regulation and more transparency can be expected to solve these problems. And in this context, we need to ask: Who has this so-called adequate regulation? Which country? What, in fact, does this phrase mean, if anything? The fact is that approximately half of the 69 major banking crises that the World Bank has documented (from the late seventies to the early nineties) occurred in developed countries with highly sophisticated regulatory mechanisms. Until Enron and the Wall Street scandals, the United States was always implicitly regarded as the place that was supposed to come closest to having such an adequate system. Certainly, the US has derived enormous benefits from these volatile international markets, but it turns out that this was not because they had such a well regulated system. In fact, it turns out to have been partly because their system created especially strong incentives for speculation and financial manipulation.

The point is that these proposed solutions simply misunderstand the problem. It was the same when people poured money into Argentina in the early 1990s, when it was being celebrated as yet another miracle, just as they had poured money into Mexico during its miracle phase, even though there was all kinds of evidence suggesting that the resulting debt obligations were unsustainable under any plausible set of circumstances.

To believe that the problem was a "lack of information" is to forget that people were pouring money into these countries for the same reason that they poured money into Nortel stock even after it had reached \$120. And the reason was that they thought that others would continue to do the same. Such a process has very little to do with serious analyses of the underlying realities. After all, the financial press was full of stories telling investors that most dot-coms had never made a profit and that almost as many appeared to have no prospect of ever making a profit. But this did not matter because the reason why people paid \$120 for a \$10 stock was that they believed (or hoped?) that someone else would pay \$240 some day soon. Speculative bubbles are about investors second-guessing each other. And "more information" will not cure that problem. After all, the millions that were made by many of the speculators are real money - even today. So from their point of view, "There is no problem."

Irrational markets undermine national policies

In the developing world, the effects of irrational markets are much more devastating than in the industrial world, but we are also very much involved. These chronically unstable, inherently irrational markets are inevitably undermining national policy processes in the following ways:

1. They empower national elites who have benefited massively from their participation in these speculative frenzies. And these elites are generally not bound by national constraints, in part because tax evasion has become so easy.

2. Irrational markets are constantly blackmailing electorates. Not long ago a furor was raised in the United States because it was thought that some Chinese money had supported somebody running for public office. And in the ensuing discussion, the idea of external intervention in the American political process was treated as anathema. However, this privilege is not granted to others in this new world. First of all, the financial markets constantly interfere openly in democratic elections all over the world, issuing threats and making promises designed to influence the outcomes. Moreover, the United States, along with many other industrial countries, no longer appears to have much reticence about intervening openly in the political processes of other countries. Apart from the extreme cases, where it openly advocates "regime change", it now participates actively in many elections. In Colombia, the U.S. Ambassador is now regularly a major player in the election. And in the current election in Brazil, the electorate is being heavily bombarded by threats of various kinds, both from the imperial powers and from the international financial markets.
3. The biggest threat of all lies in the fact that the policies promoted by this kind of globalization steadily undermine both administrative capacities, and the moral authority of public institutions. Too often, other short term questions, such as how will these policy changes affect the balance of payments tomorrow, are the ones that attract all the attention. What we should really be looking at is the impact of these changes on the underlying policy process. We should ask: What is happening to the policy making capacity of this country - to its capacity to respond constructively, and in the public interest, to the challenges and the crises of tomorrow?

2. The alternative to neoliberal globalization?

This is the context within which a growing chorus of voices is demanding a reassessment of the current directions of public policy in Canada, as in much of the rest of the world. Some of the more prominent voices include:

- Joseph Stiglitz, whose Nobel prize-winning work in economics had already addressed the fundamental asymmetry of financial markets many years ago;
- Paul Krugman, who concludes one of his articles by warning that "Some day we will have to turn the clock back" by reintroducing a range of controls into international financial markets;
- John Gray, a former confidant of Mrs. Thatcher, who has written eloquently about the corrosive impact of Thatcherite policies on British society and on the policy process in that country;
- Gordon Smith (former Canadian Ambassador to NATO) and Moses Naim, who as co-authors of a recent book ask pointedly: "After surviving the long process to democratic government, men and women have won a disturbingly ambiguous prize. Responsible government, yes, but responsible for what? Capable of what?"

Writing a couple of years before the onset of the present crisis in Latin America, I had warned that:

In the meantime, Latin Americans need to think seriously about how their countries will be able to respond when the next global financial crisis disrupts capital flows, as it surely will quite soon. Having undermined and weakened their public sectors; sharply reduced the moral authority of their governments; sold off their most valuable resources and utilities; locked themselves into highly restrictive international agreements; and decentralized their domestic political systems, they will have fewer levers with which to manage, or to moderate, the social and political consequences of such crises. One can only hope that their elites will not respond simply by reiterating their commitment to the logic of the global market at whatever cost, and then argue that the human costs are the inevitable result of "Asurplus population". Argentina now faces just this dilemma.

The alternative to neo-liberal globalization is the form of globalization that was enshrined in the rules and institutions that emerged from the original Bretton Woods negotiations. Its starting point is that a stable international system must be composed of nations that are internally coherent and stable. Only when that is true can we realistically hope that they will be prepared to cooperate at the international level in defence of a positive collective outcome. If the individual elements are not stable, then the system cannot be stable.

At the time of those early Bretton Woods negotiations, Henry Morgenthau, who was then the U.S. Secretary of the Treasury, described the main purpose as ensuring that we would never again allow the global economy to fall into the clutches of the international financial speculator. That is why the system established at that time had at its core powerful safeguards in the form of a provision allowing for permanent national capital controls, and a provision establishing a managed system of exchange rates. Although it is true that this original Bretton Woods system was also set up to facilitate and to promote international trade, that objective was to be pursued within those constraints. And that is the key to understanding the difference between that system, and the one that has emerged in the neoliberal era that began in the late seventies. The alternative to the neoliberal vision is not, therefore, "Against trade." Nor is it "Against markets." It is rather, in favour of embedded markets, meaning markets that are embedded in democratic social and political structures that can manage them effectively in the public interest.

Ultimately trade must play its role in the service of politically defined national objectives and policies. It cannot be turned into the focal point around which those national policies must then be constructed.. Trade is like fire. It is a good servant, but a terrible master. One cannot start with trade and all of its requirements and demands, and then try to construct a set of coherent national policies around them. The same is true to an even greater degree of international financial flows. Keynes wrote endlessly about the critical need for capital controls if we were to avoid a repetition of the disaster of the 1920s, which led more or less inevitably to the even greater disasters of the 1930s and the subsequent war.

I believe that Keynes and the other main architects of the original Bretton Woods system were basically right. Moreover, I believe that this is further borne out by the extraordinary, and quite unexpected, success of the global economy between 1948 and 1973, when growth of output, productivity, real wages and social welfare was substantially faster than it was before, or has been since. Most important, the stable cumulative growth of that period was very effectively translated into higher wages, better social conditions, and better, safer and less stressful working conditions.

Unfortunately, from the late seventies, these lessons of history were displaced by the assertion of a resurgent fundamentalist economics which claimed that the problems of the world were primarily due to the fact that markets were not being allowed to work freely enough. And these views were first applied to the developing world when the debt crisis forced many of these countries to accept the resulting neoliberal policy regimes, which were attached as conditions to loans that these countries desperately needed to stave off immediate social and economic collapse.

3. Neoliberal globalization is driven by interests

My final point is that in order to understand the globalization debate, we must understand that the process is primarily driven by interests. It is not driven by logic, or by "A good policy" derived from evidence. In this I agree with Jagdish Bhagwati, an eminent development economist and an eloquent defender of the benefits of freer trade, who has recently concluded that the continued push for international financial liberalization can only be explained by looking for the interests that are served by these policies. And these interests are, in his view, best described as a "Wall Street-Treasury complex". Bhagwati reaches this startling conclusion, because he sees this pitch for deregulation occurring in the face of overwhelming evidence that these policy shifts are not conducive to growth, or efficiency, let alone human or social welfare.

Of course these issues are complex, so that no one can claim to have the absolute truth. I would therefore urge you to consider all sides of the argument with care. In the same spirit, however, I want to urge you most strongly to reject the frequently heard claim that those who object to globalization because they see it as dangerously flawed are simply mindless and ill informed. These are serious debates and we need to examine the arguments and the evidence from all sides of this debate.

As I read that evidence, it suggests to me that those who are fundamentally disenchanted with the current form of globalization are basically right. I believe that the evidence and the arguments are substantially in their favour. And that leads me to believe that the continued defence of this process is only possible if one ignores the accumulating social, economic and political evidence, or if one falls back on the argument that there is no alternative. Unfortunately, the claim that there is no alternative has become increasingly powerful, largely because more and more obstacles are being placed in the way of attempts to move in a different direction. "Locking in" is working all too well, in many instances. However, we still need to work for such alternatives, because while they may not be feasible in the short term, the present policies are ultimately unsustainable. And

that means that alternatives that are politically impossible today, may well become possible tomorrow. After all, in 1929 few people could have imagined "The New Deal" in the United States. But it became possible because the world had changed in the meantime. And the world is changing now.

Unfortunately the changes ushered in by the tragedy of September 11th have not been conducive to a more open and reflective debate of these issues. In fact, to a disturbing degree these events have tended to legitimize a certain degree of suppression of public dissent in the interests of national security. And that can easily be misdirected in the ensuing atmosphere of tension and distrust.

**Panel 1: ENVIRONMENTALLY SUSTAINABLE DEVELOPMENT International
Commitment and Implementation.
Are We Going Forward?**

Chair: Jennifer Dickson

THE BLIGHT OF ECONOMIC CORRECTNESS

Roy Culpeper (President North-South Institute)

(Rapporteur's account)

Dr. Culpeper took as his overall theme the perils of economic correctness in the North-South policy dialogue.

