

CANADA AND CHINA

An idiosyncratic view

INTRODUCTION

I WISH TO THANK THE HITOSTUBASHI KEIEI KENKYUKAI, AND ESPECIALLY AMBASSADOR ASAKAI, FOR INVITING ME TO SPEAK TO YOU TODAY.

I AM NOT A SCHOLAR OF CHINESE HISTORY OR FOREIGN POLICY, NOR AM I AN EXPERT ON JAPAN. I AM A WORKING DIPLOMAT WHO HAS HAD THE HONOR OF SERVING MY COUNTRY IN CHINA FOR FOUR YEARS, AND IN JAPAN FOR 17 YEARS. MOSTLY, I HAVE TRIED TO UNDERSTAND BOTH CHINA AND JAPAN AS THEY RELATE TO CANADA. WHAT I WILL OFFER YOU IS A SOMEWHAT IDIOSYNCRATIC APPROACH TO UNDERSTANDING CANADA-CHINA RELATIONS. IT IS AN EXAMPLE OF HOW FOREIGN POLICIES CAN BE INTERESTS DRIVEN, AS OPPOSED TO BEING THE PRODUCTS OF ABSTRACT PRINCIPLES OR THEORIES. I MUST EMPHASIZE THAT THE VIEWS THAT I WILL EXPRESS ARE ENTIRELY PERSONAL.

I KNOW THAT AMBASSADOR ANAMI KORESHIGE WILL BE SPEAKING TO YOU LATER. HE IS A TRUE CHINA EXPERT. I HOPE THAT THE CONTRAST IN APPROACHES BETWEEN MY REMARKS AND HIS SPEECH WILL PROVIDE YOU WITH A RICH PERSPECTIVE ON THE GREAT COUNTRY THAT IS CHINA, AND WHAT IT MEANS FOR WE CANADIANS AND WE JAPANESE.

GLOBALIZATION AND CHINA

THIS IS IMPORTANT BECAUSE ONE OF THE DEFINING FEATURES OF THE EARLY 21ST CENTURY IS THE NEED TO FULLY UNDERSTAND THE GLOBAL IMPACT OF THE PEOPLE'S REPUBLIC OF CHINA.

THIS IS NOT A STATEMENT THAT ONE WOULD HAVE MADE A GENERATION AGO. IT IS THE SUDDENNESS OF CHINA'S RISE, WHICH GENERATES BOTH OPTIMISM AND EXCITEMENT ABOUT SEEMINGLY UNLIMITED OPPORTUNITIES, AND AN EQUAL DOSE OF UNCERTAINTY ABOUT ITS BROADER IMPLICATIONS.

CHINA COULD PERHAPS BE VIEWED AS A CONVENTIONAL STATE, THRUST TO THE FOREFRONT BY CONTINUOUS AND RAPID ECONOMIC DEVELOPMENT, REPLICATING IN MANY WAYS THE GROWTH EXPERIENCE OF JAPAN, KOREA AND TAIWAN. BUT THIS TELLS ONLY PART OF THE STORY. ON THE OTHER HAND, MOST PEOPLE BELIEVE THAT CHINA'S SUDDEN EMERGENCE HAS A NUMBER OF EXCEPTIONAL

CHARACTERISTICS AND DYNAMICS THAT MAKE THIS STORY UNIQUELY IMPORTANT.

THIS VIEW ALSO SUGGESTS THAT THE CHALLENGES POSED BY GROWTH WITH CHINESE CHARACTERISTICS MUST ALSO BE UNIQUE. I THINK THAT MOST PEOPLE ARE RIGHT IN THESE AND OTHER RESPECTS.

CANADA AND CANADIANS HAVE LIVED THEIR ENTIRE MODERN AND INCREDIBLY SHORT 140 YEARS OF HISTORY IN THE ERA OF GLOBALIZATION AND TRANSFORMATION.

GLOBALIZATION MEANS CHANGE. IT MEANS TRANSFORMATION, UNDER THE IMPETUS OF THE MULTI-CONTINENT WIDE INTERACTION AND EXCHANGE OF GOODS, CAPITAL, TECHNOLOGY, LABOUR, IDEAS AND ASPIRATIONS. THIS GIVES IT A HISTORY OF SEVERAL HUNDRED YEARS. THROUGHOUT, ITS EFFECTS ARE DRAMATIC AND SOMETIMES WRENCHING.

THE POST-WAR BRETTON WOODS INSTITUTIONS AND TRADE LIBERALIZATION SET THE GROUND-WORK FOR GLOBALIZATION WITH MODERN CHARACTERISTICS: TRANSNATIONAL CORPORATIONS, WORLD WIDE TRADE IN GOODS AND SERVICES, THE RISE OF MANUFACTURING IN DEVELOPING COUNTRIES, AND CONCOMITANT MOVE UP THE VALUE SCALE IN MANUFACTURING AND SERVICES FOR THE DEVELOPED

COUNTRIES, THE INFORMATION AND COMMUNICATIONS TECHNOLOGIES REVOLUTION.

CHINA COULD NOT HAVE EMERGED IN THE WAY THAT IT HAS ABSENT THIS GLOBALIZATION THRUST.

AND YOU CANNOT UNDERSTAND CANADA'S RELATIONS WITH CHINA ABSENT THE GLOBALIZATION PERSPECTIVE.

