



**Canadian Foreign Policy for the Americas  
Submission to the Hon. Bill Graham,  
Minister of Foreign Affairs  
Foreign Policy Review – 2003**

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Dear Minister Graham:

There are many challenging questions that arise as you consider the future direction of Canadian foreign policy. You will have to make decisions based on the short term and long term pursuit of Canadian interests and values. At times this means that Canadian policy will be directed at securing direct advantages, frequently in direct competition with other countries, for Canada. At other times, Canadian policies will be supportive of achieving outcomes where Canadian interests may be less visible but where an international public good can be identified.

The formulation and pursuit of Canada's foreign policy does not take place in a vacuum. Canadian foreign policy is built upon the foundation of our historical relationships and policy priorities. We maintain memberships in a range of multilateral and plurilateral organizations. Different issues call for the deployment of different diplomatic and political instruments. Individual geographic regions are characterized also by different challenges and opportunities. Some issues can have a significant impact on Canadian interests and yet our ability to influence events may be minimal or even non-existent. In other instances, we as a country may be able to bring acknowledged leadership to bear to achieve outcomes that barely touch directly on Canadian interests but in which our efforts may have a dramatic impact in other countries.

Canada will have to make choices when pursuing our foreign policy goals. In this sense, demand will always exceed supply – a situation that is made more pronounced by the government's persistent under funding of Canada's foreign policy instruments. Given that there is little hope that such a situation will be reversed, even in the medium term future, ministers will increasingly be called to make hard decisions between priorities.

The fundamental message of this submission is that Canada can and should continue to make the Americas a priority region for the exercise of foreign, trade and development policy. In the Americas, Canada can and does make a difference. Quite frankly, this is not the case in many other regions of the world where we have become marginal actors at best. In some of these regions, we have slipped from being a middle power to a small power. Our views and positions may be listened to politely and be accorded a certain amount of courtesy but they rarely can be said to be influential. In the Americas, on the other hand, we still matter.

### **Inter American Relations:**

Canada now has more than a decade of experience of engaging the Hemisphere from a collective basis. This policy is grounded in Canada being a full player in the family of Inter-American institutions, most importantly as a full participant in the Organization of American States (OAS). In addition, Canada makes a valuable contribution to the Inter American Development Bank (IDB), the Pan American Health Organization (PAHO) and a range of regionally based functional organizations such as the Inter American Agency for Cooperation in Agriculture (IICA).

Canada's full participation in the group of Inter-American institutions has been important. Canada's participation has been full of activism and engagement and this alone has helped to transform a number of institutions into entities with more clearly defined purposes. This is most in the OAS where our presence and encouragement of reform, tied to concentration of purpose, has helped to lift that organization out of a period of pronounced decline. Canada has worked with an energetic Secretary General who was determined to make the organization increasingly relevant to the multitude of problems facing the region. This involved recasting the organization as the primary forum for increasingly real dialogue on an expanded range of key political issues. It also involved often-difficult decisions on how to re-engineer the structure and function of the organization itself. While much has been done in this regard, the agenda is far from complete.

Canada's policy over the next five years should contain the following element and would be most effective if concentrated in the following areas:

1. *Leadership.* With the second term of the current Secretary General scheduled to end in 2004, the question of future leadership of the OAS arises. A number of candidates (official or otherwise) are currently being discussed.
  - a. ***Canada should give early, visible and strong support to Eduardo Stein, the former foreign minister of Guatemala.***
2. *Organizational Focus.* Canada was instrumental in many of the organizational changes necessary to re-focus the OAS on the issues of highest priority in the region. We were instrumental in the establishment of the Unit for the Promotion of Democracy and gave critical support to activities such as the Trade Unit and Inter American Drug Abuse Commission (CICAD). At the same time, the OAS continues to expend what will always be limited resources on activities that do not match

hemispheric priorities. Canada should continue to push for organizational reform and refocusing of resources within the OAS.