This year has been a very important one for the world and Canada with events such as the Doha Development Agenda in March, the International Conference for Finance for Development in Monterrey, the G8 Summit towards a new partnership for Africa's development in June, and the World Summit on Sustainable Development in Johannesburg. Dr. Culpeper also mentioned the release of Canada Making a Difference in the World: a policy statement on strengthening aid effectiveness in Ottawa and the first-ever G8 Session of Development Ministers, in Windsor.

Despite some critics, the Prime Minister has recognized the inter-relationships between poverty, insecurity and terrorism during the first-year anniversary of the terrorist attacks of September 11. Mr. Chrétien has also publicly accepted the importance of addressing widening international disparities and the need to increase international aid.

On the other hand, when we ask ourselves if we are going forward in terms of aid, we will have to accept that we are going forward a few steps, but we are going backwards a few steps too. Although there is some cause for optimism, there are many deeper reasons

for caution related to a new economic orthodoxy, "economic correctness" in North-South relations.

Many dissonant voices have recently been raised about the new orthodoxy, not just by civil society.

"Sound" and "Unsound" economic policy

There has been deep skepticism about the economic policy agenda and about what the World Bank or the International Monetary Fund (IMF) are doing. The heart of economic correctness is captured by the term sound economic policy, which suggests there are only two kinds--sound and unsound (with little debate as to what constitutes sound economic policies).

In general, correct economic policies are those that leverage and encourage markets and create an environment friendly for business. They also include prudence in fiscal and monetary policy, no deficits, low inflation, and no over-valued exchange rates. All these issues were expressed in the Monterrey Summit, G8 Africa action plan (and, more significantly its New Economic Plan for African Development- NEPAD), in the World Summit on Sustainable Development- WSSD, in Johannesburg.

The problem is, as (Nobel Prize Winner) Amartya Sen states, that the agenda has become unbalanced with too much emphasis on market forces, but too little attention and resources devoted to institutions and public goods. This has been defined by (Nobel Prize Winner) Joe Stiglitz as Market Fundamentalism. Markets will inevitably create and reinforce inequities: resources trickle up to those who have purchasing power rather than trickle down to the poor.

A hallmark study *Inequality, Growth and Poverty in the Era of Liberalization and Globalization* (Giovanni Andrea Cornia and Julius Court, 2000) indicates inequalities have been growing in most countries since the mid-1980s and in some since the mid-1970s. The reason for this phenomenon is a combination of traditional causes (inequalities in assets including land and education) and new causes (excessively liberal policies, including liberalization of the financial sector and the deregulation of labour markets). Trade and technology, according to these experts, are not particularly at fault.

Market-oriented promoters are pushing markets into controversial areas, including health and education, which are traditionally public goods. Part of the reason is the erosion of the tax base, in order to maintain a competitive business environment and deter capital flight; part of this is also ideology. Another controversial area is intellectual property (TRIPs in the parlance of trade negotiations - Trade-Related Intellectual Property). There is no compelling or logical reason for current laws, which give a 20-year monopoly (why not 10 or even five?) to patent holders on the grounds of creating incentives for innovation, while HIV/AIDS patients suffer for lack of affordable medicines.

Market-magic orthodoxy

Perhaps the most controversial dimension of the new orthodoxy is the unqualified assumption that openness to trade and capital flows is going to save developing countries. The perverse role played by integrated international capital markets can be seen in the growing financial instability in Brazil, ahead of the presidential election in which Lula DaSilva, a social democrat, is the front runner. Capital flight and downgrades by rating agencies will help precipitate a crisis, resulting in a self-fulfilling prophecy.

There is dogma surrounding ownership implying that developing countries have to own' the policies they are going to implement. In reality, however, developing countries know what sound economies are. Hence, these countries should not be forced to adopt policies which they do not agree with.

As an example, Dr. Culpeper mentioned the Poverty Reduction Strategy Papers (PRSP) which involve policies on how to reduce poverty in developing countries. These policies are related to economic correctness and at their core contain principles such as popular participation, poverty alleviation and health. However, policies regarding trade and privatization are not open for discussion, because if governments question these issues publicly, they would not get any support. Developing countries have to own those policies accepted by the IMF and the World Bank.

On environmental sustainability, social and environmental impacts are still largely undocumented and unaccounted for in decision-making. On the other hand, Foreign Direct Investment and Gross Domestic Product growth do not necessarily translate into poverty reduction. As an example, Dr. Culpeper mentioned the trend in the mining sector, which over the last decade has been moving towards liberalization of mining codes and the weakening of environmental regulations. In Colombia, the CIDA-supported revision to the Mining Code has also lead to the weakening of once recognized indigenous rights.

Conclusions

The most worrying thing about the new climate of economic correctness is that critics and skeptics are dismissed as being uninformed and obstructive. However, skeptics have good reasons to question what is going on. It is high time the policy-makers listen, specially when two Nobel Laureates in Economics (Stiglitz and Sen) are also raising doubts.

THE FIGHT OVER WATER EXPORTS IN NAFTA

Mark Winfield (Acting Policy Director, Environmental Governance, Pembina Institute)
(Rapporteur's account)

This presentation comprises reflections on Canadian water policy - trade and environmental considerations - summarizing Canadian foreign policy since September 11.

Water is one of two key environmental relationships with the United States, the other being air. In fact, water was the subject of the first environmental treaty signed by Canada, the Boundary Waters Treaty (1906), establishing the International Joint Commission (IJC) and subsequently, what many argued is the most important regional environmental treaty: The Great Lakes Water Quality Agreement (1972, 1978, 1987).

Between 1960 and 1990, there were major remedial efforts on the Great Lakes such as reducing excess nutrient loadings, reductions in industrial pollution, a combination of structural economic changes in the region and regulatory initiatives by governments. Some progress was made in restoring areas of concern identified in the 1987 amendments.

However, efforts declined in both Canada and the U.S. in the 1990s and especially on the Canadian side as a result of the combination of the federal program review and Ontario's slashing of funding in its Common Sense Revolution. These programs have not really recovered since then, despite continuing and growing concerns such as agriculture, urban sprawl, invasive species, and continuing habitat loss, new science regarding fertilizers, and children's health.

Bulk water removals

An aspect that has consistently drawn attention in Canada-U.S. relations has been the issue of bulk water removals. This has been of particular concern in the context of trade liberalization, furthered by the Canada-U.S. Free Trade Agreement (CUSTA) and the North American Free Trade Agreement (NAFTA). There are also long-standing concerns regarding water demand.

Canada adopted a federal water policy in 1987 that included commitments to prohibit bulk water exports; legislation was introduced for this purpose in 1988, but died with the election call that year.

Water has been a central debate within NAFTA, particularly with respect to issues of proportional access to natural resources and issues between the investor and the state (Chapter 11). The governments of Canada, the U.S. and Mexico agreed to a statement in 1993 that NAFTA would not create rights over natural resources of any party unless they enter commerce or become a good or product. In other words, there was not an automatic right to take water, but once its use is permitted for commercial purposes, the NAFTA rules apply.

These issues re-emerged in May, 1998, when Ontario's Ministry of Environment issued a permit to take water for exporting purposes from Lake Superior. This permit was ultimately withdrawn, but highlighted the vulnerability of exporting water.

In February 1999, the Federal Government announced a three-part plan on bulk water exports, which included:

- IJC reference on effects of water consumption, diversion and removals.
- Federal-provincial-territorial accord on bulk water removals.
- Amendments to Boundary Waters Treaty to give the federal government the authority to prohibit bulk water removals from boundary waters, mainly the Great Lakes.

After the announcement of this plan, the IJC reported in March 2000 a strong recommendation against permitting removal from the watershed, which notes that only one percent of waters in the basin are renewed each year. It also highlighted the uncertainty regarding factors like climate change.

Conclusions

Continuing concern is that, except for boundary waters, once access for purposes for export is provided, it will not be possible to turn off the tap without invoking a NAFTA challenge.

Trade rules and domestic policy represent an interesting case study. Federal governments did not thoroughly consider the domestic impacts of new international trade rules.

Panel 2: TRADE AND GLOBAL EQUITY New Partnerships Or Re-Colonization?

Chair: **Dwight Fulford**

ASPECIAL TREATMENT" TURNS ECONOMICS ON ITS HEAD

William Dymond
(Rapporteur's account)

This intervention addresses special and differential treatment for developing countries and the relationship of the trade system to income gaps.

The concept of special and differential treatment is so prominent that it is mentioned 27 times in 52 paragraphs of the Doha Declaration, launching, or more accurately, lurching, the World Trade Organization into a new round of multilateral trade negotiations.

The subject is so critical that developing countries have made it clear that, in the absence of a significant advance on the special and differential treatment agenda, any idea of a

success in the new negotiations should be consigned to the trash can. Should that come to pass, it would be a mistake and a blunder.

Let us begin by defining the term special and differential treatment for developing countries. Special and differential treatment has taken three forms:

1. Rules avoidance:

Under the provisions of article 16 of the GATT in 1955 and subsequently in subsidiary agreements, developing countries have been excused from the rigour of international rules whenever they have found these inconvenient.

2. Trade preferences

Trade preferences have been implemented principally via the general scheme of tariff preference authorized in 1971 by which developed countries reduced their customs duties on imports from developing countries without asking these countries to make reciprocal concessions.

3. Reverse special and differential treatment:

Such treatment was inspired by the notion that developing countries were in fact different economies. Developed countries felt free to impose protective regimes on imports of politically-sensitive products, notably low-standard technology products, or maintain punishing barriers on imports such as agricultural products.

Special and differential treatment measures led to the following consequences. Over the past 40 years, allowing trade negotiators to offer and accept special and differential treatment has smoothed the path to the successful conclusion of negotiations. Less than a year ago, it led to the launch of a new round of negotiations. Unfortunately, special and differential treatment has had a perverse impact upon economic development, especially in developing countries. It is clear why restrictions on clothing imports are perverse, but rules avoidance and trade preferences are also damaging to developing countries.

Shortcomings of special treatment

The premise of the trade rules set out in the GATT and the WTO is that economic growth results from trade expansion. The rules are therefore designed principally to influence domestic policy so as to further expand trade.

