125 Sussex Dr. Ottawa, Ontario K1A 0G2

ROUNDTABLE ON THE AMERICAS: PRIORITIES, PLANS AND ACTIVITIES

August 30, 1999 Ottawa

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On August 30, 1999, the Canadian Centre for Foreign Policy Development brought together a group of academics, government officials, NGO, labour, and business representatives to discuss their priorities, plans and activities related to the Hemisphere. The goal of the meeting was to share information, develop cross-sector contacts and continue thinking about Canada's interests and opportunities in the region. It was the fourth event in a series of roundtables. The aim of this series is to engage Canadians across the country and to help develop Canadian foreign policy and approaches to Hemisphere issues. In preparation for the meeting, Nola-Kate Seymoar, International Centre for Sustainable Cities, circulated a questionnaire to 14 organisations asking for information on priorities and suggestions for Canadian focus.

I Executive Summary

After a welcome by Steven Lee, National Director of the CCFPD, and a brief overview of government policies and thinking by George Haynal, Assistant Deputy Minister Americas, Nola-Kate Seymoar summarised the results of the questionnaire circulated in preparation for the roundtable. The aim of the questionnaire was to find out what are the priorities of selected civil society organisations involved with the Hemisphere. Respondents were asked to identify top opportunities for Canada's foreign policy. A summary of the questionnaire results is presented below. The full results are attached. (Enclosed you will also find the respondents' calendars of planned events.)

Summary of The Civil Society Questionnaire:

The respondents identified these five top priorities:

- 1. Equity and Inclusion
- 2. Strengthening Democratic Governance
- 3. Poverty and Income Distribution
- 4. Trade and Economic Liberalisation
- 5. Environment and Sustainable Development

The survey indicated these six key opportunities for Canada's foreign policy:

- 1. Trade liberalisation
- 2. Civil society in decision making fora
- 3. Indigenous peoples issues
- 4. Process and mechanisms to develop trust
- 5. Human rights and governance
- 6. Urban development and infrastructure

During the day long meeting the participants presented their agendas and identified these interests and priorities:

- 1. **Inclusion and access** of traditionally excluded groups to decision-making and deliberative bodies should be institutionalised or at least formalised in some way and become an integral part of the policy process. Attention should be paid to Indigenous Peoples, the disabled, people in poverty and women. The use of formal fora and a Human Rights framework to address economic, social and cultural rights in the Hemisphere should be explored.
- 2. The growing **inequality in income and wealth distribution** in Latin America should be addressed through targeted social policy. Some participants argued that social rights and environmental protection clauses should be included in trade agreements. However, others doubted their feasibility and effectiveness in multilateral trade agreements. All agreed that a clear and transparent legal and regulatory framework for trade and investment is required. Canada could offer its expertise in helping the integration of disabled people into the economic structures. Another area where Canadian expertise could be useful is tax reform and administration.
- 3. Initiatives aimed at deeper **economic integration** of the Hemisphere, including trade liberalisation and deregulation of capital flows, were high on the agenda especially of the business representatives. Key recommendations in this area included: 1) FTAA negotiations should be conducted in the context of WTO processes, 2) deeper integration should be accompanied by a powerful reaffirmation of rule-based market economies, 3) among the more concrete initiatives aimed at enhancing free trade could be the removal of bureaucratic barriers, 4) initiatives aimed at building a "business culture" in the region should be developed.
- 4. In **education**, initiatives aimed at academic mobility and the strengthening of the system of higher education in Latin America could be built with modest means.
- 5. Canada could develop initiatives in **disaster relief** (with a particular focus on youth and gender) aimed at building resilient communities.
- 6. Canada could be the leader in using **Information and Communications Technologies** (ICTs) to spread information and connect communities across the Hemisphere. ICTs

could facilitate the development of a "Human Security culture" and create a public "digital" space for policy discussion and deliberation. Initiatives aimed at placing ICTs at the centre of the Hemisphere agenda and narrowing the "digital" divide should be developed.

- 7. The role of **CIDA** in the Hemisphere should be maintained, especially in the poorest countries. CIDA is a vehicle for promoting equity in the region and the engagement of communities and civil society in public policy.
- 8. Canada should strive to improve the OAS **process**. The agenda for Quebec City should be practical (i.e., topical, credible, cost-effective), manageable and fall within the context of Human Security.

