Canadian Policy Towards Cuba: 1959-1984

Canadian Policy Towards Cuba: A Case Study in US Influence and External Constraints on Canadian Foreign policy

By

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ABSTRACT

This thesis is focused on Canadian policy towards Cuba from 1959 to 1984. The research is developed in such a way as to achieve three major objectives. 1) To explain and account for the controversial Canadian-Cuban relationship as it evolved during the period under study. 2) To examine the detrimental effects of this relationship on Canadian-American relations. 3) To use the Cuban case study to establish whether Canada has been conducting an "independent" foreign policy with Cuba and to see how far Canada can deviate from vital American foreign policy objectives before encountering elements of American displeasure and possible punishing political and economic retaliation.

The main underlying argument in the thesis is that Canada, contrary to the premises of the dependency theorists, does have a well-developed capacity to follow a distinctive foreign policy. One which is both independent from America´s and conducted exclusively in the better interests of Canada and Canadians. The Cuban case study is used to develop and expand on this theme while remaining conscious of the fact that policies are not created in a vacuum but are subject to changing

constraints and limitations. One important constraint in this case was Canada's long-standing relationship with the United States at a time when both nations chose to conduct very different policies in dealing with Cuba's revolutionary regime. This thesis therefore reiterates the geopolitical reality that Canada must often walk a fine line when dealing with countries hostile to America. The task in these cases is to attempt to develop distinctiveness while maintaining the vital "special relationship" forged with Washington over many years. The Cuban case study provides a good illustration of this ongoing balancing act as it describes the various phases the Canada-Cuba relationship experienced during twenty-five years of life in the shadow of the American-Cuban feud.

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PREFACE

This study of Canadian-Cuban relations will, for the most part, be dealt with chronologically. The introduction will look at the early years of the relationship and study the genesis of relations between the two states. Chapters I and II will examine the basics of the bilateral relationship while simultaneously studying changes in the tone of Canadian-US relations. Chapter III, concentrating on the expansion years, will focus almost exclusively on the Canada-Cuba relationship, while chapter IV will approach the topic a little differently and deal with events in Central America and their effect on Canadian-Cuban relations. The conclusion will pull the historical thread throughout the case study and discuss the various determinants of the relationship. It will also analyse Canadian policy behaviour in this case study and discuss the relevance of selected pertinent questions to the overall conduct of Canadian foreign policy.

INTRODUCTION - RELATIONS 1866-1959

Relations 1866-1959

Canada's business relations with Cuba began in 1866 when the Fathers of Confederation and other government leaders sent a trade mission to the Caribbean, Mexico and Brazil. The main purpose of the mission was to establish close and direct contact with these countries in order to circumvent the already pervasive influence of the US in Canadian trade with these states.[1]

Upon arrival in Cuba, then still a Spanish colony, the Canadian members attempted to interest the Cubans in the Canadian market by suggesting that it was probably unwise for Cuba "to remain wholly dependent for so many necessaries (sic) on a single source of supply and that source the United States", and proposing an expansion of trade with Canada as a means of breaking out of this dominant relationship with America.[2]

While the Cubans were interested in the proposal, high duties levied against imports to Canada from outside the British Empire made trade between the two countries very difficult. However, twenty years later, after the Anglo-Spanish trade treaty, more profitable trade arrangements were achieved which made commerce between Canada and

Cuba both a possibility and an eventual reality.[3]

Canadian entrepreneurs, for their part, became especially interested in investing directly in Cuba following the Cuban war of independence of 1895-98 which severed all links with colonial Spain. A vital element in these new investment opportunities was the fact that the US, through their involvement in Cuban affairs which included a four-year occupation and the Platt amendment (which gave the US the right to intervene directly in Cuban affairs), effectively guaranteed the stability of the island economy.[4]