- a. *The policy of investing in the OAS primary responsibility for the implementation of various commitments agreed to in the Summit of the Americas process should be continued and strengthened. In part, this will require enhanced resources for the OAS Office of Summit Follow Up, which after three Summits (Miami, Santiago, Quebec City) remains woefully understaffed and under resourced.*
  - b. *A specialized Unit to support the work of the Committee on Hemispheric Security is critically needed. Security issues have become more of a priority since the terrorist attacks of September 2001 and a specialized Unit could make a positive contribution.*
  - c. *Canada should also push for increased resources for the Unit for the Promotion of Democracy, and these resources should be earmarked to support the effective operation of the OAS Democratic Charter.*
  - d. *Resources for these activities should, in part, be drawn from a phased process of closing OAS offices in member states, which collectively consume approximately between \$5 - \$7 million per annum.*
  - e. *Canada should also push for a steady increase in member state quotas, perhaps over a five-year period. Currently, the OAS Regular Fund remains fixed at levels comparable to the 1970s. A final increased target of 25 to 30 percent could be achieved via increments of 5 percent per year.*
  - f. *Canada needs to remain sensitive to Caribbean concerns that the OAS is less and less relevant to their interests. Left unchecked, this view by a significant number of member states could fracture the organization. In particular, Canada should support OAS activities designed to address the challenge of small economies in an increasingly globalized world economy.*
3. *Institutional Symmetry:* The operational agendas of the family of Inter American institutions are increasingly linked, to the agreements reached in the Summit of the Americas process. The heads of these institutions (IDB, OAS, ECLAC etc.) have renewed and revitalized a number of cooperative mechanisms. Member States, however, frequently continue to approach the governance of these institutions in a fragmented manner.
- a. *Quarterly meetings between Canadian diplomatic (the Permanent Mission to the OAS, the Permanent Mission to the UN, the Canadian Executive Director to the IDB, the Canadian representative to IICA etc. etc.) representatives should become the foundation on which Canada encourages increased inter-institutional cooperation.*
4. *Provincial Dimensions:* In the Americas, democratic governance and democratic depth are issues that increasingly are being confronted by numerous countries at the sub-federal level. Without representing a challenge to Federal primacy in international relations, Canada should make a concerted effort to increasingly involve Canadian provincial governments in both the discussion and identification of issues and in the design of solutions. Provincial governments in Canada are the repositories of many “best practices” and their enhanced engagement should be actively encouraged.

- a. *The Minister for International Trade has a forum to engage provincial counterparts to discuss matters within his portfolio, particularly the substance of international trade negotiations. The Minister of Foreign Affairs, while perhaps active on a bilateral basis, has no such established forum in which to discuss foreign policy initiatives or issues with provincial counterparts. On the home front, the Minister for Foreign Affairs should chair such a formal consultation process at least once a year and more properly semi-annually.*

## **Relations with the United States:**

Canada's relationship with the United States is and always will be our most important foreign and trade policy challenge. On occasion, the obvious is overlooked and as a consequence Canadian priorities can and do become muddled. Canada is not a neutral observer on the world stage even if our actions and policies sometimes leave such a mistaken impression.

Over the entire spectrum of interactions, our national interests and those of the United States will coincide in the vast majority of cases. Managing our differences, however, will always be the most important challenge to Canada. That challenge cannot be taken up absent a comprehensive and deep understanding of what drives US interests on any particular issue. In the past, we have understood this fact and have arranged our priorities and our resources accordingly. This is something that Canada has let slip in the last few years.

The bilateral relationship with the United States must be returned to the center stage of Canadian foreign policy. On the economic side, Canada – US relations seemed to have settled into a state of administering the tools currently at our disposal (principally the NAFTA and WTO arrangements) with little, at least visible, effort being given to devising new or deeper approaches. As a prime example, a modest public debate has been taking place on the question of how Canada's interests might be served with a deepened NAFTA. The government has been largely absent from the debate and this absence is being felt, particularly in the Canadian business community.

1. *Bilateral Relationship.* The Canadian Embassy in Washington, and our network of consulates and other offices elsewhere in the United States are not sufficiently resourced to effectively track and hopefully influence our key relationship.
  - a. *Immediately augment the Canada based staff of the Embassy in Washington. While loyal and dedicated, the replacement of Canadian based by locally engaged staff is not effective. Principal emphasis should be given to the expansion of congressional relations and to the establishment of effective connections to the Department of Homeland Security. Consideration should be given to the assignment of a senior official to the Homeland Security department in a liaison function.*
  - b. *Reverse the whittling away of resources dedicated to Canadian consulates throughout the US. Consulates need to be more proactive in carrying*

***Canada's message to the "heartland". In past resource driven exercises, consulates in San Francisco and Houston have been downsized or closed. A reversal is quickly needed. Canadian representation in key "political" states needs to be increased (Florida, Texas, California, Illinois, Michigan).***