Summary of Possible Canadian Foreign Policy Niches:

- 1. Canada as "the Nordics" of the Hemisphere
- 2. Canada as a long standing partner (trading and other) with the United States
- 3. Canada as a leader in civil society engagement and good governance
- 4. Canada as a leader in closing the "digital" divide
- 5. Integration of the disabled into the economy
- 6. Disaster relief assistance: building resilient communities
- 7. Expertise in tax systems
- 8. Experience with Indigenous Peoples (especially Indian urban youth)

II Starting the Discussion: Opportunities and Constraints

Steve Lee, welcomed everybody to the roundtable. He reminded the participants that the mandate of the CCFPD is to bring ideas and expertise for foreign policy development from outside government. He outlined the goals of the day's discussion as being first, information sharing and second, testing everybody's key interests in the Hemisphere. He also laid out the format and process for the discussion.

George Haynal, then brought everybody up to date on the development of Canadian foreign policy towards the Hemisphere. In particular, he explored some of the main opportunities and constraints that policy makers currently face. He thanked Nola-Kate Seymoar for her efforts and the participants for coming. He also expanded on the new dimension in Canadian foreign policy that the active engagement of civil society brings. In particular, he commended Steve Lee and the CCFPD for their efforts in this area.

On personal reflection, he went on to say, there exists a dissonance between the extent of involvement in the region and discourse in Canada. Canada's engagement is unprecedented and the content is still developing. Due to the increasing intensity, depth and richness of the Canadian involvement, the discourse should engage more players, beyond the corridors of Ottawa. George

Haynal further elaborated that with this increasing involvement and a large formal agenda leading up to the Summit in Quebec City, Canada has gone from an interested observer, ten years ago, to being truly at the heart of the Hemisphere. Canada's new regional role is without precedent. There is, therefore, a need for more engagement through business as well as NGO fora.

While we have inherited a legacy from the previous Summits in Miami and Santiago, there is considerable room for putting a Canadian stamp on the upcoming Summit in Quebec City. What should this stamp be? What legacy should the Quebec City Summit leave behind? While some areas have been already intellectually explored, nothing has been laid down yet. One of the aims of a meeting such as this is to listen to what some of the answers might be.

The political mandate has been already mapped. The Prime Minister has clearly indicated his commitment to free markets. The free markets have an undoubted role to play in the transformation of the Americas. However, the focus must rest on the "virtuous" impact the spread of free market economies has on the Americas while the negative consequences must be mitigated. Globalization must go hand in hand with building institutions as well as spreading values. Meanwhile, Minister Axworthy's message contains the importance of human security in foreign policy. Therefore, globalization should promote human security rather then erode it. The engagement of civil society in foreign policy development is also of key significance to the Minister.

Work still has to be done on the process of decision making within the Hemispheric mechanisms (OAS). The Hemisphere is not at ease with the engagement of civil society. Nevertheless, this engagement is the "liberating" part of the globalization process, as opposed to the "liberalising." Canada tries to lead in this area. Initiatives aimed at this goal include, for example, involving Parliamentarians or building the capacity of Hemispheric mechanisms to strengthen democracy. Canada will encourage discourse on civil society input, good governance and the necessity for transparency.

Some of the cross-cutting issues that are on the priority list for the government are:

- 1. Health (Ninth Conference of Spouses of Heads of State and Government of the Americas)
- 2. Sustainability (a concept that needs further development)
- 3. Role of women
- 4. Role of Indigenous Peoples
- 5. Climate change (including the preparation to cope with disasters)
- 6. Use of technology and the role of communications technology in "liberating" and promoting tolerance (multiculturalism)

In conclusion George Haynal reiterated that there are still questions to be answered, that no formal agenda exists yet and that some legacy remains from previous Summits. It is up to us now to shape the agenda, withing the framework of the OAS mechanisms.

III Priorities and Recommendations for Policy Options

1. Institutionalising Inclusion and Access: Focus on Indigenous Peoples

Many participants agreed that inclusion and access of traditionally excluded groups to decision-making and deliberative bodies should be institutionalised or at least formalised in some way. Particular attention should be paid to Indigenous Peoples. Other groups including, NGOs and labour, disabled people, women, as well as youth and children also need attention.