As the rules have developed since the late 1940s, they have not always made perfect economic sense, but have instead met a criterion of political economy sense, which is a different concept.

The developmental impact upon developed countries and those developing countries that have accepted the disciplines of the system are dramatic: 80% of world trade is among

developed countries. Taiwan, Singapore, Hong Kong, Korea, and Mexico are among the few developing countries which fully embraced the rules and benefited from them.

The principle of special and differential treatment turns economics on its head. It is an example of do it yourself economics coined by the UK economist David Henderson. This principle rests on the notion that competitive industries can develop behind protective walls. It is a version of the infant industry argument, which holds that domestic industries protected from competition from powerful rivals in their home market will soon become competitive enough to compete with developed countries in world markets.

The concept of preferences is equally bizarre. Its premise is that the small price advantage that a preference would give over a developed country rival suggests that goods sell principally on price. If that were the case, of course, the Germans would have no car industry. Translated to the new agenda of trade negotiations, the special and differential treatment of rules avoidance and preferences becomes even odder. Take investment as an example. Rules avoidance would mean that developing countries would be excused from offering protection against expropriation while developed countries would offer higher, that is preferential protection, to developing countries' investors in their countries than to investors from developed countries. The inevitable results would be to stimulate capital flight from developing countries to developed countries.

Much outrage and equal amounts of piety have been expended on the subject of income gaps between countries. Any suggestion that the gap results from the international trade rules wilts under scrutiny. Arguments that the trade rules are rigged against developing countries because they tolerate a situation where their exports face high barriers is well founded. What would happen if those barriers were eliminated, which they should be forthwith?

Developed countries would grow richer and the gap would increase. Both theory and practice show us that the greatest beneficiaries of trade barrier reduction are the countries which reduce barriers. The benefits flow from the effect which imports have in stimulating the efficient employment of human and natural resources.

The issue is not whether the gap is growing or shrinking - it is in fact shrinking - but whether poor countries are pursuing appropriate policies to promote economic development and alleviate poverty, and whether developed countries are prepared to adopt programs and policies that support these efforts.

With our students at the Centre for Trade Policy and Law, we use the following example. Suppose there were a choice between two economic policies with guaranteed results. Policy one would result in 2% growth in the Canadian economy, and 1% in the US economy. Policy two result in 3% growth in the Canadian economy, and 4% in the American economy. Which do they choose? The answer is easy.

Conclusion

So what is to be done apart from advocating special and differential treatment, which retards the growth of developing countries?

If a rule is inimical to the developing countries, it is likely to be equally harmful to developed countries. The WTO agreements do not represent perfect instruments, but the results of negotiated settlements. Some of the settlements need to be revisited - for example, the whole regime governing anti-dumping and countervailing duties protection. A concerted attack on the discredited anti-dumping regime, for example, should be a core element of the WTO's development agenda. Should there be a need to change a rule for some developing countries, the case needs to be made on a country-specific basis, and addressed on the basis of the provisions governing waivers. Blanket exemptions from the rules facilitate member pursuance of policies that deny them the economic benefits of WTO membership.

WTO members should develop an inventory of those procedures and requirements of membership that pose a burden on developing and least developed members with a view to developing simplified, less burdensome procedures.

Finally, the WTO as an organization, and developed members on an individual basis, should adopt a co-ordinated and comprehensive strategy of training and capacity-building programs. Such programs need to be tailored to the individual needs of developing country members and linked to a firm commitment to implement the full range of WTO obligations.

BLAIR HAS SET THE PACE IN INTERNATIONAL DEVELOPMENT POLICY

Bernard Wood

(Edited text)

The title of this session is both provocative and puzzling. This - and the confidence that Bill Dymond will cover the ground with total authority - gives me the latitude to interpret the topic quite broadly, and try to link it to some of the big debates around globalization, clashes of civilization, war and peace. I think this kind of reflection is in the spirit of the G78 from the outset, and in that spirit I will stick my own neck out in several risky directions.

A certain number of statements of position are necessary to honestly cover so much ground but I try to keep in mind a wise warning by an eminent Swiss development practitioner that our time is almost always better spent in listening to the people who struggle with development than in repeating our own *déclarations de foi*.

As a starting point, it should not, but may sometimes, be necessary to remind ourselves in the global chattering classes that to trade or not to trade is not the question. Ninety-five per cent of the world's people keep body and soul together by scrambling to grow, make,

sell and buy goods and services of all kinds. Trade at all levels is the circulatory system of economic life and a powerful engine of growth. Many things are needed to promote global equity and one necessary, if far from sufficient, condition is clearly that of sustainable economic growth. This is surely one of the things we have actually learnt about development, especially during the last half-century's unprecedented ambition of promoting it worldwide. And we learnt a good deal more.

Enabling environments

There are no simple, universal formulas for enduring success, even in economic policy in its narrower senses. At the same time, it has been pretty well proven that every country needs some basic foundations to make sustainable progress. I think that the best current understanding about the main requirements within countries has been summarized succinctly:

1. A sound policy framework encouraging stable, growing economies with full scope for a vigorous private sector and an adequate fiscal base.
2. Investment in social development, especially education, primary health care and population activities.
3. Enhanced participation of all people, and notably women, in economic and political life, and the reduction of social inequalities.
4. Good governance and public management, democratic accountability, the protection of human rights and the rule of law.
5. Sustainable environmental practices.
6. Addressing root causes of potential conflict, limiting military expenditure, and targeting reconstruction and peace-building efforts toward longer-term reconciliation and development.

In very broad terms, these are the same policy conditions faced by all countries, developing and industrialised, as a basis for sustainable development. It is a very tall order--especially for developing countries, whose capacity is by definition limited and whose margin for policy error is even less forgiving. But the understanding has deepened that ultimately there is no escaping any of these parts of an *enabling internal environment* if progress is to be achieved and sustained.

And recent empirical studies have reinforced this conviction.

When we focus on international trade, the *enabling external environment* comes to the fore, although it obviously also impinges on domestic opportunities and constraints. What external conditions do countries--and especially poorer and weaker countries--most need in order to make their way.

I would focus on two very broad conditions:

1. Levels of peace and international political and economic stability that permit people, firms and countries to go about their legitimate business; and
2. Adequate rules of the game to keep it honest and open, and something different from the game of Monopoly - so that newer and weaker players can always get into the game, sustain themselves and have the opportunity to prosper.

These external conditions are also achieved very imperfectly in the world we have and the world we have known. I hope that most if not all of us could probably agree on these conditions at the level of principle, but of course the devil is in the details as to how and how far they should be applied.

This is far from easy and for some model of how to proceed I have to say that I look to one serious country whose leadership has actually tried to confront some of the most difficult issues while still in office - that of the United Kingdom under New Labour.

Blair on globalization

Leaving aside the still-mystifying position that the Blair Government has adopted on the immediate case for war against Iraq, they have since 1997 taken international development more seriously and applied more intellectual, political, human and financial resources to it, than any other major government over the past 40 years, and perhaps ever.

Many years ago, Lester Pearson looked back on his time in office and remarked on how much easier it had always been to find a bit more money for the foreign aid budget than to actually make some relatively modest changes in our import policies that would have enormously greater benefits for developing countries. The Blair Government has been the first to take this on frontally, and much more widely by even taking on the fiery and confused debates around globalization.

The challenge is that of Making Globalization Work for the World's Poor - and regrettably the British White Paper of December, 2000 , with that title, still stands as one of few respectable attempts to come to grips with these issues in a comprehensive, informed, responsible and courageous way. Regrettably, too, that White Paper and the kind of analysis it raises have found too little place in the often-fragmented and feverish globalization debates.

At one point the UK White Paper rightly points out: While the market fundamentalism of the 1980s and early 1990s has been discredited, it's now widely accepted that efficient markets are indispensable for effective development. It should not be any cause for triumphalist complacency in the West that the entire planet has come to accept the fundamentals of open economies and market disciplines. Rather it is an historic challenge to the OECD countries and the international institutions to prove in practice that the

system does actually work consistent with its guiding principles, and that it can genuinely be a force for inclusion of poor countries and poor people.

How is the system doing? Better in my view than many of the most clamorous critics would have us believe, since they have never accepted the basic premises in the first place and can always find instances, real as well as implausible, where the operation of the system does harm.

A hand for the Invisible hand''

At the same time, the system is doing far worse than it needs to in order to maintain and strengthen the confidence of developing countries and their peoples that the invisible hand actually can operate to take account of their interests and needs, and steadily expand the ground for global equity.

Let me just cite a few prominent instances. The American decisions on steel imports and agricultural subsidies - whatever their tactical place in the U.S. political equation or in relations with the EU and others - can only be enormously damaging to the credibility of the system. Abuses of corporate governance have a similar global impact and we should recognize that sometimes at least the Americans may actually be better at exposing and acting on them than the rest of us.

At the WTO level, the slow response to the obvious need to modify intellectual property regimes, particularly but not only in relation to medicine, raises genuine questions about who is served by the system. Generosity - or at least enlightened self-interest - has been too slow to find a place in the traditionally cut-throat bazaar of trade negotiations and to recognize that, even with the best will in the world, some countries simply cannot take on all the desirable trade disciplines; they need more time and more real help to keep moving in the right directions.

Because our meeting has some focus on Canadian foreign policy, let me just say that our record is still not what it should be, even though we clearly do have an overwhelming stake in a rules-based system. While our limited direct trade with developing countries has minimized frictions, we have still seen little courage in Canada blazing the trail for reforms in the interest of developing countries. But there is a limit to how much we can credibly preach to others when, for instance, our policies affecting them (if not directly developing countries) in a sector like dairy run counter to the spirit if not the letter of the system.

On aid tying, as one very direct test of principle in practice, Canada has never led, and even the development community in Canada has shown itself to be inconsistent or worse.

All of the talk about trade and trade policies and regulations is about tools and means of economic life - powerful and wondrous when they work, but still just means and tools. These are difficult enough to manage and mediate, and often seem to completely dominate our attention.