Among the first Canadian investors to take advantage of these business opportunities were the Royal Bank of Canada and the Bank of Nova Scotia. The Royal Bank was established in Havana in March 1899 under its old name of the Merchants Bank Of Halifax and effectively remained the most important Canadian presence in Cuba until its departure in 1960. The Bank at one time served as the Cuban Government´s agent for paying off the veterans of the army of liberation who were then encouraged to open accounts with the Canadian bank. By 1923, there were 55 branches of the Royal Bank in Cuba. For its part, the Bank of Nova Scotia, which moved into Cuba in 1906, controlled a smaller network until it too left after the revolution.[5]

These business ties predated governmental rela-

tions, which commenced in 1903 when Cuba set up its first consulate in Yarmouth, Nova Scotia. In 1909, Canada reciprocated with a trade office in Havana but formal diplomatic relations were not established until 1945.[6]

Subsequent relations with the Caribbean island were peaceful and business-like for fifteen years until the first days of January 1959 and the change of political regimes following the overthrow of Fulgencio Batista and his government by the Cuban revolutionaries of Fidel Castro.

NOTES - INTRODUCTION

[1] J.C.M. Ogelsby, "Continuing US Influence on Canada-Cuba Relations," International Perspectives (September-October 1975), p. 34.

[2] Ibid., p. 34.

[3] Ibid., p. 34.

[4] Ibid., p. 34.

[5] Ibid., p. 35.

[6] Canada, Department of External Affairs, "Canada and Cuba," External Affairs 13:3 (March 1961), pp. 98-99.

CHAPTER I - THE CRISIS YEARS 1959-1963

Introduction

Cuba in the late fifties was undergoing a very important political upheaval. Indeed, what was at first considered a simple change of political regimes, as Fulgencio Batista was replaced by Fidel Castro and his freedom-fighters, very quickly developed into large-scale reformism in all elements of Cuban society. The nature of the revolution itself would slowly engender a deep conflict between Cuba and the US as it became obvious that to be successful the Cuban revolution would have to address the issue of the prominence of American interests in all aspects of life of the island. As the transition in political posture took place, the reaction of the "Colossus of the North" forced Cuba to seek new economic partners to replace its offended American ones, as well as Soviet military aid to counter US threats to the integrity of the revolution.

This chapter will focus on the role Canada played in these events during the Diefenbaker years from 1958 to 1963. Examined in detail will be Canada's recognition of the new Cuban regime; Canadian resistance to the US-led trade embargo; reactions and worries during the Bay of

Pigs invasion; as well as the fear and emotion which surfaced during the missile crisis of October 1962. In concluding, we will examine the forces which helped to shape Canadian decision-making during those crucial and tense years.

The Revolution

The goodwill surrounding the coming to power of Fidel Castro and his 26th of July Movement was quite astounding in that it was so widespread. In the US, The New York Times made its views quite clear when it commented that another dictator had fallen "and good riddance to him".[1] Everyone seemed to agree with this original assessment as the extensive corruption and patronage of the Batista regime finally came to light. It was felt that only Castro and his people could replace the despotic dictator and institute much-needed social reforms.

In Canada, editorialists were more cautious and many noted the presence of communist elements within the inner-circle of the revolutionaries. The Winnipeg Free Press, however, responded to these worries by stating that Castro's program is "no more a communist programme than was Attlee's in Britain".[2]

The Canadian government wasted no time in recogni-

zing the new Cuban regime following its accession to power on 1 January, 1959. On 6 January, the Canadian government received a Cuban diplomatic note listing the members of the new government and asking that Ottawa recognize the revolutionary regime. The Canadian government decided to do so and the exchange of credentials took place on 8 January, just one day after the United States itself had recognized the Cuban government.[3]

The international goodwill, so evident while Castro was preparing to assume power, evaporated very quickly as the revolutionaries began work on what they considered to be the first item on the political agenda: the dispensing of "justice" for the collaborators of the former regime. This "justice" consisted primarily of executions for those who had been involved closely with the former regime. In Canada, The Globe and Mail denounced these executions: "By seeming to substitute vengeance for justice, by launching Cuba into a new bloodbath, Mr. Castro has forever tarnished the idealism which surrounded his revolutionary movement."[4]