Allan Torbitt from the Assembly of First Nations talked about the AFN's ties with Indigenous Peoples living in the Hemisphere as well as Latin American governments. The AFN has been actively engaged in the OAS. It is here where an opportunity exists to work together, with other civil society representatives, in trying to enhance the engagement of traditionally marginalised groups in decision-making and deliberative bodies. Some progress has already been made toward a formalised process of addressing the rights of Indigenous Peoples within the OAS mechanism. The AFN has also developed a positive bi-lateral relationship with Mexico as a result of various diplomatic and trade missions. Through this relationship some steps toward inclusion and access have been made on a bi-lateral basis.

Access and inclusion can also be facilitated through various fora with a formal transparent link to the OAS or other Hemisphere decision making and deliberative mechanisms. Leading up to the Toronto Trade Ministers' Meeting (November 1999), a Business Forum and a Civil Society Forum have already been organised. Patty Barerra from Common Frontiers outlined the process for preparing such a large initiative as a Civil Society Forum: csforum@web.net. Sheila Katz of the Canadian Labour Congress suggested institutionalising access to labour representatives and other social partners through an official Labour Forum running alongside the Business meeting. Another idea, suggested by Nancy Thede of ICHRDD, was that a Human Rights framework could function as a venue for introducing specific economic, social and cultural rights issues.

2. Equity Through Targeted Social Policy: Focus on Labour

The growing inequality in income and wealth distribution in Latin America should be addressed through targeted social policy. Social policy should aim not only at traditionally disadvantaged and marginalised groups (Indigenous Peoples, women, disabled, etc.) but also at new groups negatively affected by globalization (low paid workers and the unemployed in particular).

Participants representing labour, Gerry Barr of the United Steelworkers of America and Sheila Katz, addressed the deteriorating situation of workers in Latin America. Katz argued that despite the promise of prosperity, the spread of free markets (facilitated by NAFTA) has often led to enhanced social and economic inequality, stagnant wages and unemployment. Jerry Barr

added that the unemployment situation in the region is exacerbated by the fact that around 85% of all new jobs are created in the informal sector. This trend suggests that the modern economy has stopped producing jobs. The real wage level is about 27% less than it was two decades ago.

Latin America is among the most dangerous places in the world for labour movements and labour activists. Child labour remains pervasive and the work-load faced by women is on the rise. In some cases, the spread of the markets has meant the destruction of family farming. According to Katz, despite the relatively successful macro-economic stabilisation, the market-driven policies failed socially.

According to recent public opinion polls an overwhelming number of Canadians (including business managers and owners) think that trade agreements should include labour rights and environmental protection clauses. This chasm between what people think and how trade negotiations are being conducted may undermine the credibility of the process.

Max Cameron, University of British Columbia, argued that without a social policy, the link between free markets and democracy becomes contentious. Therefore, social rights and environmental protection clauses should be included in trade agreements. Nancy Thede's idea of a human rights framework applies here as well. It could be used to bear on trade agreements as legally and morally binding.

Dave Hecnar from the Canadian Chamber of Commerce, doubted the feasibility and effectiveness of such additions in trade agreements. Hecnar argued that trade negotiations are build on mutual consensus. Since many Latin American countries do not share Canadian labour and environmental standards, social and environmental stipulations may preclude agreement and hinder integration. According to Hecnar, the positive impact of the market is uncontested, however, time is required for growth and other positive results of liberalisation. Excluding Latin American countries from the benefits of trade on the basis of their non-compliance with Canadian social and environmental standards could prove much more harmful to their societies in the long run. Obvious questions also arise about the effectiveness of potential enforcement mechanism.

Nevertheless, both, labour and business representatives agreed that clear and transparent legal and regulatory frameworks for trade and investment are required. Barbara Arneil suggested that one of the specific areas where Canada could help is the integration of disabled people into the economic structures. Nobina Robinson, FOCAL, pointed out that Canada could also offer its expertise in tax reform and administration.

3. Economic Integration as the Key to Growth and Development: Focus on Business

Initiatives aimed at deeper economic integration of the Hemisphere were high on the agenda of the business representatives including, Susan Gardiner of the Business Council on National Issues, Dave Hecnar, and Halina Ostrovski from the Canadian Council for the Americas. They stressed the importance of a free market economy for growth and development

in the Americas today. However, they agreed that the spread of free markets should be accompanied by the development of a clear and transparent legal and regulatory framework. Ostrovski emphasised the importance of developing a business culture in the region (including, strong democratic institutions, confidence, trust and entrepreneurial spirit). Some of the specific recommendations included:

- FTAA negotiations should be conducted in the context of WTO processes.
- Integration could be enhanced by the removal of bureaucratic barriers (paperwork and delays at the Customs).