CANADA AND CHINA

GEOGRAPHY IS FATE, AS HERACLITUS FAMOUSLY SAID 2,600 YEARS AGO. UNLIKE JAPAN, WHICH IS AN EXTENSION OF THE ASIAN LAND MASS AND HAS ALWAYS BEEN INTIMATELY CONNECTED TO THE ASIAN CONTINENT, THE MODERN COUNTRY OF CANADA IS LOCATED ON DISTANT NORTH AMERICAN CONTINENT, ACROSS THE BROAD PACIFIC. THE 15TH CENTURY EUROPEAN EXPLORATIONS EVENTUALLY ALLOWED MEN TO DRAW THE MAP OF THE WORLD, AND MADE POSSIBLE THE TRANSPACIFIC LINKS ON WHICH MUCH OF THE 21ST CENTURY IS EXPECTED TO REVOLVE.

UNLIKE PROXIMITY, WHICH IS THE FUNDAMENTAL REALITY AT THE CORE OF THE CHINA-JAPAN RELATIONSHIP, DISTANCE AND PURPOSE ARE THE DEFINING REALITIES OF CANADA'S RELATIONS WITH CHINA, AND CHINA'S EXPECTATIONS REGARDING CANADA. IN A SENSE, CANADIANS AND CHINESE

HAVE, FROM THE START, CHOSEN TO CROSS THE PACIFIC AND TO BUILD A RELATIONSHIP WITH EACH OTHER. THE DETERMINANTS AND DRIVERS OF OUR RELATIONS ARE REMARKABLY CONSISTENT: THE DYNAMICS OF CHINA'S CONTINUOUS DIASPORA AND CANADA'S NEED FOR IMMIGRANTS AND A GROWING WORKFORCE; THE ASPIRATIONS OF CHINESE AND CANADIANS TO IMPROVE, CONTINUOUSLY, THE MATERIAL CONDITIONS OF THEIR LIVES, THROUGH TRADE AND EXCHANGE; THE INHERENT DRIVE IN MODERN SOCIETIES TO CONVEY AND EXCHANGE THEIR IDEAS AND SOMETIMES IDEOLOGY; AND GIVEN THAT MODERN STATES HAVE THE RESPONSIBILITY TO CONDUCT FOREIGN RELATIONS, THE ROLE OF FOREIGN POLICIES PURSUED BY SUCCESSIVE GOVERNMENTS.

CANADA'S ENGAGEMENT WITH CHINA BEGAN WHEN THE MOVEMENT OF PEOPLE BETWEEN NORTH AMERICA AND ASIA BECAME POSSIBLE. COMMERCE SERVED AS THE INITIAL VEHICLE FOR EXCHANGE, FOLLOWED ALMOST IMMEDIATELY BY THE WESTERN URGE TO "SAVE CHINA" THROUGH THE MINISTRATIONS OF CHRISTIANITY. THE WESTERNIZATION OF ASPECTS OF CHINESE LIFE LEAD MANY TEACHERS AND EDUCATIONAL ESTABLISHMENTS FROM CANADA TO GO TO CHINA IN THE LATE 19TH CENTURY AND EARLY 20TH, VERY MUCH IN THE MANNER OF THOSE WHO CAME TO JAPAN , TO TEACH, TO ESTABLISH SCHOOLS AND UNIVERSITIES, TO CONDUCT BUSINESS. OFFICIAL GOVERNMENT TIES BEGAN

SLOWLY, WITH TRADE OFFICES, AND FORMAL BILATERAL TIES BETWEEN CANADA AND THE REPUBLIC OF CHINA, IN 1941.

IN GENERALIZING ABOUT CHINA-CANADA RELATIONS, IT IS NECESSARY TO RECOGNIZE THE BREAKS IN HISTORY IMPOSED BY POLITICS, NOTABLY, THE EFFECTS OF THE CONTINENTAL WAR IN ASIA, AND THE FIRST DECADE FOLLOWING THE ESTABLISHMENT OF THE PRC IN 1949. BUT AS WE SHALL SEE, THE IMPACT OF POLITICS, OVER TIME, IS LESS THAN THE IMPACT OF NATIONAL INTERESTS, WHICH ARE EVEN MORE POWERFUL THAN POLITICS IN DETERMINING THE COURSE OF HISTORY.

EMIGRATION AND IMMIGRATION

LET ME FIRST DESCRIBE THE KEY ROLE, IN THE CANADA-CHINA RELATIONSHIP, OF THE MOVEMENT OF PEOPLE. THIS CLEARLY DISTINGUISHES CANADIAN RELATIONS WITH CHINA FROM THOSE CONDUCTED BY JAPAN.

THE HAN PEOPLE REACHED THE EXTENT OF WHAT IS NOW CHINA AT ABOUT THE TIME OF THE SUNG DYNASTY, BUT THE MOVEMENT OF THE CHINESE DID NOT STOP AT THE SEASHORES OF MODERN CHINA. THE HAN EXPANDED OUTWARD THROUGH EMIGRATION. THEY MOVED ONWARD, TO SOUTHEAST ASIA, TO SOUTH ASIA AND EVEN AFRICA, EVENTUALLY TO THE AMERICAS. THE GREAT CHINESE DIASPORA REACHED ITS

APOGEE IN THE 19TH CENTURY, THE AGE OF COLONIALISM, WITH THE MOVEMENT OF LABOURERS TO NORTH AMERICA AND AUSTRALIA IN PARTICULAR.

JAPAN HAS THE “GIJI WAJIN DEN” AS ONE OF THE FIRST RECORDS OF ENCOUNTERS BETWEEN THE PEOPLE OF WA AND THE HAN. THAT TOOK PLACE ALMOST TWO THOUSAND YEARS AGO. CHINESE ENCOUNTER WITH CANADA BEGAN JUST OVER 200 YEARS AGO, WHEN IN 1788 FIFTY CHINESE SMITHS AND CARPENTERS FROM MACAO AND GUANGZHOU WERE BROUGHT TO VANCOUVER ISLAND TO HELP BUILD A SMALL FORTRESS AND A SCHOONER.