In the House of Commons, on 16 January, the CCF's Hazen Argue enquired whether the Prime Minister was prepared to make a statement with regard to the spate of executions in Cuba. Mr. Diefenbaker answered in the affirmative:

> The Government is following very closely the events in Cuba as the picture emerges from the various reports, some confused and others capable of a variety of interpretations. In considering the situation the Government will have in mind the same deep concerns for the respect of civil liberties and democratic ways that it has demonstrated in the past.[5]

The Cuban situation was not at the forefront of Canadian concerns during the winter of 1959, consequently the subject was hardly touched upon in the House of Commons. The following exchange, on 5 March, 1959, between Mr. Sidney Smith, Secretary of State for External Affairs and a colleague, is from the records of the Standing Committee on External Affairs. The exchange is especially interesting because it reveals that there may have been an arms request made to Canada by the Batista regime at some point before the revolution.

> Q. Would the Minister care to make any comment on how self-government may or may not have affected any relations Canada may have had with Cuba?
>
> A. I do not think I could say anything else other than that they are just as cordial as they were under the Batista regime. I say this very firmly, that I am very pleased we did not succumb to the requests for supplies of armaments and military equipment to Batista. That is a great advantage now in respect of our relations with the present government. Our stock is higher than that of some other countries of the West in that regard.
>
> Q. Along the same line, you would not say that there was any danger whatsoever to any Canadian interests in Cuba?

> A. There is no suggestion of it. I would suspect there would not be.[6]

While the Canadian government did not appear overly worried at this point about the situation in Cuba, some people in the United States were already seeing signs of the anti-Americanism of the Cuban administration as it was becoming apparent that the more forceful communist elements of the new regime were coming to the fore. Nevertheless, Fidel Castro went to Washington on an official state visit in April of 1959 and reassured America that the Cuban revolution would not threaten US interests and investments on the island. He also denied having asked for any form of backing from the Soviet Union. On the return trip, he stopped briefly in Montreal, but was unable to meet with Prime Minister Diefenbaker due to conflicting schedules. While Castro had attempted to reassure the US during this trip, it soon became evident that the revolution would indeed threaten important US interests.

> The Cuban Prime Minister said specifically during his US visit that he would not confiscate private property, but in May, an agrarian reform law was introduced. It did not order confiscation in name, but it provided that every stockholder of corporations running plantations must be a Cuban citizen. This had the effect of forcing the US companies out of the country. It was quite obvious by now that a true revolution had taken place in Cuba.[7]

Over the next few months, speculation in the US

press grew about the emerging communist nature of the Cuban revolution. This apprehension was confirmed in the summer of 1959 when the chief of the Cuban air force chose to exile himself rather than continue to collaborate with Castro and his people. Appearing in front of a US congressional committee in Washington, he made it quite clear that Cuba was pursuing a communist domestic policy, and that more ranches and mines, many of which were US-owned, were about to be expropriated.[8] Another significant indicator was Cuba's voting record at the U.N. since it had chosen to vote along with the Soviet Union and its East European allies on most issues.

Washington became increasingly worried as there were indications that the Cuban reforms might spread to other Latin-American states. Rumors of possible Soviet military backing were also circulating but they were not to be confirmed until 9 July, 1960 when Premier Khrushchev suggested that the Soviet Union might offer military assistance to Castro if America was ever tempted to solve its Cuban problem with force.[9]

In Canada, little was heard about these matters which greatly preoccupied public opinion in the US. In March of 1960, the new Secretary of State for External Affairs, Howard Green, told the Standing Committee on External Affairs that "we are on friendly terms with

Cuba". He also suggested that Canada could do nothing to improve Washington´s relations with Castro.[10] Canada was not going to play the role of mediator in the dispute because this would be a clear indication to the international community that Canada was not taking the US side in the dispute and choosing instead to maintain its neutrality.