But we are now challenged, as never before at a global scale, to focus on the ends of economic life, and on its deepest guiding principles.

Principles for international development

Let me end with some much wider assertions about some new ground rules for global policy of the West in the coming years and decades - even for those who may consider themselves the most hardened realists.

1. Poverty and concern for justice matter; they need to be the dominant concern of the world for several decades.
2. Basic values matter and need to be articulated and acted upon.
3. Principles, consistency and avoiding double standards matter.
4. Political will and courage matter, and this applies to civil society as well as politicians; some of the choices really are difficult.
5. Inclusion and participation matter
6. Perceptions matter
7. Respect matters: it is wrong and wasteful to ever patronize the poor; their power to help themselves is awesome given half a chance.

With that kind of agenda, we cannot be satisfied with looking for black hats or white knights; there is a lot of real work to be done.

Panel 3: REDEFINING NATIONAL AND INTERNATIONAL SECURITY Canadian foreign policy at another crossroads B or on a steadily narrowing bicycle path?

Chair: **Michael Shenstone**

CANADA'S LOSS OF PRESENCE IN THE UNITED STATES

Andrew Cohen

(Rapporteur's account)

As his overall theme, Mr. Cohen argued that the United States is an empire, never more so than in the 1990s, during the presidency of Bill Clinton, an era now seen in a nostalgic glow as one of peace and security. Strangely, though, it seemed an unusual idea to Americans.

The United States dominates the world today as no other entity has since Ancient Rome. Industry, finance, technology and information give it economic power. Democracy, diversity and mobility give it moral power. And arms and diplomacy give it military

power. Together they make the U.S. the world's indispensable nation, as its diplomats say, a superiority built on prosperity at home and influence abroad. To be a citizen of the U.S. means to belong to a unique, national enterprise. Let us count the elements of this empire, which are military, economic, diplomatic, scientific/technological, and cultural.

The economy

The U.S. produces and consumes, creating work and wealth. In recent years Japan has sunk into recession and Russia has collapsed but the American engine keeps humming. It is a market unto itself. Only about 15 per cent of its wealth is based on trade, unlike Canada, where trade generates some 45 per cent of our wealth.

The U.S. accounts for 60 per cent of the world's biggest companies. Its 280 million people account for four per cent of world population and 29 per cent of output. Japan and China produce less than half that with a population four times as large. Much of America's wealth is generated, of course, by a country blessed with extraordinary raw materials. For years, the U.S. has been good at making things: automobiles, ovens and refrigerators, air conditioners, consumer goods.

It has also been good at selling and marketing things. It is no surprise that the leading corporations are American such as General Motors, Ford, Chrysler and Wal-mart.

The most telling statement of the influence of the U.S. on the global economy is that in a century which trumpeted the command economy embraced by communist states, most nations have come to share its faith in the free market, free trade, property rights, deregulation and privatization.

Military

The United States' armed forces are the strongest in the world. Only the U.S. can project power to the corners of the earth. When the West goes to war, whether in the Persian Gulf or the Balkans, or now Afghanistan or Iraq, it goes only if the United States goes, as general, foot soldier and quartermaster. And now the U.S. goes alone.

Diplomatic

The influence of the U.S. is decisive. It brokers peace in Northern Ireland, Bosnia, Haiti and the Middle East (or it did, at Camp David and Oslo). It funds the world's international institutions such as the UN, the World Bank and the International Monetary Fund. It won't always get its way at the UN but it will probably get the resolution it wants on Iraq.

Culture

The fashions, books, food, films and music of the U.S. are everywhere. In Canada, we know this better than anyone. It is only a slight exaggeration to say that the GAP and

Ralph Lauren dress the planet. McDonald, Coca-Cola and Starbucks nourish it. CNN and the International Herald Tribune and Vanity Fair inform it. Dreamworks and Disney entertain it.

Science

The United States develops the Internet, explores outer space and the oceans, and maps the human genetic code. A half century ago, serious scientists went to Europe, Germany; now they go to the United States. This is the Golden Age of American science. Eighty-five scientists based in the U.S. have won Nobel Prizes since 1981. Canada has only three.

These are the elements of the empire.

The trauma after September 11 of an attack on the invulnerable country, on its symbols of military and financial power, was the end of ignorance. There is now, in a way there was not before, a recognition of the costs, the consequences, the risks of Empire, the recognition of reality. That when you are who you are with the interest you have and the view you hold, there will be those who don't like you. It is simply a sudden awareness that you are the front runner and there are people who resent you, and you have real interests, like any empire, and you will have to protect them.

All this is now crystalizing in the Bush Doctrine, and the debate over Iraq.

What does it all mean for Canada? Do we matter in Washington today?

Off the radar screen

My sense is that we don't matter. When George Bush failed to mention Canada in his seminal address before Congress 10 days after September 11, it was not a rebuke, as the critics said, but a reflection - a reflection of Canada's loss of stature in Washington, the hub of the universe, where we were there but not there.

As Joe Clark, the leader of the Conservative Party, put it: I wouldn't consider this a snub. I consider it, in fact, an indication that Canada is off the radar screen ... The speech is also important only in so much as it is a tidy, telling metaphor of a shifting relationship. If the association between Canada and U.S. remains special, which is what it was once called, it may now be becoming less special. Canada has always struggled for attention in Washington, but it will now have to work harder to remain Aon the radar screen".

The danger is that as Canada fades as a power in the world - in the reach of its military, the impact of its foreign aid, the influence of its diplomacy, the absence of a foreign intelligence- gathering service - it risks becoming a fading presence in Washington, too.

It is not unusual for Canadians to worry about their standing with Americans; it is a function of who we are, who they are, and the disparity between us. As the U.S. grows

stronger in the world, Canada becomes relatively weaker in terms of its military, its foreign aid, its diplomatic service. As for its foreign-intelligence gathering, it has none at all. But the threat to Canada's presence in Washington probably has more to do with a clutch of other factors. Here are some of them.

Canada's declining stature in Washington

Economic

Canada and the U.S. have the largest commercial relationship in the world. The danger for Canada is that 85 per cent of its exports go to the U.S., an increase from two-thirds a quarter century ago. At the same time, only about 25 per cent of U.S. exports go to Canada. It means that Canada has to care more about its interest in Washington than Washington has to care about its interests in Canada, which is not to say that its trade and investment in Canada are insignificant.

Moreover, there are signs that commerce between Canada and the U.S. may be overtaken by U.S. commerce with Mexico. In other words, Canada is in danger of losing its status as the largest trading partner of the world's most formidable economy.

Political

In political terms, Canada has geography and history against it in Bush's Washington. The president came to office knowing less about Canada than Mexico, which is now led by a friend. The other threat to Canada's stature in Washington is Congress. While the Democrats control the Senate, the Republicans control the House of Representatives. Many of its leaders are from the Southwest, where economic and political power has grown markedly.

Demographic

Another danger for Canada is the rise of Mexican-Americans. Latinos from Central and South America are displacing black Americans as the country's largest visible minority and as a new electoral force. Of those, an estimated four to five million come from Mexico.

Military

The U.S. does not rely on Canada as a military power, which is just as well, because Canada can offer little help anyway. All observers reach the same sad conclusion: Canada's forces are ill-equipped, under-manned and under-funded.

Diplomatic

Whereas Canada supported the Landmines Treaty, the International Tribunal on War Criminals and the Kyoto Treaty, the U.S. has opposed all of them.

To regain trust and respect

All of these factors - the personal orientation of President Bush, the shift in political power, the rise of Mexico, the erosion of Canada's military, the thrust of our diplomacy - have contributed to the loss of presence in the U.S., a loss which manifests itself in other ways.

In the world after September 11, we had to ask ourselves once again: is there a way to be true to our friends and true to ourselves? To be an independent nation and a reliable ally? The challenge for Canada is to be an effective power that would win both trust and respect. The way to do that is to reclaim old assets: a strong, credible military; an efficient, exemplary aid program; an effective diplomatic service, and a first-class intelligence service.

FROM DETERRENCE TO PRE-EMPTION

Fen Hampson

(Edited Text)

Last week, President Bush issued a 31-page document to Congress that discussed new security challenges confronting the U.S. The document argued that the traditional concepts of deterrence will not work against a terrorist enemy whose avowed tactics are wanton destruction and targeting of innocents. Instead, the document argued the U.S. will have to take anticipatory action and attack as soon as it sees danger.

The U.S. case for pre-emptive war is premised on several propositions:

- The threat from Iraq is high because, as numerous senior U.S. officials have argued, Saddam Hussein has developed biological weapons, lied repeatedly about stockpiles and used chemical weapons against his own people.
- There are several precedents for pre-emptive war. The Israeli assault on the armed forces of Egypt and Syria in 1967 was launched to pre-empt imminent attacks by Damascus and Cairo.
- Containment and deterrence are not effective strategies against so-called rogue regimes. Pre-emption therefore is necessary.
- The U.S. has also signalled that it wants the UN to enforce its previous resolutions on Iraq and to start inspections right away. But it also says that it does not believe that inspections will work because Saddam Hussein has already demonstrated that he cannot be trusted and, in the end, he will not co-operate with the inspectors.

American interest in pre-emption precedes the doctrinal statements of the Bush administration. In the first Clinton administration, the then Secretary of Defense Les Aspin announced that the U.S. would seek the capability to undertake offensive counter-strikes against proliferators of weapons of mass destruction. During the Cold War, the U.S. flirted with pre-emption on more than one occasion.

Current U.S. policy echoes the New Look policies of the first Eisenhower administration. The architect of this policy was Secretary of State John Foster Dulles, who believed that international politics was indeed a struggle between good and evil. The short-lived policy of massive retaliation, which Dulles enunciated at the New York Council on Foreign Relations in 1954, was that the way to deter aggression is for the free community to be willing and able to respond vigorously at places and with means of its own choosing.