IN THE MIDDLE OF THE 19TH CENTURY, WHEN GOLD WAS DISCOVERED IN THE FRASER VALLEY OF WESTERN CANADA, THOUSANDS OF CHINESE TRAVELLED TO CANADA TO WORK IN THE GOLD MINES, TO BUILD ROADS AND TO PROVIDE LABOUR FOR THE MINING OPERATIONS. IN 1860, THERE WERE ALREADY 7,000 CHINESE IN BRITISH COLUMBIA.

IN THE 1880s, A SECOND INFLUX OF CHINESE WORKERS CAME TO CANADA TO HELP BUILD THE CANADIAN PACIFIC RAILROAD, ON THE SAME ROUTES THAT TODAY’S JAPANESE TOURISTS USE TO TRAVEL FROM VANCOUVER TO BANFF. BY 1882, TWO THIRDS OF THE LABOURERS WERE CHINESE.

THIS MOVEMENT OF CHINESE HAS CONTINUED IN THE LAST DECADES. THE FORTY THOUSAND CHINESE WHO IMMIGRATE TO CANADA EVERY YEAR ARE NO LONGER LABOURERS. IN MANY CASES, THEY ARE STUDENTS AND PROFESSIONALS, BRINGING THEIR SKILLS TO BUILD CANADA. IMMIGRATION IS ONE OF CANADA'S STRONGEST POPULATION AND ECONOMIC GROWTH ENGINES. OVERCOMING LABOUR SHORTAGES IS CURRENTLY ONE OF CANADA'S BIGGEST CHALLENGES. THE CHINESE ARE EXCELLENT IMMIGRANTS, HARD WORKING AND COMMITTED. THEIR CHOICE OF CANADA MAKES US STRONGER.

NOT SURPRISINGLY THEREFORE, ATTRACTING THESE IMMIGRANTS IS ONE OF CANADA'S TOP FOREIGN POLICY PRIORITIES VIS-À-VIS CHINA. THIS IS AN EXCELLENT EXAMPLE OF FOREIGN POLICY AS A TOOL FOR SERVING THE MOST BASIC OBJECTIVES OF NATIONAL GOVERNANCE: THE BUILDING OF THE ECONOMY AND IMPROVEMENT OF THE STANDARD OF LIVING OF CANADIANS. THE CANADIAN EMBASSY IN BEIJING HAS OVER 300 EMPLOYEES, ONE THIRD OF WHOM ARE INVOLVED IN VISAS AND IMMIGRATION. FOR CANADA, THIS IS FOREIGN POLICY IN ACTION, AND IT IS A POLICY VERY DIFFERENT FROM THAT OF JAPAN.

TRADE AND ECONOMICS

THE SECOND PILLAR OF CANADIAN INTEREST AND INVOLVEMENT WITH CHINA IS ECONOMIC. THE WORKINGS OF

THE MARKET ECONOMY, AND THE AUTONOMOUS ACTIVITIES OF MERCHANTS AND COMMERCIAL INTERESTS IN THE 19TH AND EARLY 20TH CENTURIES PROVIDED OPPORTUNITIES TO LINK CHINA WITH CANADA. WITH THE EXPANSION OF SEA TRAVEL AND THE ARRIVAL OF STEAM SHIPS, THE TRADE IN GOODS WAS AS NATURAL AS THE MOVEMENT OF PEOPLES.

THE POLITICS OF THE REVOLUTION OF 1949 AND THE COLD WAR LEAD TO MAJOR RESTRICTIONS ON CONTACTS BETWEEN CHINA AND THE REST OF THE WORLD, INCLUDING CANADA. THE CANADIAN DECISION TO RESUME COMMERCIAL TIES HAD TO TAKE INTO ACCOUNT THE COLD WAR ENVIRONMENT, AND RELATIONS WITH THE UNITED STATES. CANADIANS ARE WELL AWARE OF THE ONGOING NEED TO MAINTAIN AND DEVELOP RELATIONS WITH THE UNITED STATES, BUT THEY CAN ALSO APPLAUD POLITICAL DECISIONS THAT ARE IN THE NATIONAL INTEREST, EVEN IF THESE DECISIONS DO NOT HAVE AMERICAN APPROVAL. IN THE LATE 1950s, THE CONSERVATIVE GOVERNMENT OF PRIME MINISTER DIEFENBAKER DECIDED TO RESPOND POSITIVELY TO CHINESE PROPOSALS TO BUY GRAIN FROM CANADA. AFTER EXTENDED DEBATES, IN 1959, CANADA DID AGREE TO SELL GRAIN TO CHINA. IN 1960, IT ALSO BEGAN SELLING GRAIN ON CREDIT. THE UNITED STATES DID NOT SUPPORT THIS DECISION, BUT CANADA IMPLEMENTED IT ANYWAY.

IT SHOULD BE ADDED IN PASSING THAT CANADA'S DECISION TO ESTABLISH DIPLOMATIC TIES WITH THE PRC IN 1970 WAS ALSO OPPOSED BY THE UNITED STATES.

THESE DECISIONS OPENED A TRADING RELATIONSHIP. TWO YEARS AGO, CHINA HAS BECOME OUR SECOND LARGEST TRADING PARTNER AFTER THE UNITED STATES, SURPASSING JAPAN IN 2006. CHINA NOW BUYS MORE FROM CANADA THAN DOES JAPAN, AND ITS EXPORTS ARE THREE TIMES GREATER.