During a foreign affairs debate held in July of 1960, both the Liberals and the CCF voiced their concern over the deterioration of the relations between the US and Cuba. Hazen Argue, External Affairs critic for the CCF, said that "the Cuban situation is a powder keg that could explode at any time".[11] The leader of the Liberal party, Lester Pearson stated that he thought the Cuban situation to be serious but that the US had to avoid a confrontation on the model of the Suez crisis of 1956:

> I think that the United States of America has shown very great patience in this situation up to the present time against very considerable provocation. I suggest that the United States will have to show even more patience, and that is not going to be easy in the light of what is going on on the island of Cuba. Intervention by armed forces or intervention by forces of any kind, the illegal use of force to protect even vital economic and other interests, is not now possible in the world in which we live. The Suez incident certainly showed that, and the United States should be just about the first country in the world to draw the right conclusions from that incident.[12]

For his part, Secretary of State Green affirmed

that the Soviet threat against the US was important and that "Canada´s attitude with regards to the Cuban crisis has been to urge patience, discussion and negotiation and that heads be kept cool, having in mind the hope that in this way this very serious problem can be worked out without any further damage being done".[13]

In September and October 1960, Castro announced a series of nationalizations in the banking sector. All banks, with the exception of the Royal Bank of Canada and the Bank of Nova Scotia, were to become government property. The Canadian institutions were probably left untouched because Canada had not taken sides in the dispute between Cuba and the U.S and because Cuba wanted to keep at least one link with the continental financial world. In any case, neither of the Canadian banks remained in Cuba much longer as they felt that they could no longer operate there under the circumstances.

This decision to pull out of Cuba and sell off their assets resulted in difficult negotiations between the Cuban government and the Canadian banks. (Negotiations which were not to be completed until November 1981.) The banks were voluntarily pulling out of the Cuban economy and felt that, after playing such an historically important role, they deserved to be treated in a fair manner by the government. However, after being told of

the compensation offer, the banks' leaders were bitterly disappointed and felt that their goodwill towards the new regime was not being rewarded sufficiently. However, despite strong urging by the banks, the Canadian government decided not to confront the Cubans too strongly on this issue and maintain its policy of a "correct diplomatic posture" vis-à-vis the Cuban government.[14]

Meanwhile in Washington, the nationalization of the US banks was not at all appreciated and the Eisenhower administration announced a general trade embargo with Cuba on 19 October, 1960. The embargo was to involve all tradeable goods except food and medical supplies. Opinion had shifted from a height of optimism in January 1959 to a low of total exasperation in October 1960; it had taken the US government some twenty-one months to realize and react to the anti-American nature of the Cuban revolution.

The Trade Debate

The embargo decision was announced on 19 October, 1960, in the middle of a presidential campaign which pitted Vice-President Nixon against his Democratic opponent Senator Kennedy. The State Department declaration listed the series of "illegal and discriminatory measures taken against US interests by Cuba since the start of the revolution":

> Au cours des vingt et un mois qui viennent de s'écouler, les Etats-Unis ont été en butte de la part du régime de Castro à une campagne croissante d'hostilité et de calomnie. Joignant l'action à la parole, le gouvernment de Cuba a pris une série de mesures économiques arbitraires, illégales et discriminatoires qui ont atteint des milliers de citoyens américains et modifié radicalement les courants d'échange entre les Etats-Unis et Cuba, jusque-là favorable aux deux parties.[15]

The declaration called for the embargo to be applied across the board to include all US-Cuban trade except for food and medical supplies. There was no request for Canada, or other allies, to comply with the embargo.