Dave Hecnar pointed out that the ultimate goals of business and other civil society representatives are identical, since they all share the same basic values as Canadians. There is a common interest in helping to firmly establish the rule of law, build and strengthen democratic institutions, and create a fair economic environment. The difference rests in how to achieve these goals. It is this difference in "means" that poses challenges.

4. Initiatives in Education

Based on his experience, Pierre Van Der Donkt of the Organisation Universitire Interamericaine suggested that Canada take advantage of its expertise to build initiatives aimed at academic mobility and help strengthen the system of higher education in Latin America. Patrick Hyndman, AUCC, and Cynthia Morel, UNESCO, have reviewed the capacity of their organisations to play role in the Hemisphere. Among the activities they mentioned was expanding educational and scientific networks, disseminating and exchanging information, promoting the role of education in development, and creating tools and programmes for youth.

5. Initiatives in Disaster Relief: Building Resilient Communities

Kate White of Black and White Communications, suggested that given the global climate change, Canada could develop an initiative aimed at mitigating the results of natural disasters. She argued that capacity-building initiatives that help communities prepare for disasters would be particularly useful. Focus should be directed towards youth and women and their education (including the curriculum development and school infrastructure building).

Kate White pointed out that developing a "culture of prevention" is among the responsibilities of any government today. It could be one of the cross-cutting themes adopted in the Hemisphere agenda, since the concept involves Human Security, governance and a focus on youth.

6. Information and Communications Technologies (ICTs)

Liss Jeffrey and Gisela McKay from the McLuhan Program in Culture and Technology stressed the role new ICTs can play in imparting information and connecting communities. According to Jeffrey, through ICTs, our values as Canadians can be spread instantaneously

across the Hemisphere. In this context, Canada could capitalise on its "geo-political" position as the "Scandinavia" of the Americas to promote "culture" of Human Security, distinct from that of the United States.

ICTs could also help nurture engaged and well informed publics, strengthening democratic governance at home and abroad. Therefore, ICTs should be central to the Hemispheric agenda. Initiatives should be developed aimed at narrowing the "digital" divide between poor and rich countries and creating a public "digital" space for policy discussion and deliberation.

Arch Ritter, Canadian Association for Latin America and Carribean Studies, Carleton University, argued that the provision of clean water and basic human necessities should take precedence to closing the digital divide. Jeffrey responded by saying that leaving the poor regions out of the "global village" would marginalise them even more in the longer run. Steps should be taken to facilitate public access to ICTs even in the poorest countries, together with helping to meet basic human needs.

7. Aid and Relief Initiatives: The Role of CIDA

Arch Ritter commented on the enormous work that CIDA has done in the Hemisphere and the necessity of maintaining CIDA's programmes especially in the poorest countries. Michael Jay from CIDA said that despite a modest Hemispheric portfolio, CIDA's impact in the region has been significant. He also pointed out that equity is fundamental to CIDA's objectives. It is the basis on which funding and programming choices are made. Moreover, civil society is actively involved in developing CIDA's programmes. In this "modest and quiet " way, CIDA serves as a vehicle to promote equity in the Hemisphere and engage Canadian NGOs in development.

8. Initiatives aimed at the Summit Process

John Graham, FOCAL, drew attention to the Summit process arguing, that it is necessary to create a practical and manageable agenda for the Summit in Quebec City. The agenda should be topical, credible, and financially manageable. It should be attached to the OAS and facilitate transfer of skills. Efforts should be made not to clutter the agenda with myriad of diverse and conflicting issues. Meanwhile, the framework of Human Security should be adopted. Graham also pointed out that some critics would argue that the entire OAS mechanism is obsolete and Canada's interests are better served through cultivating bi-lateral relations. Nevertheless, since Canada really has no other choice than to proceed on a regional level, efforts should be aimed at improving the system.

During the discussion, Max Cameron asked whether Canada's involvement in the OAS process precludes other more effective venues or fora of involvement. He drew attention to the Land Mines process and argued that the initiative was successful precisely because it was outside of the formal arms control framework.

