



TODAY'S PAPER

COMMENT

Monterrey could be Martin's moment

Canada's leverage has diminished more than we like to admit, making the Summit of the Americas critical, say KEN FRANKEL and JOHN GRAHAM

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Paul Martin's task at his international debut at the upcoming Summit of the Americas in Monterrey, and its aftermath, is more critical than three days in the Mexican sun might suggest. After 10 years of Latin American and Caribbean policy that is long on grand gesture and short on consistent engagement, Canada's importance in hemispheric affairs is waning. God help us if we can't be regarded as significant players in our hemispheric back yard at a time when our leverage in the rest of the world is receding more than we care to admit.

Monterrey offers a chance to rebuild in a region where we have made a difference in the recent past, and can again be welcomed as a major player.

Success will require that the shreds of several myths about Canada and the region be torn away. First, Canada is not the second-most important hemispheric political player. In South America, Brazil is. For Central America, Mexico is.

Brazil has taken the lead in addressing political crises in South America. With the 11th-largest global economy, and a Gross National Income that is \$50-billion (U.S.) larger than India's, Brazil has the leading South American voice in trade negotiations within and outside this hemisphere.

Canada's relationship with Brazil is strained. Opinions vary as to which side has most irritated the other, but unquestionably there has been a series of Canadian *faux pas*. Canada must work to repair this critical relationship.

Second, we are not seen as a serious counterweight to the United States. There is much about Canada that Latin countries admire, and a lot about the United States that they do not. While most Latin and Caribbean countries appreciated Canada's independent posture on Iraq in the face of U.S. pressure, they understand the huge nexus of ties that binds Canada to the United States.

Third, Canada's participation in the NAFTA treaty does not automatically make it a significant player in hemispheric political affairs. NAFTA has not produced the expected level of reciprocal political engagement. Mexico boasts the world's 10th-largest GNI and is increasing its international, and independent, diplomatic

activity. It is in Canada's interest to build a closer political relationship with Mexico.

Paul Martin faces another challenge in Monterrey. This summit is a Canadian initiative, and one that was accepted with little enthusiasm by some of the countries around the table, including Brazil. Even the Mexicans were for a time reluctant hosts.

Despite those sobering realities, Paul Martin could not ask for a better platform to launch his new vision. The agenda -- human development, practical entrepreneurship, social justice and democratic governance -- corresponds to Canada's traditional overseas priorities and strengths.

Most countries in the region suffer from institutional decay and loss of confidence in political-party, judicial and taxation systems. The commitment to improved democratic governance is low. Those leaders, such as Mexico's President Vicente Fox, who are struggling to institutionalize independently functioning legislative bodies, are facing strong resistance. On the issue of democratic governance Mr. Martin can play to a strong hand. Canada has been one of the primary architects in developing and promoting this issue.

The adoption of neo-liberal economic principles over the last decade, at the urging of multinational lending agencies and others, has not delivered the promised economic and social development. As the gap between poverty and wealth continues to grow, Latin governments struggle to balance economic growth with social justice. Latin Americans admire Canada for precisely its ability to balance those two issues. Latin Americans, like Canadians, are concerned about urban sustainability, the delivery of educational and other social-service systems and the economic dislocation caused by the emergence of China and India.

There is much here for Canada and other hemispheric governments to discuss. While Latin Americans admire the strength of the U.S. economic machine, they are not keen to emulate the U.S. social system, its acceleration of the gulf between haves and have-nots, and the curious conviction that the market will cure most ills.

In the world's most politically asymmetric hemisphere, there will be special focus on what U.S. President George W. Bush brings to the table, where most of the 34 chairs will be occupied by countries opposed to his Iraq war. At this summit, Mr. Bush is expected to push for an anti-corruption, pro-transparency initiative that Latin countries believe is tangential to their deeper concerns. The U.S. withdrawal to a narrowly defined agenda has resulted in a disconnect between what regional leaders need to discuss and what the United States has been interested in discussing. The time is right for Canada to more fully engage. Why, for example, could Canada not become a hemispheric leader in

the study and implementation of efforts towards sustaining cities or balancing growth with ecological equilibrium?

Not least in importance at this summit will be personal chemistry. Including Paul Martin, roughly one-third of the 34 leaders will be attending a hemispheric summit for the first time. It is impossible to overestimate the value of subsequent visits or telephone conversations between leaders who have found mutual respect over debate and margaritas.

Monterrey presents an opportunity for the new Canadian government to rebuild its profile and leverage with Latin America and the Caribbean.

An active engagement in Monterrey would be a good start, but rhetoric and chemistry are not enough. If we are to succeed in Latin America and the Caribbean, we must replenish our international tool kit. Foreign Affairs, CIDA and government support for cultural, educational and business outreach have been chronically undernourished for a decade.

Sure-footed prime-ministerial performances, while they are indispensable, are insufficient in themselves to restore standing.

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