CANADA'S ECONOMY, THE EIGHTH LARGEST IN THE WORLD, IS BUILT ON A COMBINATION OF RESOURCE AND ENERGY, ON HIGH TECHNOLOGY, ON ADVANCED AGRICULTURE AND FOOD PROCESSING, AND ON SERVICES. THIS STRUCTURE SERVES TO SATISFY MANY OF CHINA'S NEEDS AS IT CONTINUES THE PROCESS OF MODERNIZATION. AT THE SAME TIME, CHINA IS PROVIDING CANADIANS WITH COMPETITIVELY PRICED CONSUMER GOODS, WHICH AMONG OTHER THINGS REDUCES INFLATIONARY PRESSURES. OUR TOTAL BILATERAL TRADE EXCEEDED \$50 BILLION IN 2007.

CANADA HAS BEEN STEADFAST IN ALLOWING MARKET DECISIONS TO DETERMINE TRADING PATTERNS WITH CHINA. FROM OPENING OURSELVES TO TRADE IN THE 1960s DESPITE THE COLD WAR, WE HAVE ALSO AVOIDED POLITICIZING THE FLOW OF GOODS AND SERVICES BETWEEN OUR TWO COUNTRIES. CANADIANS WERE AGHAST AT THE CHINESE

COMMUNIST PARTY'S RESPONSE TO THE STUDENT DEMONSTRATIONS IN 1989, AND THE RESULTING TIENANMEN MASSACRE. THE GOVERNMENT OF CANADA REACTED STRONGLY AND DRASTICALLY REDUCED ITS CONTACTS WITH THE CHINESE GOVERNMENT. IT ALSO RESTRICTED A GROWING RELATIONSHIP THROUGH OFFICIAL DEVELOPMENT ASSISTANCE. BUT WE DID NOT IMPOSE RESTRICTIONS ON TRADE AND ECONOMIC TIES. THESE PROCEEDED, UNAFFECTED BY THE COOLING OF RELATIONS.

THE ECONOMIC RELATIONSHIP IS NOT WITHOUT STRUCTURAL PROBLEMS. CANADIANS, LIKE JAPANESE AND OTHERS, ARE CONCERNED ABOUT PRODUCT QUALITY. CANADIANS ARE ALSO SENSITIVE TO THE POSSIBILITY OF CHINESE INVESTMENT IN SENSITIVE SECTORS, INCLUDING IN RESOURCES AND ENERGY. CANADA HAS AN INVESTMENT REVIEW PROCESS THAT EXAMINES EACH INVESTMENT PROPOSAL IN EXCESS OF ONE QUARTER BILLION DOLLARS. THIS PROVIDES THE MECHANISM NEEDED TO ENSURE THAT ALL LARGE INVESTMENTS ARE SCRUTINIZED TO DETERMINE THE BENEFITS THAT THEY BRING TO CANADA. INVESTMENT REVIEWS ARE BASED ON THEIR MERITS, NOT ON THEIR SOURCES. CANADA WILL WELCOME CHINESE INVESTMENT THAT IS SOCIALLY RESPONSIBLE AND ECONOMICALLY BENEFICIAL.

IDEAS

I AM AN IDEALIST. I BELIEVE THAT IDEAS ARE FUNDAMENTAL DRIVERS OF SOCIETY, POLITICS, EVEN ECONOMICS. CERTAINLY, THEY ARE ONE OF THE CENTRAL CURRENCIES OF EXCHANGE BETWEEN MODERN SOCIETIES. JAPANESE HISTORY PROVIDES PERFECT EXAMPLES OF THE SUDDEN IMPACT THAT IDEAS CAN HAVE ON A NATION. AS AN ISLAND COUNTRY, BEFORE THE AGE OF GLOBAL COMMUNICATIONS, IDEAS EMERGED FROM YOUR NATIONAL AND CULTURAL EXPERIENCE AND IMAGINATION, OR THEY WERE IMPORTED FROM ABROAD. SHOTOKU TAISHI IS EMBLEMATIC OF THE YAMATO ERA IMPORTATION AND ADAPTATION OF IDEAS FOR GOVERNANCE, ETHICS AND RELIGION FROM TANG CHINA.

THE MEIJI OLIGARCHS IMPORTED WESTERN MODELS OF TECHNOLOGY AND GOVERNANCE FROM EUROPE AND AMERICA. POST-WORLD WAR TWO JAPAN REDESIGNED ITS DEMOCRACY, WITH AMERICAN HELP.

IT IS MY VIEW THAT CHINA'S EMERGENCE FROM CONFUCIAN INSPIRED IMPERIAL RULE IS NOT COMPLETE, AND WILL CONTINUE FOR SOME TIME IN THE FUTURE. THE IMPORTATION OF IDEAS DID NOT END WITH THE CREATION OF THE REPUBLIC IN 1912, OR THE ESTABLISHMENT OF REVOLUTIONARY CHINA IN 1949, OR REFORM AND OPENING SINCE 1979. IT CONTINUES TODAY. CHINA'S REVOLUTION IS NOT OVER.

CANADIANS HAVE BEEN PART OF THE PROCESS OF EXPORT OF IDEAS. FROM THE LATE 19TH CENTURY UNTIL 1949, MANY THOUSANDS OF CANADIANS DEVOTED THEIR LIVES TO “SAVING CHINA”, THROUGH THE SPREAD OF CHRISTIANITY. IT IS CLEAR THAT, COLLECTIVELY, THEIR MOTIVES AND THEIR FERVOUR WERE MIXED WITH COMMERCIAL AND EVEN IMPERIALIST AMBITIONS. THE CHINESE GOVERNMENT OF 1949 CERTAINLY CONSIDERED THE MISSIONARIES AND THEIR COMMERCIAL BRETHERN TO BE INVOLVED IN WHOLESALE IMPERIALISM, SO THEY EXPELLED THEM ALL.