2. ***Strategic Relationship:*** DFAIT in coordination with other government departments should have a long term, and much publicized, plan of where Canada's relationship with the United States is going. On the economic / trade side of the ledger, the government needs to become an active participant rather than a silent bystander in the discussion of deepened integration in North America.
  - a. ***Articulate a post NAFTA strategy for North America. If necessary, charge a small task force with the responsibility to examine the feasibility of a deepened NAFTA, including the possibility of custom union like elements. Keep it small and give such a task force six months in which to provide their conclusions and make them public.***
  - b. ***Acknowledge that homeland security is going to drive almost all US policy for the foreseeable future and seek to draw the security boundary around North America rather than the continental US. Drive this conclusion home across Canadian federal government departments (citizenship, transportation etc.).***
  - c. ***Encourage the US Administration to accept and organize within the new Department of Homeland Security, an Office of North American Affairs. Offer and encourage the US to accept the appointment of a senior DFAIT official to such an office to act as the primary liaison. Such an office should equally serve as an early warning point for US initiatives that could negatively impact Canadian and Mexican interests. Work with Mexico to bring them on board for such an initiative.***

### **Relations with Mexico:**

Canada-Mexico relations have matured in the last decade and are more consciously driven than most of our bilateral relationships. Great effort has been made to substantially strengthen bilateral relations. Economically, NAFTA has injected a tremendous amount of new energy into the relationship, and political linkages are now informal and natural (especially at the ministerial level), and numerous bilateral cooperation initiatives are underway. These positive bilateral conditions have been supported as well at the multilateral level where traditional Mexican isolationism, with Canadian encouragement, has given way to some measure of external engagement. As Mexican participation in multilateral policy-making increases, one can expect growing convergence of interests between itself and Canada. Also, Mexico regards Canada as a valuable partner--and often a model--for institutional restructuring, particularly in the area of governance. Nevertheless, there is tremendous potential for more trade and investment between the two countries, and a big need to increase knowledge and understanding about Mexico in Canada and vice-versa. It is in this area that any incremental efforts, by Canada, should be directed.

## **Relations with Cuba:**

Canada has maintained a diplomatic, commercial, social and person-to-person dialogue with the people of Cuba since President Fidel Castro came to power in 1959. That dialogue is grounded on the fundamental belief that non-democratic models of governance are an anathema and cannot be philosophically or otherwise justified. Canada's position holds that dialogue and positive engagement are not only the principal and most favoured means of achieving a non violent state of transition, but that they are the most effective of all diplomatic instruments available. Canada's policy of engagement is consistent with firm opposition to Cuban government inspired breaches of human rights aimed either at individuals or social, political or religious organizations in Cuba.

1. *Support for Human Rights and Civil Society:* Respect for human rights is an absolute, fundamental and necessary condition for Canada – Cuba relations to be conducted on a fully normalized basis. Until those conditions are met, and the situation rather than getting better is actually deteriorating, the relationship with Cuba cannot be considered to be fully normal.
  - a. *Canada should take every possible opportunity, including public events, to reaffirm its continuing concern over the lack of legally enforceable human rights in Cuba.*
  - b. *Canada should continue to engage and encourage elements of the emerging Cuban civil society and should provide, particularly through CIDA funding, additional technical support. Cuban CSOs could be aided in their capacities to both access and generate information. The Institute on Connectivity, established after the Summit of the Americas, could provide an effective and innovative means of direct support to Cuban civil society.*
  - c. *Canada should continue to work with the Cuban government on issues where our interests and philosophies coincide. For example, the Cuban government supports the work of doctors and nurses in many locations in Latin America. They are under resourced in terms of medical equipment and supplies. Modest contributions by Canada to better equip Cuban medical professionals could have a major positive impact on the communities in which they work.*
2. *Hemispheric Re-engagement:* Cuba is not ready to engage as a full participant in the Inter American system. It lacks the necessary prerequisite of democratic governance and respect for the rule of law. Nevertheless, Canada could start a gradual process of engaging the Cuban government in a dialogue focused on the key themes that currently occupy the Inter American system.

## **Relations with the Caribbean:**

Canada's relations with the Caribbean are suffering more than they need to. From the Caribbean point of view, there is a sense that Canada's friendship is waning. The region feels itself under threat from political and economic forces that could lead to increased marginalization. They feel unheard in multilateral and regional fora such as the

OAS where, they believe, “Latin” issues predominate to the exclusion of “Caribbean” issues. There are three broad areas in which Canada could launch or reinforce initiatives to the benefit of both parties.