There are a number of important legal and normative questions raised by this new American doctrine, especially regarding the legitimacy of any attack on Iraq. First, Article 51 of the UN Charter recognizes the inherent right of individual or collective self-defence if an armed attack occurs against a member of the UN pending Security Council resolution. But Article 51 envisages self-defence only in cases of actual attacks. Secondly, some argue that the restrictions of Article 51 are superseded by UN Security Council Resolutions 1368 of September 12, 2001, and 1373 of September 28, 2001.

But the operative provisions of these two resolutions do not contain authorization language for resorting to force. They are simply warning that the Council itself may take further steps to authorize force in the event that such steps are necessary. Others argue that events, notably the Clinton administration's application of Article 51 to justify action against Iraq in 1993, Sudan, and Afghanistan in 1998, and Kosovo in 1999, has led to an evolution in the customary law of self-defence which may be invoked when ethnic cleansing is occurring, a head of state is threatened, or when terrorists kill innocent people.

Finally, others argue that the criteria for anticipatory self-defence against an imminent threat, even in the absence of an actual armed attack, can be found in sources of customary law. One precedent cited is the Caroline case, involving an incident between the U.S. and Britain in 1837. The then U.S. Secretary of State Daniel Webster argued that the legitimate claim of self-defence should be grounded in a necessity of self-defence, instant, overwhelming, leaving no choice of means and no moment for deliberation and that the response should involve nothing unreasonable or excessive.

Coercive power a blunt instrument

Placing legal and normative arguments temporarily aside, there is also the broader question that has to be posed and that is whether military force is the best instrument to wage the current war against terrorism and against regimes that possess WMD (weapons of mass destruction). Coercive power is a blunt instrument at the best of times. Yes, it can defeat military forces, topple nasty regimes, seize and hold territory, and deter or

intimidate. But the military action only creates brief windows of opportunity and is clearly the wrong instrument to promote long-term stability.

Even if Saddam Hussein is deposed, there are many other countries that have the will and capacity to provide terrorists with weapons of mass destruction. As Sandy Berger recently argued, the U.S. has to look carefully at the consequences of its actions.

There is no silver bullet to eliminate the spread of nuclear weapons and other WMD. The building blocks of a long-term strategy are to promote a Comprehensive Test Ban Treaty and Biological Weapons enforcement. Back in 1970, it was generally assumed that there would be 20-30 nuclear weapons states within 20 years. Today, there are only eight and many governments have given up nuclear weapon programs: Brazil, South Africa, South Korea, Argentina, Ukraine, Belarus, Kazakhstan and Taiwan.

The real problem is to secure dangerous nuclear materials at their source. The G8 at the Kananaskis summit pledged some \$20 billion over the next 10 years to secure these weapons and material, particularly in Russia. This must be a priority.

BUILDING AND LOSING SECURITY COUNCIL CONSENSUS

Peggy Mason

(edited text)

The UN Security Council's actions in dealing with Iraq show how a multilateral consensus can be built, maintained for a time, and then lost. It is a study initially of strong USA leadership and then of its gradual frittering away.

The Iraqi invasion of Kuwait on August 1, 1990 was a fundamental challenge to the international community in general and the UN in particular because it came at a time when the Security Council was no longer paralyzed by the Cold War veto power of East and West. The fact that now the Council, in theory at least, could respond to an act of naked aggression – an unequivocal breach of the most fundamental principle underpinning the creation of the UN and of the successive development of international law since end of WWII – the Art 2(4) prohibition on the use of force (except in self-defence against an armed attack) – meant that its failure would be immense if it did not do so. The UNSC has been given an extraordinary role under the Charter. It has the power, on behalf of all UN member states, to authorize the use of force where it has determined that a threat or breach of international peace and security cannot be addressed effectively in any other way. Now the Council had to live up to that extraordinary responsibility.

It was not a foregone conclusion that the Council would authorize the use of force to oust Saddam from Kuwait. Indeed, many member states and interested observers were horrified at the thought that the 'UN might wage war'. And the USA - while strongly in favour of military action from the outset - did not automatically look to the Security

Council for authorization of its actions. After much internal debate – and in this regard Canada along with many others played a modest role in convincing them to this end – the USA did decide to work within the parameters of international law and to set about building strong multilateral support for effective action by the UN Security Council to get Iraq out of Kuwait.

At this point it is important to note that the Security Council does not work in isolation. Even the five, veto-wielding permanent members - China, France, Great Britain, Russia and the USA - pay at least some attention to what the international community at large wants. Even China – which refers to itself as the Group of One – is unwilling to be isolated on an issue where many developing countries have taken a strong stand.

So the USA worked inside and outside the UN to build support. An important factor in building support at the UN was the role played by Ambassador Thomas Pickering, one of America's most seasoned and experienced diplomats. And resorting to force was not the *first* step authorized by the Security Council but the *last*, when it had become clear that even a crippling economic embargo would not change Saddam's mind. Resolution 678 authorized a coalition of states cooperating with the government of Kuwait to use "all necessary means" to remove Iraq from Kuwait. China abstained and Cuba and Yemen voted "no". The other 4 permanent members and 8 non-permanent members, including Canada, voted in favour. Regime change was not part of the mandate laid out by Resolution 678. The American-led coalition forces stopped short of Baghdad, not least because of President George Bush Senior's fears about what an expansion of the mandate would do to Arab support within the coalition. There was also the question of whether Iraq could survive as a state, given the substantial Kurdish minorities in the North and South and the cleavages between the Sunni ruling minority under Hussein and the excluded Shiite majority in the South with its close ties to Iran.

The terms of the Security Council ceasefire resolution 687, to which Iraq agreed in April 1991, included the establishment of the most comprehensive and intrusive multilateral disarmament inspection, destruction and ongoing monitoring regime ever devised. The first head of the UN Special Commission (UNSCOM), the body of international inspectors whose disarmament mandate related to Iraq's chemical and biological weapons and long range missiles, was the extremely adept Swedish diplomat, Ambassador Ekeus. (His fellow countryman, Dr. Hans Blix, was already the head of the International Atomic Energy Agency, the pre-existing international institution mandated by SCR 687 to set up a special "Action Team" to carry out the nuclear disarmament of Iraq.) Not only were extraordinary diplomats heading the disarmament effort but, of equal importance, they were working with the full support of the UN Security Council and the international community at large. Testament to this unity was the first – and only – Summit-level meeting of the UN Security Council held on 31 January, 1992. It took place against a backdrop of public revulsion at the emerging revelations of the extent of conventional weaponry pumped into Iraq by the USA, the then Soviet Union, the UK and France, not to mention the sheer breadth of the weapons of mass destruction programmes Iraq had had underway (with mounting evidence that American, German and British companies were complicit). So great was the desire of the Council to be seen to stand foursquare

against WMD proliferation, that a statement was issued by the President of the Council at the end of their meeting declaring that such proliferation was a threat to international peace and security. Even India, then a non-permanent member of the Council and a relentless critic of the Nuclear Non-Proliferation Treaty (to which, unlike Iraq, it was *not* a party) as a discriminatory document legitimizing nuclear weapons for a privileged few and banning them for the rest, signed on to the unanimous statement (albeit with a qualifying footnote), wisely judging that now was not the time to risk being seen as soft on nuclear proliferation.

Destroyed More Weaponry than Desert Storm

So the stage was set for UNSCOM and the IAEA to do their work and do it they did with persistence, dedication and innovation, using multinational teams of inspectors, developing their own imagery analysis capability and employing a wide variety of new techniques and technologies. Whatever the ensuing (and still ongoing) arguments over what percentage of weaponry remained at the time of the UN withdrawal of inspectors in December 1998, it is indisputable that UNSCOM and the IAEA destroyed far more weaponry than Operation Desert Storm. Indeed, the Iraqi nuclear weapons programme – which had not yet reached the point of successfully producing a bomb – was completely dismantled and a system of ongoing monitoring and verification put in place using sensors, cameras and other devices for remote monitoring to ensure timely warning should Iraq attempt to restart the programme. By as early as March of 1996 the Security Council had also approved an import monitoring system to track all sensitive dual use equipment that might be used by Iraq in relation to any of the prohibited weapons categories. This ongoing monitoring and verification system was to replace the blanket economic embargo, once the UN inspectors certified that Iraq had complied with its disarmament obligations.

Perhaps one of the great ironies of the UN inspection saga is that the work of UNSCOM and the IAEA Action Team was more or less invisible until things started to go wrong. Only when inspectors started being actively harassed and blocked by Iraq, did the media really start to pay attention. What brought about this sorry state of affairs? It is not that Saddam Hussein willingly cooperated with the inspectors at the outset and then suddenly changed his mind. On the contrary. From the beginning of the disarmament process, Saddam engaged in a variety of delay, deception and disinformation techniques to mislead the inspectors. But for the most part they did not work. Ambassador Ekeus took great care to avoid any action that might undermine the unity of the Security Council and, so long as it held, the opportunity for Saddam to 'divide and conquer' - to play the interests of one Security Council member off against another - was limited.

The Consensus Unravels

The situation was entirely different, however, by the time the former Australian Disarmament Ambassador, Richard Butler, took over in 1997. Security Council unity was in tatters as concerns grew over the terrible hardship that the economic sanctions were wreaking on the ordinary Iraqi citizen – even as they strengthened the grip of Saddam's

ruthless dictatorship - and as the belief took hold that the United States would never be satisfied no matter how much disarmament took place so long as Saddam Hussein was still in power. Add to this the poisoned atmosphere at the UN as the USA racked up millions of dollars in arrears of dues for both the regular UN budget and for peacekeeping operations, and the bitterness of African member states in particular over the USA refusal to authorize robust peace operations in response to African crises, while at the same time sparing no cost when it came to conflict in Europe. The final ingredient in this volatile mix was a new head of UNSCOM whose bellicose style and apparent deference to USA wishes, rather than those of the Council as a whole set the scene for increasing confrontations between the inspectors and Iraq, culminating in the UN decision to withdraw the inspectors in December of 1998 in light of the declared intention of the USA and UK to begin a unilateral, unsanctioned and therefore entirely illegal bombing campaign, allegedly to force Saddam to begin to cooperate with the inspectors once again.