IT IS UNDENIABLE HOWEVER THAT ALONG WITH THEIR RELIGIOUS BELIEFS, THESE MISSIONARIES ALSO BROUGHT MODERN EDUCATION TO CHINA, THEY BROUGHT WESTERN MEDICINE, THEY BROUGHT ENGINEERING AND THE SCIENCES. EDUCATING CHINA IN MODERN THOUGHT BECAME AS IMPORTANT A TASK FOR MANY WESTERNERS IN CHINA AS PROMOTING CHRISTIAN RELIGIOUS VIEWS.

THIS IMPORTATION OF IDEAS CONTINUES TODAY, EVEN IF IT NOW TAKES PLACE UNDER THE PURVIEW AND CONTROL OF THE CHINESE GOVERNMENT. CHINA IMPORTS IDEAS ON MANAGEMENT AND ICT PRODUCT MANUFACTURING PROCESSES FROM JAPAN AND OTHER G-8 COUNTRIES. IT IMPORTS ENGINEERING IDEAS FROM GERMANY AND FRANCE. IT IMPORTS FINANCIAL SECTOR MANAGEMENT FROM THE UNITED STATES.

THE CANADIAN GOVERNMENT HAS AN “IDEAS EXPORT POLICY” VIS-À-VIS CHINA, ALTHOUGH WE DON’T CALL IT THAT. OUR DEVELOPMENT COOPERATION PROGRAMS IN CHINA CONTINUE, DESPITE CHINA’S ECONOMIC GROWTH, BECAUSE WE HOPE THAT SOME OUR IDEAS WILL BE ADOPTED BY CHINA, TO OUR MUTUAL BENEFIT.

FOR EXAMPLE, SINCE 1998 WHEN PRIME MINISTER CHRETIEN AND PREMIER ZHU RONGJI SIGNED A FRAMEWORK AGREEMENT ON ENVIRONMENTAL COOPERATION, WE HAVE WORKED WITH CHINA IN AREAS SUCH AS CLEANER PRODUCTION, RESOURCE CONSERVATION, POLLUTION CONTROL, NATURAL RESOURCE AND WASTE MANAGEMENT, SUSTAINABLE AGRICULTURE AND FORESTRY, AND CLIMATE CHANGE.

WE CONTINUE TO SUPPORT CHINA'S EFFORTS TO REDUCE POVERTY AND TO FACE THE CHALLENGES OF SUSTAINED ECONOMIC AND SOCIAL DEVELOPMENT. CANADIAN INTERNATIONAL DEVELOPMENT AGENCY PROJECTS, TARGETED AT BOTH THE POLICY AND GRASSROOTS LEVELS, ADDRESS AREAS RANGING FROM TECHNICAL ASSISTANCE IN TRANSPORTATION AND AGRICULTURE TO MATERNAL AND CHILD HEALTH.

THIS IS NOT TRANSFERRING GOODS OR SIMPLY HANDING OVER MONEY. THIS KIND OF WORK IS PRIMARILY INTELLECTUAL IN NATURE: IT IS THE PASSING OF INFORMATION AND TECHNOLOGY AND WAYS OF SOLVING PROBLEMS. THE CHINESE THEMSELVES WILL DETERMINE, AS JAPAN DETERMINED IN ITS PAST, HOW TO USE THE IMPORTED IDEAS. BUT THEY WOULD NOT ALLOW AND ENCOURAGE US TO CONTINUE TO WORK WITH THEM IN THESE AREAS IF THEY DID NOT FIND OUR IDEAS OF USE.

SIMILARLY, CANADA REMAINS ACTIVE IN THE TRANSFERENCE OF IDEAS AND PRACTICES ON HUMAN RIGHTS, GOOD GOVERNANCE AND THE RULE OF LAW. FOR EXAMPLE, NUMEROUS CIDA PROJECTS SUPPORT EMERGING CIVIL SOCIETY ORGANIZATIONS AND HELP CHINA BUILD ITS CAPACITY IN A NUMBER OF AREAS SUCH AS CRIMINAL LAW AND PROCEDURE, RATIFICATION AND IMPLEMENTATION OF THE TWO MAIN INTERNATIONAL COVENANTS ON HUMAN RIGHTS, TRAINING OF JUDGES, ACCESS TO THE LEGAL SYSTEM, PRISON ADMINISTRATION, EDUCATION AND PUBLIC AWARENESS.

IT IS INTERESTING TO SPECULATE ABOUT CHINA'S CONTEMPORARY AND FUTURE IDEAS EXPORT ACTIVITIES. DURING THE MAOIST ERA, CHINA APPEARED TO BE MOST INTERESTED IN EXPORTING REVOLUTION. IT BELIEVED THAT THE COMMUNIST VICTORY OVER THE WEST WAS BOTH FOREORDAINED AND IMMINENT. THE DEATH OF MAO AND THE

ARREST OF THE GANG OF FOUR IN 1976 BROUGHT THAT PERIOD, AND THE EXPORT OF MAOISM, TO A BLESSED CLOSE.

MORE RECENTLY, CHINA HAS BEGUN A PROCESS OF REAPPRAISAL OF CONFUCIANISM, AS AN ETHICAL PHILOSOPHY AND A SOURCE OF IDEAS, AS WELL AS JUSTIFICATION, OF AUTHORITARIAN GOVERNANCE. IT HAS ALSO BEGUN TO ESTABLISH “CONFUCIUS CENTERS” IN A NUMBER OF COUNTRIES, INCLUDING CANADA. THESE ARE PRIMARILY DEVOTED TO THE TEACHING OF THE CHINESE LANGUAGE, AS WELL AS CREATING A VENUE TO INTRODUCE CHINESE CULTURE TO THE WORLD. IT WILL ONLY BE A MATTER OF TIME HOWEVER BEFORE THE URGE TO CONVEY IDEAS AS WELL AS LANGUAGE AND ESTHETICS TAKES HOLD. WHAT THESE IDEAS WILL BE REMAINS TO BE SEEN: PERHAPS A MODERNIZED VERSION OF CONFUCIANISM.