1. *Trade and Integration:* While pledged, Canada’s negotiations with the Caribbean countries for a modern trade and investment framework are lagging. Expanding current arrangements such as CARIBCAN to a more modern framework should be relatively easy to accomplish, especially in light of useful models developed earlier with such countries as Chile and Costa Rica.
  - a. ***In approaching the Caribbean, Canada must understand the bleak economic future facing many of these countries and should be receptive to measures designed to help them adapt to the changing global environment. Canada could, for example, consider seconding to Caribbean countries, Canadian experts in such areas as trade and economic policies.***
2. *International Financial Institutions:* Relative to many other developing countries, Caribbean countries enjoy high rates of per capita income. Due to the application of strict eligibility criteria, this limits the possibilities for concessionary financing for many if not most of these countries.
  - a. ***Canada should lead the process for necessary changes to such eligibility criteria, particularly in the Inter American Development Bank.***
3. *Deportations:* Canada, and the United States, have policies that frequently result in the deportation to the West Indies of persons (mostly youth) convicted of serious criminal offences. Frequently such persons deported have little or no connection to the lands of their birth and rehabilitation is consequently neglected. What the policy accomplishes is simply to establish trans-national criminal networks that do not serve either Canadian or Caribbean interests well.
  - a. ***With possible funding from CIDA and delivery by community based support organizations, it should be relatively inexpensive to establish programs aimed at reintegrating such deported persons into the community in a positive manner. Perhaps an incentive for the individuals involved could be constructed by the possibility of readmission back to Canada after a specified period of time (maybe five years) without any further criminal activities.***

### **Relations with Central America:**

Canada’s policy towards Central America has been, for the most part, focused on strengthening democratic governance, economic development and development assistance, with a commendable record in the area of humanitarian relief. Canada’s interest and involvement in the region has grown since Canada became a member of the Organization of American States (OAS) in 1990. Beginning in early 1990s, Canada’s relations with Central American nations flourished and expanded in scope as a result of increased trade and investment. Following the Canada-Central America Summit in Guatemala City (2000) and the Third Summit of the Americas in Quebec City (2001), Canadian and Central American leaders have continued to meet periodically for consultations on issues of shared interest and importance.

In 2001, Canada demonstrated its willingness to pro-actively cooperate with the region when it signed the Canada-Costa Rica Free Trade Agreement in April of that year and when it launched free trade negotiations with Guatemala, El Salvador, Honduras and Nicaragua (CA-4) six months later.

Canada has reaffirmed its commitment to the promotion of peace and democracy in this region by promoting the OAS program for the *Elimination of Antipersonnel Mines in Central America* and the Ottawa Convention, which prohibits the use, stockpiling, production and transfer of antipersonnel mines. Canada has also assisted Central American nations, through its membership in the OAS, in resolving border disputes, particularly the 143 year-old conflict between Guatemala and Belize.

Nevertheless, given the asymmetries between these nations, the improvement of Canada-Central America relations have only been marginal and much remains to be done in terms of eliminating preconceptions, strengthening democracy, defending human rights, fighting against corruption, drug trafficking and organized crime in Central America.

Canada, with modest resource implications, could launch a number of useful initiatives that would enhance Canada's presence and influence in Central America.

- a. Remittances received from migrant labour are a major source of foreign exchange for most of Central America, the exception being Costa Rica. Canada could extend or compliment the temporary agricultural workers program that is currently in place with Mexico and some countries of the Caribbean to the benefit of the Central American countries. We could also encourage the Canadian banking industry to institute special programs in this area.*
- b. Canada's diplomatic representation in El Salvador is in the form of a sub-office that reports to the Embassy in Guatemala. This mission, already staffed, could be upgraded to Embassy status at minimal cost and would respond in a positive way to El Salvador's diplomatic representation in Ottawa.*
- c. Canada should continue to support multilateral efforts, principally in the OAS, aimed at resolving a number of historical boundary disputes that frequently flare up and act as a divisive force in the region. The model developed for the settlement of the Belize – Guatemala dispute is particularly useful and could be applied elsewhere in the region.*
- d. Panama hosted the site of the FTAA Administrative Secretariat between 2001 and 2003. By all accounts, Panama did an outstanding job and has indicated its desire to host institution on a permanent basis once the negotiations are completed. Panama's efforts should attract Canada's support.*