In my view, the lessons from this brief history are extremely clear. When the USA takes the multilateral process seriously and works to build a genuine consensus, the result is far more efficacious than unilateral action, no matter how powerful the unilateral actor is. But an international consensus, once built, has to be maintained. Instead, the United States embarked on a course of action that progressively undermined and eventually destroyed that consensus. To put this another way, by abandoning the high road so blatantly in favour of narrow perceived self-interest, the USA freed up other would-be mischief makers to do the same. Predictably, the USA then loudly decried the loss of resolve of the Security Council and the international community at large, demonstrating an all too familiar and convenient blindness to the role its actions had played in bringing about the very state of affairs it now condemned.

Discussion Group 1:

CANADIAN DEFENCE POLICY

Moderator - **Graeme Kirby**

Resource Persons: **Stan Carlson, Douglas Fraser**

(Rapporteur's account)

Mr. Carlson said the United States is the only country that can create foreign policy and make others follow. Canada is in a position where it should have an informed reaction to world events and can sometimes exert influence.

The world is a better place than 20 years ago. We are better off in terms of literacy rates, health, and economic indicators. Most of the world is politically more stable, and there is less inter-state conflict.

Instability and conflict exist in pockets, such as failed states like Iraq and Afghanistan, the Congo and other parts of Africa. A second cause of instability is transnational groups employing violence, including drug dealers and political extremists.

Terrorism arises in areas with extremes of wealth and poverty, often accompanied by corruption, social splits on racial and ethnic lines, and political marginalization. People feel they have little or no influence on government.

Few threats exist to Canada at home or from other states. The main threat to Canadian security would arise in the wider context of global insecurity and instability. Canada needs multilateral agreements to address these issues.

The North Atlantic Treaty Organization is on its way out, but the United Nations still has potential, with its many branches and many available tools.

Future Canadian defence policies should be based on the ability to build new alliances and ad-hoc arrangements. Canada needs to improve information collection and intelligence capabilities and make better threat assessments. Threats should be reduced through greater economic development, support for human rights and religious tolerance and democratic institution building, and continued arms control. We should make a credible contribution to peace-keeping or peace-enforcement through a flexible, highly mobile, rapidly-deployable force. Defence policy should be considered as part of an overall foreign policy review, and this must include particular attention to Canada-U.S.A. relations.

Mr. Fraser observed in discussing Canada-U.S.A relations that the military has closer ties to the United States than does the foreign affairs department or, indeed, the general public. Core defence issues in this context are: command and control, and inter-operability.

Unified command systems exist all over the world, except in North America. The "Northern Command" is the first example of an American command system that has involved consultation with affected nation-states, through the establishment of a planning group to coordinate issues of planning and security. Priorities include maritime defence, civil emergency issues such as planning protection against biological attack, and the possible transit of land troops during crises.

Canada has little manoeuvring room and has to decide where it can have most influence. Sovereignty has a financial price, but it is also expensive to involve ourselves with the United States. Do we want to be inside or outside the tent?

Conclusions

The discussion group decided Canada urgently needs a comprehensive, integrated review of foreign affairs, defence, and security policy. Members of the group decided that increased investment is needed in foreign policy and defence. Members also believed that Canada can play a significant role in peace-keeping, peace-making, and conflict resolution.

Discussion Group 2:

CANADIAN WATER POLICY

Moderator: **Penny Sanger**

Resource persons: **Margaret Catley-Carlson, Mark Winfield**

(Rapporteur's summary)

Margaret Catley-Carlson noted that Canadian water concerns are more focused on the quality than the quantity of water. In general, water services are underpriced. Many municipal water infrastructures are degrading. Water polluters are a problem; it is difficult to make them pay for their pollution. Worldwide, the greatest polluters are farmers because of the use of pesticides and other chemicals.

Canadian-American cooperation under the Boundary Waters Treaty and the International Joint Commission is extraordinary and a model to the world. There is good - but degrading - scientific analysis and monitoring compared with the world.

Mark Winfield reviewed water-policy gaps or loopholes in Canada and stressed that watershed management is poor in terms of groundwater and use control. Agriculture production must be included in watershed management because of farm contamination of surface and underground water. Ms. Catley-Carlson added that the new U.S. Farm Bill includes a section on how farmers can be better water managers.

Mr. Winfield said a more efficient institutional framework and regulatory regimes are required for farmers. He suggested a farm income regime in which farmers don't get their income supports unless they comply with certain regulations. In this sense, community-based interventions were critical. One participant said southwestern Ontario faces serious problems because of the excess nutrient loads in farmland water and the fact that most of the contaminated water is a primary source of domestic use. Fish and other habitats are also endangered.

Discussion group members agreed it is hard for all parties involved in the agricultural problem to interact and get a hearing because of diverse and strong interests. They felt, however, that farms operate essentially as an exemption from the environmental regime and this must change.

There was also consensus that it is not profitable or desirable for companies to take care of the water resources. Britain's privatization of its system has brought complaints of too steep price increases. Canada should stress the role of the government since water is seen in this country as a common public good.

The group agreed there is also a distribution problem. Canada has large masses of land with rain and others without it. In some places, there is a misuse of the resource. In Alberta, for example, fresh water is used down to push oil up. This is a crime considering the farming sector's importance in this province.

Mr. Winfield noted again the link and the importance of environmental law and governance and the need to emphasize water management on the local or relatively small scale. Canadian water policy directed at foreign dealings involved funding for small projects, not big ones.

In connection with the possibility of bulk water exports under the North American Free Trade Agreement (NAFTA), the group felt that investors should back off to let governments make the appropriate policy decisions. The Newfoundland bid to export bulk water was cited.

Conclusions

Foreign There should be global emphasis on exploring and applying small-scale technical alternatives in water use and preservation. This would include run-of-the-river (no dam) turbines, water harvesting, and storage tanks.

Domestic A major challenge is the lack of government regulation to encourage compliance by agriculture with watershed protection, especially domestic water sources threatened by pollution from chemical fertilizers.

Other The interpretation of chapter 11 of the NAFTA agreement should be narrowed to ensure government has the power in dealing with the question of bulk water exports to conserve water resources and protect health and the environment. The current treaty language could lead to international legal challenges on control of water exports, resulting in applications for compensation where export schemes are denied.

Discussion group 3:

CANADIAN ANTI-TERRORISM LEGISLATION

Moderator: **Tim Creery**

Resource person: **Hon. John M. Reid PC**

(Edited text and discussion. Mr. Reid's full text is given in appendix 1)

In the weeks following the events of September 11, 2001, the government rushed to put in place legislative tools for use in the so-called "War on terrorism". One of those initiatives was the antiterrorism bill (Bill C-36), introduced into the House of Commons on October 14, 2001. Contained in that Bill was a sweeping derogation from the right of access contained in the Access to Information Act.

Section 87 of Bill C-36 authorized the Attorney General of Canada to issue a certificate that prohibits the disclosure of information for the purpose of protecting international relations or national defense or security". A similar provision already existed in the Access to Information Act. However, Bill C-36 also removed the authority of the Information Commissioner and the Federal Court of Canada to review the information covered by a certificate for the purpose of providing an independent assessment of whether or not secrecy was justifiable. Such a change constituted an unprecedented shift of power, from individual Canadians to the state.

Discussing the issue before a Parliamentary committee, the Information Commissioner cited a recent, government-commissioned study, which concluded that the Access to Information Act posed no risk of possible disclosure of sensitive intelligence information, that no such information had ever been disclosed under the Act in the 18 years of its life and that the Access to Information Act regime offered as much or more secrecy to intelligence information as do the laws of our allies. (Despite such advice, the bill, including the measures restricting access to information, has now been passed into law.)

In times of emergency or threat, it is sometimes necessary for states to take rights away from citizens and give new powers to governments. The challenge for any healthy democracy is to resist the temptation of states to overreach.

Salman Rushdie, in his recently published book, *Step Across This Line: Collected Nonfiction 1992-2000*, says "In the battle between freedom and security, freedom always has to be the one that wins". In my judgement, our government failed the challenge when it gave itself the power, through the secrecy certificate, to escape independent scrutiny of its decisions to keep secrets from its citizens.

Following his statement, Mr. Reid summarized his thoughts by saying that under the incentive that "something had to be done", the government acted without really dealing with the root causes of the insecurity expressed after September 11th. He mainly deplored the resulting decrease in the authority of the Courts.

The group broadened the topic by discussing the Anti-Terrorism Legislation in regard to its various implications for citizens, as well as the process of its adoption. Mr. Reid described the limitations faced by the Parliamentary committees in charge of investigating Bill C-36, which had to manage an "overwhelming" load of information in a short time.

The Group concluded that under pressure of time and a panic reaction to the terrorist threat, Parliament adopted a bill providing for unreasonable restrictions on citizens and impairing the capacity of the courts to protect a number of citizens' rights.

The Group recommends that the anti-terrorism legislation should now be subject to thorough study by the House of Commons Justice Committee with a view to repealing or amending those provisions that cannot be shown to be needed for the protection of citizens and their rights and liberties from terrorist attack. This would offer citizens and interested parties a full opportunity to express their views.

If such a course is not adopted, the Group recommends that the Government refer the legislation to the Supreme Court of Canada to determine whether all its provisions are consistent with the Canadian Charter of Rights and Freedoms.

Discussion Group 4:

THE INTERNATIONAL CRIMINAL COURT AND THE FUTURE OF INTERNATIONAL LAW

Moderator, **Peggy Mason**

Resource persons: **Mike Perry, Fergus Watt**

(Rapporteur's summary)

The goals of this discussion are, first, to discuss the nature and development of the International Criminal Court - the ICC - and, second, to explore ways that members of the Group of 78 can promote the ICC.

The ICC was generated in the form of a draft convention called *The Rome Statute* (the statute"), which was drafted in 1988 and entered into force July 1. As 81 out of 139 countries ratified the statute, the ICC enjoys a significant amount of support worldwide.