OR PERHAPS CHINA’S INTELLECTUAL EXPORTS WILL PRIMARILY BE IN THE ARTS. WHEN JAPAN BECAME THE FOCUS OF INTERNATIONAL ATTENTION IN THE 1980s, DUE TO THE STRENGTH OF ITS ECONOMIC PERFORMANCE AND THE POPULARITY OF ITS CONSUMER PRODUCTS, IT SOUGHT TO INTRODUCE JAPANESE DRAMATIC ARTS TO THE WORLD. NOH, KYOGEN, KABUKI AND BUTOH COULD BE SEEN ON STAGES THROUGHOUT THE WORLD. IN THE EVENT, JAPAN’S MOST SIGNIFICANT INTELLECTUAL EXPORT HAS BEEN CULINARY: NO SELF-RESPECTING CITY ANYWHERE TODAY DOES NOT HAVE AT

LEAST ONE DECENT JAPANESE RESTAURANT, EVEN IF IN PLACES LIKE CANADA THEY ARE PRIMARILY OWNED AND MANAGED BY OTHER ASIAN-CANADIANS.

MY GUESS IS THAT CHINA'S INTELLECTUAL EXPORTS WILL BE IN AREAS SUCH AS PRODUCT STANDARDS - ALREADY, CHINA IS INFLUENCING STANDARDS IN THE ICT SECTOR. THIS WILL INCREASE IN THE FUTURE. CHINA WILL INFLUENCE THE WORLD OF FASHION. IT HAS AN INCREDIBLY RICH HISTORY OF CLOTHING DESIGN FOR MEN AND WOMEN. DON'T BE SURPRISED IF YOUR WIFE IS WEARING A JAPANESE VERSION OF A CHINESE INSPIRED "CHI-PAO" IN THE COMING YEARS. CHINA - LIKE JAPAN - IS ALREADY IMPACTING ON POPULAR CULTURE, ESPECIALLY IN MOVIES AND IN COMPUTER GRAPHICS.

IT IS WORTH BEARING IN MIND THAT, FROM THE PERSPECTIVE OF HUMAN BEINGS ON THIS PLANET, THE MOST PRECIOUS MATERIAL IN EXISTENCE IS THE HUMAN BRAIN AND ITS CAPACITY FOR THOUGHT. IT IS THE LOCUS OF ALL OF OUR PERCEPTIONS; IT IS THE STORE-HOUSE OF OUR KNOWLEDGE; IT IS THE SOURCE OF OUR IMAGINATION AND OUR CREATIVITY. THE CHINESE PEOPLE HAVE TWENTY TWO PERCENT OF THE GLOBAL STOCK OF BRAIN MATTER, AND THUS OF HUMAN INTELLIGENCE. IT IS INEVITABLE THAT IT WILL BE UTILIZED BY THE CHINESE PEOPLE IN WAYS BOTH NUMEROUS AND YET UNIMAGINABLE. FOR THE FIRST TIME IN MODERN HISTORY, WE CANADIANS AND JAPANESE WILL BECOME THE RECIPIENTS AS

MUCH AS SOURCES OF THE WORLD'S KNOWLEDGE. THIS TRANSFORMATION WILL HAPPEN MUCH MORE RAPIDLY THAN YOU MIGHT THINK.

SECURITY

WHAT THESE VARIOUS EXAMPLES ILLUSTRATE IS THAT PRAGMATISM AND THE PURSUIT OF MUTUAL BENEFITS HAS BEEN AT THE CORE OF CANADA'S RELATIONS WITH CHINA. THIS PRAGMATISM IS MORE OBVIOUS IN CANADA-CHINA RELATIONS THAN IN JAPAN-CHINA RELATIONS BECAUSE OUR RESPECTIVE NATIONAL SECURITY CALCULUS REGARDING CHINA IS VERY DIFFERENT.

CANADA IS SEPARATED FROM CHINA BY A BROAD OCEAN. WE SHARE A CONTINENT WITH THE UNITED STATES, OUR CLOSEST ALLY. WE ARE CONCERNED ABOUT THE RISE IN CHINESE MILITARY POWER, AND ABOUT ITS IMPACT ON THE USA'S ROLE AND PRESENCE IN THE PACIFIC. BUT FOR MOST ANALYSTS AND MUCH OF THE GENERAL PUBLIC, CHINA IS NOT SEEN AS AN IMMINENT THREAT TO CANADA. NOR DO WE HAVE A 20TH CENTURY HISTORICAL LEGACY COMPARABLE TO THAT OF JAPAN. THE DEGREE OF POLITICIZATION OF THE RELATIONSHIP THEREFORE IS LESS THAN WHAT ONE CAN OBSERVE BETWEEN JAPAN AND CHINA.

ACCORDINGLY, OUR BILATERAL SECURITY RELATIONS ARE ENTIRELY DIFFERENT FROM YOURS. THE OBJECTIVE OF CANADA'S SECURITY POLICY VIS-À-VIS CHINA IS TO PROMOTE INCLUSIVENESS AND A COMMONALITY OF INTEREST IN PEACE IN THE ASIA PACIFIC REGION.