## **Relations with the Andean Region:**

Canada's relations with the Andean region are defined, at least in the popular mind, with our bilateral relations with Colombia and Venezuela. Both are the home of significant Canadian investment in oil and telecommunications and each commands attention for their respective states of conflict and fragile democratic values. The region is also receives a significant portion of Canada's foreign aid to South America. This is not surprising as poverty and inequality, conflict and human rights, and an increasing risk of democratic rupture are greater threats here than anywhere else in the region. In addition to a focus on social development programs, Canada should build upon its capacity and experience to increase its role in peace-building, democratic institutional development, and trade. Specifically:

1. *Trade:* Canada's trade relations in the region have steadily increased over the past three decades, with exports growing an average of 8% per year between 1992-2001. Canada would do well to promote preferential trade access for Andean Community countries, to create an opportunity for the Andean Community to increase / balance trade and deepen economic ties between the two regions.
  - a. *Explore ways to expand preferential trade access for the Andean Community to the Canadian market, following through on Consultative Group's Action Plan for expanding economic cooperation between the regions.*
2. *Democratic Institution Building:* Weak democratic institutions are a chronic problem facing the region, and a priority in the Summit Plan of Action. In Colombia, improvement to the judicial system is particularly important. Not only do high levels of violence create above average demand on the system, but extremely high rates of impunity undermine the functioning of, and public trust in, the judicial system at all levels. However, Colombia's judicial system has high potential for improvement. The significant changes to the judicial system legislated in the 1991 Constitution have created a more conducive institutional environment for reform, and Colombia devotes more resources to its judicial system than most other countries in the region. However effective implementation remains extremely weak, particularly vis-à-vis citizen access to the formal legal system, and rate of productivity of the system itself. Canadian expertise in innovative information management systems within the judiciary, and high credibility of our own judicial system make Canada well positioned to support reforms.
  - a. *Increase support for judicial reform in the region, particularly Colombia, in information management systems, institution capacity-building, and human resource development*
  - b. *Encourage routine technical exchanges including visits to Canada by members of the judiciary for short term training and exchanges of 'best practices,' in coordination with other Government Departments such as Justice and the Solicitor General.*
3. *Immigration / Refugee Policy:* Flexible immigration and refugee policies are essential in providing immediate, brief or extended respite to Colombian human rights workers, trade unionists, journalists, judicial officials, indigenous

community leaders and academics who are disproportionately targeted by armed actors in the conflict, and whose lives are frequently under imminent threat. (In 2001, over 4,000 political killings, 3,000 kidnappings, and 300,000 displaced persons were reported; in 2002, approximately 148 trade unionists were killed, including 42 teachers). This is of increasing importance, as the Colombian conflict is intensifying at the same time that heightened security potentially restricts the pace at which refugee claims are processed.

*a. Canada should continue to look for ways to further expand flexible, responsive immigration/refugee policies, towards enhancing access in temporary refugee programs to accommodate increasing numbers of humanitarian refugees in danger in the region, particularly Colombia.*

4. *Peace-building:* Despite a move away from formal peace negotiations under Colombia's new administration, Canada should remain engaged in peace-building initiatives for several reasons: Canada made an explicit commitment to promoting peace and democracy in the hemisphere at the Summit of the Americas; Canada has expertise in research and implementation of peace-building initiatives, both within Colombia and internationally; the Canadian Embassy generated a great deal of credibility through its leadership among the international community in prior peace negotiations (for example as head of the Group of Ten). Canada should explore ways to use this experience and political capital and resume a leadership role in international re-engagement in this new phase of the conflict. International involvement has become increasingly polarized by U.S. unilateral security initiatives and the absence of formal peace negotiations. It is therefore timely for Canada to take the lead in reinvigorating international involvement in local and national initiatives that directly or indirectly promote peace, with government and non-governmental organizations alike.

*a. Canada should take on a leadership role in reinvigorating international community engagement in long term peace-building processes in Colombia.*

*b. Canada should continue to support human rights training programs for military, police and other government officials.*

*c. Canada should continue to support human rights organizations initiatives ranging from international NGOs such as Peacebrigades International, Doctors without Borders, local Peace Communities and civil society organizations, to the Office of the UN High Commissioner for Human Rights in Colombia.*

*d. Canada should consistently urge the Colombian government implement human rights recommendations by the UN HR Office.*

5. *Inter-regional Indigenous cultural, political and economic cooperation and exchange:* Not only is this an area in which Canada and the Andean region share much in common, it also addresses issues of ethnic inclusion – an ongoing priority for many of the Andean countries. This is also a very positive policy focus in that it potentially provides equal, mutual benefits in terms of knowledge-sharing and capacity-building. The Andean region, notably Ecuador, boasts some of the most highly democratic, successful political and social Indigenous organizations in the world.