The court is dissimilar to both the International Criminal Tribunal for the Former Yugoslavia (the ICTY) and the International Criminal Tribunal for Rwanda (the ICTR) in that both of those tribunals were created by the United Nations to address specific instances within specific time limits. Like the International Court of Justice (ICJ), the ICC is a permanent court but, unlike the ICJ, it is not a part of the United Nations system. In addition, while the ICJ has jurisdiction over disputes regarding states, the ICC, like the ICTY and the ICTR, may prosecute individuals, as opposed to states, for committing a limited number of crimes.

The most important feature of the ICC is that it operates under the principle of complementarity. Only when states are unable or unwilling to participate in a case would

a case proceed to the ICC. Since the ICC is secondary to national proceedings, states that support the convention harmonize their criminal laws and standards with the laws of the court. In addition, as much of the court's work is in scrutinizing national laws, the court is therefore a powerful tool of reform.

Other key elements of the ICC include: (i) the limited scope of the crimes that are prosecuted (crimes against humanity, war crimes, genocide and crimes of aggression, which are yet to be defined), (ii) a treaty-based recognition of gender elements of war crimes, (iii) there are three ways that a case may proceed to the ICC (prosecutors can have a case referred to them by a state party, the UN Security Council can refer a case, and prosecutors can refer a case on their own initiative), (iv) the ICC has no jurisdiction over individuals who are under 18 years old, (v) there are no immunities offered, (vi) there is a presumption of innocence, (vii) sensitivities for victims are reflected in a variety of procedures, (viii) there is no death penalty, (ix) there is no statute of limitations for ICC crimes, and (x) the ICC law is made up of a hybrid of common and civil law systems.

Canadians can be very proud of the role Canada continues to play in supporting the ICC. Although some data indicates that public opinion in the U.S supports the ICC, the U.S. administration actively opposes the court. Such opposition, which is being launched when the court is at its most vulnerable stage, necessitates the generation of increased public support for the ICC.

What can the Group of 78 do now to help generate more public support for the ICC?

I. Public Advocacy: Create a network of NGOs and groups of lawyers who are interested in criminal law and human rights issues. Members of this network could:

1. Create an International Criminal Bar Association.
2. Promote the further development of Canadian Criminal legislation.
3. Propose definitions of the crime of aggression that would further strengthen current laws, including the UN *Charter* .
4. Help expand efforts to create a trust fund for victims, and to pressure the Canadian government to make a substantial initial contribution.
5. Generate further discussion promoting the ICC and publicize those discussions. Media groups should be targeted, lunches can be organized, members of local bars should be included, a speaker's bureau can be formed and faculties of law could also be included in the process.

II. Individual Initiative: Support the ICC by accessing the Amnesty International web site and signing the petition at the following web site: www.amnesty.org then click on the International Justice link.

Clearly, there is cause for optimism in the current movement to establish a permanent international criminal law system. With active support by members of governments and

civil society, the ICC has the potential to make vast improvements to criminal law protections worldwide.

Appendix 1:

ANTI-TERRORISM AND SECRECY

Hon. John M. Reid PC, Information Commissioner of Canada

Information Commissioner John Reid's address to the Discussion Group on Anti-terrorism Legislation might have been entitled "The Devil is in the Details". To illustrate how the intricacies of legal wording can lead to harsher effects than many critics, including the Canadian Bar Association, thought necessary, and how the effects of this wording can be fudged by the responsible minister, this appendix gives the full text of Mr. Reid's remarks.

In the weeks following the horrific events of September 11, 2001, the government rushed to put in place legislative tools for use in the so-called "war on terrorism." One of those initiatives was the antiterrorism bill (Bill C-36), introduced into the House of Commons on October 14, 2001. Contained in that Bill was a sweeping derogation from the right of access contained in the Access to Information Act.

As first introduced, section 87 of Bill C-36 would have authorized the Attorney General of Canada "at any time" to "issue a certificate that prohibits the disclosure of information for the purpose of protecting international relations or national defence or security." That same provision also stated that the *Access to Information Act* would not apply to any such information.

The first version of section 87 of Bill C-36 contained no time limits on the period of secrecy. As well, it removed the authority of the Information Commissioner and the Federal Court of Canada to review the information covered by a certificate for the purpose of providing an independent assessment of whether or not secrecy was justifiable.

This unprecedented shift of power, from individual Canadians to the state, came under intense scrutiny by the Standing Committee on Justice and Human Rights of the House of Commons and by a special committee of the Senate, which was struck to conduct a pre-study of the Bill. The then Minister of Justice was asked to explain the reason for this new blanket of secrecy.

In all of her evidence before the committees of the Senate and the House of Commons, the Minister offered only one explanation. The explanation is most exhaustively set out in her response, to a question posed by Mr. Michel Bellehumeur during the former Minister's appearance before the Justice and Human Rights Committee on October 18, 2001. Mr. Bellehumeur asked the Minister why she proposed to remove from the scope of the *Access to Information Act* (and from review by the Information Commissioner and the courts) the very type of information which the exemption contained in section 15 of the access law was designed to protect from disclosure. The Minister answered as follows:

"No, what section 15 does in fact is leave open, creates a loophole in terms of the possibility of disclosure of information that may have been provided to us by our allies and in fact we know that in relation to these sensitive matters where in fact one must work with ones allies -- one is gathering intelligence, one shares intelligence -- much of this speaks to the national security, not only of this country, but of other countries, and to the very lives of perhaps informants and others. Unless we can guarantee to our allies that that kind of limited, exceptionally sensitive information will not be subject to public disclosure, we will not get that information and we will not be able to fight terrorism as effectively as we should.

I'm afraid, Mr. Chair, that under existing access legislation, there is a loophole created because it permits the Access Commissioner to make certain recommendations. In fact, as far as we're concerned, that is not sufficient for our allies and we must do that which is necessary to ensure we have the best information and we are protecting that exceptionally sensitive information."

The Information Commissioner and others challenged the Minister to explain the "loophole" - it could not be the Commissioner, as he has no power to order the disclosure of records. The Commissioner reminded the Minister of a very recent, government-commissioned study, which concluded that the *Access to Information Act* posed no risk of possible disclosure of sensitive intelligence information, that no such information had ever been disclosed under the *Act* in the 18 years of its life and that the *Access to Information Act* régime offered as much or more secrecy to intelligence information as do the laws of our allies.

The only "loophole," thus, could be the possibility that a misguided judge of the Federal Court would order the disclosure of sensitive intelligence information, notwithstanding a clear exemption if such information contained in the Access law. Given the Federal Court history of applying sections 13 and 15 of the Access law and the presence of appeal mechanisms to the Federal Court of Appeal and Supreme Court of Canada, the "misguided judge" theory had no rational basis. Moreover, there was an air of unreality to the former Minister's suggestion that our allies had asked the government to give them a "guarantee" by plugging the "misguided judge" loophole. The Information Commissioner

asked the former Minister to produce the evidence of any such request; none was forthcoming.

The Minister could not produce the evidence because our major allies and suppliers of intelligence also operate under freedom of information laws, which include avenues of independent review. They understand that the purpose of these laws is to remove the caprice from decisions about secrecy, by subjecting such decisions to a legislative and judicial system of definition and review. The allies want no more than the simple assurance from Canada that intelligence information which needs to be protected can be protected. Not a single ally doubts Canada's ability to do so under the existing *Access to Information Act*.

In the face of the criticism, the former Minister went back to the drawing board and made a number of changes. It would be a mistake to assume, however, that these changes amounted to concessions to her critics. In fact, the amendments broadened the sweeping scope of secrecy certificates, and increased the power of the Attorney General to interfere with the independent investigations of the Information Commissioner. The government's addiction to secrecy was to be fed at all costs!

First, the scope was broadened by changing the permitted purposes for a secrecy certificate from:

Version #1: "for the purpose of protecting international relations, national defence or security."

to:

Version #2: "for the purpose of protecting information obtained in confidence from or in relation to a foreign entity as defined in subsection 2 (1) of the *Security of Information Act* or for the purpose of protecting national defence or national security."

To fully appreciate the breadth of Version #2, one must carefully read subsection 2 (1) of the *Security of Information Act*, it defines "foreign entity" as

"(a) a foreign power

(b) a group or association of foreign powers, or of one or more foreign powers and one or more terrorist groups, or

(c) a person acting at the direction of, for the benefit of or in association with a foreign power or a group of association referred to in paragraph (b)."

The effect of this change from Version #1 to Version #2 is to give the Attorney General the power to cloak in secrecy information on any subject provided in confidence by any person, group or foreign power.

Second, the former Minister amended Bill C-36 to provide that, where a secrecy certificate is issued after an investigation of a complaint has been commenced by the Information Commissioner, "all proceedings under this *Act* (the *Access to Information Act*) in respect of the complaint, including an investigation, appeal or judicial review, are discontinued." As originally introduced, Bill C-36 contained no such provision. In the original version, the Information Commissioner could continue his investigation (and the courts could continue their reviews) with the only restriction being that neither could have access to the information covered by the certificate.

The troubling significance of this change requires some explanation of the nature of most complaints to the Information Commissioner. Access requesters, typically, do not request access to a specific record. Rather, they typically request access to records on a particular subject such as, for example: the steps being taken by Health Canada to respond to the threat of terrorism by anthrax or changes being made by Transport Canada to policies on air passenger screening or the policy of the Canadian Forces with regard to prisoners taken in Afghanistan.

Hence, it is usual that a number and variety of records are identified as being relevant to an access request; it is also usual for a variety of exemptions under the *Access to Information Act* to be relied upon to justify any refusals to give access. In all such cases, the requesters have a right to complain to the Information Commissioner and to expect an independent, thorough investigation of the denial of access.

Here is the rub. If, during the Commissioner's investigation, a secrecy certificate is issued with respect to even one record of all those covered by the access request, the Commissioner's investigation is discontinued in its entirety. And if the matter has proceeded past the investigation stage and on to a Federal Court review, the issuance of a secrecy certificate, for even one record, has the effect of discontinuing the entirety of the Federal Court review.