OUR BILATERAL POLITICAL AND MILITARY RELATIONS SEEK TO PROMOTE GREATER TRANSPARENCY, THROUGH MINISTERIAL AND OTHER HIGH LEVEL EXCHANGES, POLICY DIALOGUES AND ANNUAL SHIPS' VISITS. AS PACIFIC COUNTRIES AND MEMBERS OF THE UNITED NATIONS AND THE ASSOCIATION OF SOUTH EAST ASIAN NATIONS (ASEAN) REGIONAL FORUM, CANADA PROMOTES AN AGENDA THAT INCLUDES DIALOGUE ON ISSUES SUCH AS DISARMAMENT, ARMS CONTROL AND NON-PROLIFERATION, LANDMINES, THE KOREAN PENINSULA AND THE DISPUTES OVER SOVEREIGNTY IN THE SOUTH CHINA SEAS.

THERE HAVE BEEN SEVERAL POSITIVE DEVELOPMENTS IN CANADA-CHINA BILATERAL MILITARY RELATIONS DURING THE PAST FEW YEARS. CANADIAN MILITARY PERSONNEL HAVE PARTICIPATED IN A CHINA-SPONSORED ASEAN REGIONAL FORUM FOREIGN AFFAIRS AND DEFENCE OFFICIALS PROFESSIONAL DEVELOPMENT PROGRAMS, AS WELL AS IN SEMINARS ON ASIAN SECURITY AT THE PEOPLE'S LIBERATION ARMY (PLA) NATIONAL DEFENCE UNIVERSITY. REGULAR SEMINARS ON MULTILATERAL COOPERATION AND REGIONAL SECURITY ARE HELD. DIALOGUES ON PEACE KEEPING, ON COLD

CLIMATE TRAINING, ON LOGISTICS BETWEEN OUR MILITARIES HAVE TAKEN PLACE.

WE FOLLOW THE RISE OF CHINESE MILITARY POWER VERY CLOSELY, OF COURSE, THROUGH THE PRESENCE OF OUR CANADIAN FORCES ATTACHE IN BEIJING, AS WELL AS THROUGH INFORMAL DISCUSSIONS WITH REGIONAL GOVERNMENTS, INCLUDING JAPAN. WE HAVE STATED PUBLICLY OUR CONCERN ABOUT LACK OF TRANSPARENCY IN CHINESE DEFENCE BUDGETS, MILITARY DOCTRINE AND STRATEGIC INTENT.

BECAUSE OF DISTANCE HOWEVER AND LACK OF PUBLIC KNOWLEDGE, THE POLITICAL SENSITIVITIES OVER THE SECURITY IMPLICATIONS OF CHINA'S RISE ARE MUCH LESS DEVELOPED IN CANADA THAN THEY ARE IN JAPAN.

HUMAN RIGHTS

CANADIANS ARE FUNDAMENTALISTS ON HUMAN RIGHTS.

WE CANADIAN ARE SO PROFOUNDLY TAKEN BY THE NOTION THAT HUMAN RIGHTS ARE UNIVERSAL THAT WE BELIEVE, AND A SUCCESSION OF CANADIAN GOVERNMENTS HAVE BELIEVED, THAT ANY SYSTEMATIZED VIOLATION OF HUMAN RIGHTS GOES AGAINST THE NATURAL ORDER. THIS COMPLICATES OUR RELATIONS WITH CHINA AT POLITICAL AS WELL AS PERSONAL LEVELS.

CHINA HAS BEEN AND WILL CONTINUE TO CHALLENGE OUR VALUES; THE CURRENT GOVERNANCE REGIME IN CHINA CERTAINLY HAS A TRACK RECORD FOR DOING SO. WE ESTABLISHED DIPLOMATIC RELATIONS IN 1970, WHEN THE EMBERS OF THE CULTURAL REVOLUTION, A VIOLENT SUPPRESSION OF MOST HUMAN RIGHTS AND THE RULE OF LAW, WERE STILL HOT. THE SECOND DECADE OF OUR RELATIONS WAS MARRED BY TIANANMEN AND THIRD WAS SPENT WELCOMING TENS OF THOUSANDS OF HONG KONGERS, FEARFUL OF THE IMPACT OF REVERSION IN 1997.

WHAT DIFFERENCE DOES IT MAKE THAT WE HAVE DIFFERENT VALUES? IN PRACTICAL TERMS, DIFFERENT VIEWS ON RULE OF LAW CAN EMERGE WITH RESPECT TO HONOURING CONTRACTS, PROTECTING PRIVATE PROPERTY, INCLUDING INTELLECTUAL PROPERTY, PREDICTABILITY IN COMMERCIAL RELATIONS BASED ON LEGAL CODES, PRECEDENTS AND TRANSPARENCY.

BUT WITH RESPECT TO HUMAN RIGHTS - THE FREEDOMS OF SPEECH, ASSEMBLY, FREEDOM FROM ARBITRARY AND POLITICALLY MOTIVATED ABUSE OF THE JUSTICE SYSTEM - THE TENSION IS CAUSED AS MUCH BY PSYCHOLOGICAL DISSONANCE BETWEEN OUR VIEW OF CHINESE AS HUMAN BEINGS UNDIFFERENTIATED FROM OURSELVES, AND THE CHINESE COMMUNIST PARTY'S VIEW OF CHINESE PEOPLE FIRST

AND FOREMOST AS CITIZENS WITH PRIMARILY CIVIC RESPONSIBILITIES.

CANADA, THROUGH EXCHANGES AT THE POLITICAL LEVEL, THROUGH SOME OF OUR CIDA PROGRAMS, THROUGH ACTION IN MULTIATERAL VENUES, STRONGLY ADVOCATES IN FAVOUR OF GREATER RESPECT FOR HUMAN RIGHTS IN CHINA.