## **Relations with the Southern Cone:**

Canada's relationship with the region commonly called the Southern Cone is built on a broad foundation of shared regional and multilateral economic objectives. Herein, FOCAL refers to the sub-region as those countries comprising Chile, Brazil, Argentina, Uruguay and Paraguay. Comments specific to Brazil follow the current section.

In the Southern Cone Canada's relations should be built on a strategy that places Chile at the center of our endeavours. Of the five countries, Chile is the one that shares with Canada the most compatible and complementary political, economic and social views, and not to be underestimated, a shared long-term vision of the Hemisphere as a whole. Chile has pursued, with vigour, democratic and governance reforms that touch on the fundamental elements of instruments of state power. The country has made serious attempts to come to grips with collective responsibilities related to the Pinochet era. In Latin America, a number of post-dictatorship regimes have sought to cover over the past and this has, we believe, weakened their democratic attachments. One can also point to complementary economic philosophies between Canada and Chile when considering that country's aggressive program of domestic economic reform and foreign trade liberalization – including its strong attachment to fortifying multilateral trade rules. Moreover, Chile has given strong support to regional instruments such as the OAS and has worked towards continual strengthening of the Summit of the Americas process. Chile, in short, has a vision of the Hemisphere's future direction that is highly compatible with Canada's declared views.

Argentina, mostly as a consequence of its current and ongoing economic difficulties, represents a challenging partner for most countries. Once the most prosperous country in South America, Argentina has lurched from crisis to crisis since the end of 2001 but there are now some small signs that a sense of stability is returning to the economic sphere. The country, nevertheless, continues to exhibit deep-seated governance problems, which will continue to inject an air of instability to the country's political life.

## **Relations with Brazil:**

While Canada's interests in Brazil have traditionally been linked to investment, in the 1990s Brazil became important to Canada in two other capacities: as trade partner and as an important regional actor. Despite an increase in high-level visits and bilateral agreements, however, political cooperation between Canada and Brazil remains weak. Due partly to the seven-year old aircraft subsidy dispute, diverging trade goals and mutual apprehension, Canada and Brazil have failed to fully recognize each other as potentially valuable economic and political partners. In 2003, the bilateral relationship remains one of unrealized potential. Absent a prompt resolution of the aircraft subsidy dispute, all possible efforts should be made to isolate it and prevent the continuing spill over to other aspects of the bilateral relationship. Realizing the potential will require a

sustained dialogue and the realistic re-launching of the bilateral relationship with practical and concrete cooperative action plan.

1. *Strategic considerations:* Brazil should be a priority of Canadian foreign policy. The South American giant is a major, sophisticated and influential player on the multilateral scene, a central actor in the Americas, and shares many points of convergence in its foreign policy with Canada's own human security agenda. Furthermore, Brazil is Canada's first destination of FDI and largest export market in South America. If nothing else, Brazil's colossal potential as an economic partner should make the case for Canada's attention. What Canada can do to become more relevant to Brazil is less obvious. One way is by being sensitive and helpful to Brazil's paramount foreign policy objective - to be recognized as an important world player by the international community. In other words, Canada should be aiding Brazil's pursuit of international profile and leadership by supporting Brazilian initiatives. This is easier done at the multilateral level, especially at the UN, where convergence of human security interests is particularly strong and the game is open to many players, rather than at the hemispheric level where geopolitical notions of areas of influence (which exclude Canada) are triggered in the Brazilian psyche. Put bluntly, Brazil "gets territorial". Equally important, it is on the international scene, rather than in its own neighbourhood, that Brazil wants to be noticed and could use Canada's clout and endorsement.
2. *Bilateral Relationship:*
  - a. *Continue to reallocate resources within DFAIT to prioritize relations with Brazil of which moves to increase the number of Canadian diplomatic representations in Brazil are part.*
  - b. *Endow the relationship with structure by scheduling a calendar of regular meetings between high-level officials of both countries, including the formation of a Joint Ministerial Committee to guide the relationship. An exchange program of Foreign Service officers, like Canada currently has with Mexico, would also enhance mutual understanding.*
  - c. *Accelerate building of academic and research linkages between Canadian and Brazilian institutions, which has been one of the most solid and steady pillars of bilateral relations. Specific initiatives include: support for the recently created Chair of Brazilian Studies in Canada to activate academic networks; the implementation by Human Resources Development Canada (HRDC) of its planned student mobility program with Brazil/MERCOSUR; the finalization of a cooperative research program between the National Research Council and its Brazilian counterpart; and accelerated International MBA programs focusing on Brazil, along with improved outreach to the Canadian Portuguese-speaking community.*