IV Analytical Component

The presence of academics enhanced the analytical discussion of Canada's involvement in the Hemisphere. In many instances, the academic analysis mirrored the priorities and policy options presented by the other participants. Arch Ritter reflected on the sea change in the context. Preoccupations about democratisation and equity have replaced the dominant issues of dealing with ruthless military regimes and the debt crisis. Today, the challenge is to facilitate a more equitable socio-economic environment in the region. Particular attention should be paid to Indigenous Peoples who bear the brunt of reforms.

Maxwell Cameron, expressed his doubts about the applicability of democratic theories that perceive elections as the *sine qua non* of a democratic regime. It is doubtful whether free elections mean democracy in Latin America where the status of human rights and freedoms remains shaky. Cameron argued that recent developments in Latin America suggest that elections are not enough to usher in a democratic regime. For this to happen political rights and freedoms must be institutionalised. Morever, structural barriers to equality must be addressed for democracy to take root. In making policies, the government should ask how stronger institutions can be build? How can rights be extended to the marginalised? How can a democratic political system be created (i.e., political parties, unions, etc.)?

Viviana Patroni, Wilfrid Laurier University, reviewed her research on the social implications of neo-liberal policies in Argentina. She argued that policies including trade liberalisation, capital account deregulation, privatisation and commodification of the public sphere may lead to macroeconomic stabilisation. Since the implementation of the reforms, growth rates in the region have also improved. However, these policies have a grave impact on employment. In Argentina, they contributed to rising rates of unemployment, underemployment and illegal employment. Patroni asks whether such social dislocation could lead to undermining of the entire democratisation process. Will the voice of marginalised labour be heard or is democracy and elections a device Latin American governments use to stay in power? Can social problems be solved in the context of neo-liberalism? Finally, Patroni argues that preliminary research shows the link between growth rates and employment weakening. In the case of Argentina, the relationship between economic growth and employment seems to be negative.

Bob Finbow, Dalhousie University, briefly addressed the impact social and environmental clauses in trade agreements actually have on the development of social equity, democracy and environmental awareness in the region. Can the adoption of a clause within a multilateral context actually have any impact on how individual governments treat their societies and environment? For example, in the context of Mexican authoritarianism, it is doubtful any such commitment would be adhered to. The enforcement of social and environmental provisions is another conundrum that would have to be addressed. Therefore, other, long-term opportunities to influence change in the region should be sought.

It is useful to keep in mind the danger of Northern neo-colonialism towards Latin America in imposing values and standards and the growing challenge in the United States to globalization. Barbara Arneil's contribution to the former point was that many people in the South do not share the same concerns about the negative impacts of trade liberalisation expressed by the opponents of neo-liberalism located in the North and see trade as a major vehicle to growth and development. Arneil also suggested a country-specific focus, since the needs of Latin American countries vary widely.

Jennifer Proudfoot, Canadian Council for International Cooperation, summarised the policy work of the CCIC as broadly reflecting the concerns expressed by labour, Indigenous Peoples and other NGO representatives. Among other things, the Council explores the link between globalization and social development (social exclusion and unemployment).

In conclusion, Steve Lee summarised the day's discussion and drew out the key ideas and possible niches for Canada in the Hemisphere. Canada could develop a niche as a Northern partner to the Americas. Drawing on Jeffrey's idea, Canada could become the "Scandinavia" of the Hemisphere through "Human Security." The use of ICTs could be particularly helpful in furthering this niche. Canada could became a leader to close the "digital" divide and create electronic commons for public discussion and deliberation. In this way Canada could use "soft power" to influence positive change. Canada has great experience and expertise in dealing with the US in trade and other issues. Canada could become a leader in encouraging civil society engagement and good governance in the Hemisphere. Other, specific initiatives where Canada could lead are 1) the integration of disabled people into the economy, 2) disaster preparedness, 3) tax reform and public administration, and 4) approaches to dealing with Indigenous Peoples issues, especially Indian urban youth.

At the close of the day, it was agreed that a summary report would be written by the CCFPD and distributed. Arch Ritter offered to establish an e-mail list of participants to better connect with the *Latin America and the Caribbean into the Coming Millennium: Equity, Democracy and Sustainability* Conference (Ottawa, September 30 to October 2, 1999). Networking among the organisations present could be strengthened through developing inventories and exchange of information. Participants and others are encouraged to keep in touch and to follow up at the local level (i.e., Toronto based organisations).