THERE ARE DIFFERING VIEWS ON WHETHER WE ARE MAKING ANY HEADWAY. CERTAINLY, THE ABUSE OF HUMAN RIGHTS IS COMMON IN TODAY'S CHINA. SOME BELIEVE THAT THE ONLY BENCHMARK OF PROGRESS IS THE TRANSITION TO A FULL-FLEDGED DEMOCRATIC REGIME, ALBEIT WITH CHINESE CHARACTERISTICS.

THAT MUST BE THE LONG TERM GOAL.

BUT MY PERSONAL VIEW IS THAT IT IS A GOAL THAT CAN ONLY BE ACHIEVED OVER TIME, AND IN A MESSY, PIECEMEAL FASHION. GOVERNMENTS, INCLUDING MY GOVERNMENT, MUST CONTINUOUSLY ENGAGE IN ACTIVE DIALOGUE WITH CHINESE IN AND OUT OF AUTHORITY, EVEN IF AT TIMES THESE DIALOGUES APPEAR TO BE UNPRODUCTIVE.

WE MUST DEVELOP WAYS OF PROVIDING HUMAN RIGHTS SUPPORTERS WITHIN GOVERNMENT AND THE CHINESE COMMUNIST PARTY AND CHINESE SOCIETY - SUCH PEOPLE ARE MORE NUMEROUS THAN WE MIGHT THINK - WITH ARGUMENTS AND PARAMETERS THAT THEY CAN THEN USE INTERNALLY AGAINST HARD LINERS WHO WOULD BROKE NO OPPOSITION AT

ALL TO CHINESE OFFICIAL AUTHORITIES. IN OTHER WORDS, WHEN CANADA AND JAPAN AND THE EU AND OTHERS ENGAGE THESE AUTHORITIES, WE ARE NOT ONLY PROVIDING POSITIVE REINFORCEMENT IN FAVOR OF HUMAN RIGHTS, WE ARE RAISING THE COST OF SUPPRESSION AGAINST THEM. THIS DOESN'T MEAN THAT THEY WON'T SUPPRESS ANYWAY - WE HAVE SEEN THAT OVER THE LAST FEW DAYS IN THE ARREST OF A PROMINENT AIDS ACTIVIST - BUT PARAMETERS DO GET SET. IT MAY BE REGRETTABLE THAT HUMAN RIGHTS ACTIVITIES IN CHINA DON'T IMMEDIATELY CHANGE THE CCP'S BASIC APPROACH TO RIGHTS, BUT THE REAL PERFORMANCE CRITERIA ARE ELSEWHERE: THEY ARE FOUND IN THE EXPANDING FREEDOMS AND APPEALS TO RULE-OF-LAW THAT ARE INCREASINGLY EVIDENT IN CHINA'S EVOLVING SOCIETY. THAT IS WHERE REAL PROGRESS MUST BE MEASURED. THE CHINESE IN AND OUT OF GOVERNMENT AND THE CCP ARE THE ONES THAT WILL MAKE DEMOCRACY AND RULE OF LAW IN CHINA.

CONCLUSION

LET ME CONCLUDE WITH A WORD OF ADVICE.

I BELIEVE THAT 2008 PROVIDES AN INCOMPARABLE POINT OF DEPARTURE TO UNDERSTAND THE CHINA OF TODAY AND OF TOMORROW. THIS IS BECAUSE THIS YEAR, DESPITE THE HUGE PROBLEMS THAT CHINA FACES, WITH ENVIRONMENTAL POLLUTION, WITH HUGE GAPS IN INCOME, WITH CORRUPTION AND SO FORTH, THE CHINESE PEOPLE WILL ALSO CONSIDER THAT THERE IS ALSO MUCH TO CELEBRATE.

IT IS ALWAYS A GOOD IDEA, WHEN DEALING WITH CHINA AND THE CHINESE, TO ACKNOWLEDGE THE BREATH AND DEPTH OF THEIR HISTORY, TO RECOGNIZE THEIR IMMENSE CONTRIBUTION TO PHILOSOPHY, RELIGION AND ARTISTIC EXPRESSION, TO RESPECT THE EFFORTS MADE OVER MILLENNIA TO DEVELOP ONE OF THE WORLD'S GRANDEST CIVILIZATIONS.

DURING THE NEXT TWO YEARS, THE WORLD WILL HAVE ITS EYES ON CHINA, FIRSTLY DURING THE BEIJING SUMMER OLYMPICS, AND THEN THE WORLD'S FAIR IN SHANGHAI IN 2010. THERE IS NO DOUBT THAT BOTH CHINA'S STRENGTHS AS WELL AS ITS WEAKNESSES WILL BE ON FULL DISPLAY ON OUR TELEVISION SCREENS, IN OUR NEWSPAPERS AND MAGAZINES, THROUGHOUT THIS PERIOD. MANY OF US WILL TRAVEL TO CHINA TO SEE FOR OURSELVES.

THE NEXT TWO YEARS WILL PROVIDE AN INCOMPARABLE OPPORTUNITY TO ASSESS CHINA FOR WHAT IT IS: NOT YET A SUPER-POWER, A COUNTRY STRUGGLING WITH IMMENSE PROBLEMS, BUT ALSO A SOCIETY DEMONSTRATING IMMENSE ENERGY, DRIVE AND PURPOSE.

LET US USE THIS PERIOD TO CONGRATULATE CHINA, WITHOUT HESITATION, FOR WHAT IT HAS ACHIEVED.

LET US ALSO USE THIS PERIOD TO OBTAIN A CLEAR EYED UNDERSTANDING OF WHAT THESE ACCOMPLISHMENTS MEAN FOR THE ITS FUTURE, AND WHAT THEY MEAN FOR US.

THANK YOU.

JOSEPH CARON

JANUARY 28, 2008