- d. *Media scholarships for Brazil should be revived and strategic partnerships encouraged between the Canadian and Brazilian media industries since their work remains a condition of promoting trust, contacts and growing knowledge of respective countries.*
- e. *The multilateral dimension of Canadian-Brazil relations should be further developed with special reference to (among others) the UN and OAS; peacekeeping, regional security and non-proliferation; and WTO and FTAA trade negotiations.*
- f. *Strengthening Mercosur. Brazil has expended tremendous energy in the past to ensure the international recognition of Mercosur as an entity. In trade negotiations, they speak under the common banner and their international relations are increasingly carried out on a common rather than a national basis.*
  - i. *Appoint a Canadian ambassador to Mercosur. To date, no country has attempted to accredit an "Ambassador to Mercosur". Various Ambassadors to Uruguay, Paraguay, Argentina and Brazil have, presumably, some part of their responsibility the job of monitoring developments in Mercosur. Appointment of an Ambassador uniquely to Mercosur would lend additional official recognition to the grouping as a common element. The first country to do so would (especially if it were a significant country such as Canada) reap significant benefits. Such an ambassador could be based in Ottawa and travel regularly to the sub-region.*
  - ii. *Ensure access to Senior Officials. Once a month, the Minister of Foreign Affairs (accompanied only by the ADM for the Americas) should invite the 4 Mercosur Ambassadors for a working breakfast. The "monthly" breakfast could alternate between the Minister of Foreign Affairs and the Minister for International Trade. Additional efforts could / should be initiated vis-à-vis the Deputy Ministers of Foreign Affairs and the Deputy Minister of International Trade. Again, emphasizing Mercosur, DFAIT could / should arrange briefings by other senior Canadian officials such as: Defence Finance (OECD and G-8 issues); and, CSIS (terrorism).*

## **Conclusion:**

Canada is a country that matters in the Americas and this advantage should not be forgotten. Canada's image in the eyes of the region was highest when we hosted the Summit of the Americas in Quebec City in April of 2001. Since then, some observers have been worried that Canada would turn its attention elsewhere. To turn away from the Americas would be a mistake at the strategic level.

Within the Western Hemisphere, Canada's relationship with the United States will always be paramount. Unfortunately we have not devoted to that relationship the

resources necessary to protect and promote Canadian interests. A modest recovery was made in the most recent federal budget. Ministers and senior officials have to work the resource issue more forcefully and certainly more effectively than in the past.

We truly count in the family of inter American institutions, such as the OAS, the IDB and PAHO. After ten years of full participation, a number of Canadian initiatives have produced concrete results in a number of important areas, such as the strengthening of democratic governance in the region. We need to redouble our efforts in this regard.

Our relationship with Mexico is stronger than ever, thanks largely to the solid foundation of the NAFTA. Canada, however, needs to think seriously about ways in which that arrangement can be deepened. Discussions on the issue of further integration in North America are being conducted in a number of forums but the federal government is largely absent from the debate.

Canada's relations with Brazil remain a major stumbling block. The relationship is insufficiently mature to overcome what would in other circumstances be minor irritants or commercial disputes. Important as the aircraft sector is to each of our economies, it is frustrating that both governments seem unable to go beyond this single issue to build a stable and long term relationship. If each of us continues to allow single issues to become the defining element, then the relationship will never reach full maturity. Canada's approach should focus on Mercosur, the southern cone regional grouping of which Brazil is a leader.

*The Canadian Foundation for the Americas (FOCAL) is an independent, non-governmental organization that fosters informed and timely debate and dialogue on issues of importance to decision-makers and opinion leaders in Canada and throughout the western hemisphere. Established in 1990, FOCAL's mission is to develop a greater understanding of important hemispheric issues and help to build a stronger community of the Americas.*