Let this sink in for a moment. The federal government has given itself the legal tools to stop in its tracks any independent review of denials of access under the *Access to Information Act*. The cloak of secrecy is not even limited to the information covered by the secrecy certificates.

Yes, the former minister protested that this outcome was not what she intended. She said she intended that the Commissioner's investigations and court reviews would be discontinued only insofar as they relate to the information covered by the secrecy certificates. It was pointed out to her that, if a more limited effect was intended, the form of the words used in the amendment to the companion provision contained in the *Privacy Act*, should be followed. With respect to proceedings under the *Privacy Act*, the amended

Bill C-36 provides that, when a secrecy certificate is issued after the commencement of an investigation by the Privacy Commissioner:

"all proceeding under this Act *in respect of that information*, including an investigation, audit, appeal or judicial review, are discontinued."

The former minister urged Parliamentarians and the Information Commissioner to trust her word that the amendment to the *Access to Information Act* (which reads: "in respect of the complaint") has the same effect as the amendment to the *Privacy Act* (which reads: "in respect of that information"). The former Minister said her word was enough, there was no need to correct the obviously inconsistent language. Is this any way to make law!

This was not the only "trust me" aspect of the former Minister's explanations about her amendments. She told the committees that, in an effort to ensure as little interference as possible with the work of the Information Commissioner, she had changed the original version of the Bill, which allowed the Attorney General to issue a secrecy certificate "at any time." Here is the limit she imposed:

"The certificate may only be issued after an order or decision that would result in the disclosure of the information to be subject to the certificate has been made under this or any other Act of Parliament"

On November 20, 2001, the former Minister of Justice gave the Justice Committee her opinion as to the effect of this provision on investigations by the Information and Privacy Commissioners. She said:

"Also, under the amendments we are proposing to Bill C-36, the certificates could no longer be issued at any time, which is the present language, but only after an order or decision for disclosure in a proceeding. The result is that the certificate could only be issued after the judicial review of an access or privacy request."

The former Minister's view, then, was that a secrecy certificate could not be issued during the Commissioner's investigation or during a Federal Court review under the Access Act. A certificate, according to the former Minister, could only be issued in the event the Federal Court were to order the disclosure of the previously withheld information.

If the words of the amended Bill had clearly stated what the former Minister said she intended them to say, the Information Commissioner would have much less to complain of . . . alas, they do not. The Information Commissioner drew the Minister's attention to the fact that the Commissioner holds the power of a superior court of record to compel disclosure to him, for investigative purposes, of any information he deems relevant to an investigation. The Commissioner pointed out to the former Minister that, in the absence of clarifying words, such as "disclosure to the public or a member of the public," it would be open to the Attorney General to issue a secrecy certificate for the purpose of resisting

an order made by the Information Commissioner requiring that records be disclosed to him.

The Commissioner also reminded the former Minister that she herself, in three Federal Court cases, was arguing that certain national defence and security information should not be disclosed to the Commissioner. She made the argument in those cases that compliance with the Commissioner's order for production of the records in those cases constitutes a "disclosure" for the purposes of the secrecy certificates issued under the previous sections 37 and 38 of the *Canada Evidence Act*.

In her appearance before the Senate Special Committee on December 4, 2001, the former Minister attempted to answer this concern. She stated:

"Second, Mr. Reid has made reference to Crown arguments in litigation to suggest that the Attorney General could use the certificate process to terminate his investigations. As you can appreciate, I cannot comment on matters before the courts. However, I can remind this committee of the original purpose of the certificate scheme, namely, to protect a narrow class of highly sensitive information following the issuance of an order or decision that would result in its disclosure.

The critical words of the Bill refer to an order or decision that would result in the disclosure of the information. This would be a critical test that I, as Attorney General, would have to be satisfied with on a case-by-case basis before issuing a certificate."

Could there be a less resounding refutation of the Information Commissioner's concerns! While it is unclear exactly what this statement means, it is clear that the former Minister did not deny that this amended version of Bill C-36 (now in law) gives the Attorney General the power to use a secrecy certificate to resist giving records to the Information Commissioner.

This brings us to a consideration of the final "concession" which the former Minister made to the critics of the original version of Bill C-36. An amendment was introduced creating an opportunity for a party to a proceeding (in relation to which a secrecy certificate is issued) to seek from a judge of the Federal Court of Appeal, an order varying or cancelling a secrecy certificate.

If this form of independent review is the "quid" for the "quo" of cutting off independent review under the *Access to Information Act*, it is woefully inadequate. The reviewing judge is not permitted by this amendment to conduct any of the usual types of judicial review of an administrative decision (de novo, legality, correctness); rather the reviewing judge's sole authority is to review the information covered by the certificate for the purpose of deciding whether or not it "relates to":

information disclosed in confidence from, or in relation to, a foreign entity;

national defence; or

security

One would be hard pressed to imagine any operational information held by any of our investigative, defence, security, intelligence, immigration or foreign affairs institutions, which would not "relate to" one or more of these three broad categories. This "relates to" form of judicial review does not authorize the reviewing judge to make any independent assessment of the sensitivity of the information or of the Attorney General's purpose in issuing the certificate. This form of judicial review is significantly less rigorous than the independent review of secrecy certificates available in our major allied countries. This form of review has been aptly termed "window dressing" because it does not subject the Attorney General to any meaningful accountability for the use of certificates.

In times of emergency or threat, it is sometimes necessary for states to take rights away from citizens and give new powers to governments. But, too, history is replete with examples of unnecessary power grabs by states in the guise of protecting the welfare of the collectivity. The challenge for any healthy democracy is to resist the temptation of states to overreach. Salman Rushdie, in his recently published book, *Step Across This Line: Collected Nonfiction 1992-2002*, says "[i]n the battle between freedom and security, freedom always has to be the one that wins." Speaking about the changes in security laws since September, 11th, 2001, he notes that ... "it may be, then in a way, you have destroyed the thing you were supposed to be protecting. This may be the big question of the next 20 or 30 years: How do you make a free society safe without making it unfree."

Our government failed the challenge when it gave itself the power, through the secrecy certificate, to escape independent scrutiny of its decisions to keep secrets from its citizens. "Trust me," the former minister said; these provisions will be rarely, carefully and fairly used! The bill having now been passed into law, we have no choice, but to trust, because we have lost the ability to independently verify that our trust is well founded. In losing this ability, we have severely weakened our access to information system and added to what I call our democratic deficit in Canada.

Appendix 2: THE GROUP OF 78

The Group of 78 is an informal association of Canadians seeking to promote global priorities for peace and disarmament, equitable and sustainable development, and a strong and revitalized United Nations system.

It began in 1980 when a small group including Andrew Brewin MP and Peggy Brewin, Murray Thomson of Project Ploughshares, Robert McClure, former Moderator of the United Church, and King Gordon, formerly of the United Nations Secretariat, drafted a statement on how best Canada could contribute to the building of a peaceful and secure world. In November 1981 that statement, Canadian Foreign Policy in the 80s, was sent to Prime Minister Trudeau. It was signed by 78 Canadians — a group of 78.

The statement set out three inter-related objectives:

1. removal of the threat of nuclear war;
2. the mobilization of world resources to achieve a more equitable international order and bring an end to the crushing poverty which is the common lot of the majority in the Third World;
3. the strengthening and reform of the United Nations and other global institutions designed to bring about a pacific settlement of disputes, foster international cooperation, promote the growth of world law and the protection of basic human rights.

That was the beginning of a dialogue between the Group of 78 and the Canadian government. In the following years, members of the Group discussed, and made their views known, about new issues facing Canada in international relations and their implications for the central, and universal, objectives of policy already mentioned.

The Group of 78:

- meets in conferences to consider needed changes in foreign policy, seeking consensus on recommendations to government;
- produces publications on conference findings and special issues;
- publishes a web site
- organizes lunches with invited speakers.

THE GROUP OF 78 - FOUNDING MEMBERS

Margaret Atwood

Walter Gordon

John Meisel

| | | |
|------------------------|---------------------|-------------------------|
| Donald Bates | Roger Guindon | Brian Meredith |
| Pierre Berton | James Ham | Joanna Miller |
| Florence Bird | Richard Harmston | Michael Oliver |
| Elisabeth Mann Borgese | Jacques Hébert | Archbishop A. L. Penney |
| Andrew Brewin | Gerhard Herzberg | Lucie Pépin |
| Tim Brodhead | John Holmes | Beryl Plumptre |
| General E.L.M. Burns | John Humphrey | Nancy Pocock |
| Rita Cadieux | George Ignatieff | John Polanyi |
| Thérèse Casgrain | Heather Johnston | Escott Reid |
| Maxwell Cohen | Kalmen Kaplansky | Clyde Sanger |
| Irwin Cotler | Hugh Keenleyside | Archbishop E.W. Scott |
| Marion Dewar | Roby Kidd | Frank Scott |
| T.C. Douglas | David Kirk | Marian Scott |
| William Epstein | Anton Kuerti | John Sigler |
| Gordon Fairweather | Renaude Lapointe | Adelaide Sinclair |
| Geraldine Farmer | Margaret Laurence | David Smith |
| Eugene Forsey | J. Francis Leddy | Maurice Strong |
| Ursula Franklin | Clarke MacDonald | Murray Thomson |
| Northrop Frye | David MacDonald | Bruce Thordarson |
| E. Margaret Fulton | Donald MacDonald | Norma E. Walmsley |
| Sylva Gelber | R. St. J. MacDonald | Patrick Watson |
| Alfred Gleave | Gregory MacKinnon | Hellie Wilson |
| James George | Yvon Madore | Lois Wilson |
| Paul Gérin-Lajoie | Robert McClure | Gregory Wirick |
| Maynard Gertler | Dennis McDermott | Diana Wright |
| J. King Gordon | Peter Meincke | |