The Canadian reaction to the embargo was clear. Washington could choose this course of action but Canada would deal with Cuba differently. Canada objected to the embargo decision for two major reasons. The first being that, as a trading nation, Canada did not believe in excluding potential markets even if they were communist. The second reason was that the government simply did not believe that an embargo would succeed and fulfill its stated aims.[16]

The Canadian reaction to the embargo and the events which followed bruised Canadian-US relations as it appears that Canada seriously misjudged the emotional impact of the Cuban crisis on the people of America. After all, the ties between Cuba and the US were deeply rooted

in not only economics but also history and geography and thus many segments of American society may have felt emotionally involved in the events occuring in revolutionary Cuba.[17]

On 7 December, Castro, perhaps sensing that he could drive a wedge in Canadian-US relations announced that a Cuban trade mission would go to Ottawa. The mandate of the eleven man delegation was to expand trade with Canada ten-fold so as to fill the void left by the US embargo. The Cubans wanted to negotiate the purchase of sugar mill equipment, newsprint, cattle and manufactured products. The Minister of Trade and Commerce, George Hees, at first surprised by the unexpected arrival of this group, responded to the Cuban approaches by saying that he was delighted and that "you can't do business with better businessmen anywhere".[18]

This statement was entirely consistent with the position taken by the Conservative government on the issue. On 8 December, Hees announced in the House that "the government is anxious to increase its exports to all countries of the world".[19] On 9 December, Prime Minister Diefenbaker added that the government would not fix or determine the rate of commerce between Canada and Cuba but would act to ensure that the strategic nature of the materials exported be controlled and regulated.[20]

On 11 December, outside the House of Commons, Diefenbaker expanded his earlier statement. There could be "no valid objection" to dealing in non-strategic goods since it was the government's "hope that, in so far as mutually beneficial economic relations are maintained or developed, conditions in Cuba may be eased and the general relations of Western countries with Cuba may be promoted". Diefenbaker also noted that no Canadian shipment of arms or munitions would be allowed to go to Cuba or other parts of the Caribbean, designated as a "sensitive area". In concluding, the Prime Minister stated that Canada "had no intention of encouraging what in effect would amount to bootlegging of goods of US origin" by permitting shipment of such materials through Canada.[21]

On 12 December, 1960, official government policy regarding trade with Cuba was announced in the House by Prime Minister Diefenbaker:

> With respect to other goods of Canadian origin, there can be no valid objection to trade with Cuba as with other countries. The businessmen concerned will have to make their own judgments on the prospects for advantageous transactions.
> It is our wish, consistent with our relations with other countries, to maintain the kind of relations with Cuba which are usual with the recognized government of another country.[22]

The Canadian policy, as set out by the Prime Minister, was, according to Spencer, enthusiastically received by Canadians critical of the government's

tendency to follow the US line in foreign policy.[23] However, it was not so well received by certain elements in the US press and government. Senator David Croll summed up the American opinion when he suggested the Cuban trade mission should "be sent packing with empty hands" and described Canada's trade policy with Cuba as "a revolting example of the philosophy of anything for a fast buck".[24]

John W. Holmes, in an article published in Foreign Affairs, puts the strain on the Canadian-US relationship in perspective:

> Most Canadians welcomed the Castro revolution but were increasingly dismayed by the course that revolution took. Inevitably, Canadian feelings have been less strong than those of the United States because we have not been directly attacked by Castro and our economic interests in Cuba have received more reasonable treatment. Furthermore, a small country, somewhat concerned itself with the overweening economic power of the United States, has a certain sympathy with aspects of Castroism....
> It is important to bear in mind, however, that counties (sic) can be united in a common purpose but differ over tactics. It is, in fact, differences over tactics rather than ultimate ends which have been and will undoubtedly continue to be the cause of dispute between our two countries.[25]

In his memoirs, John Diefenbaker further explained the rationale behind his government's decision to pursue increased trade with Cuba after the US embargo was announced, after it became widely known that Cuba's revo-

lution was actually following a communist model of social change and development, and after the US broke off diplomatic relations with Cuba in January 1963.

Diefenbaker lists eight reasons for his government's policy. First: it was "Canada's duty to maintain cordial relations with the recognized government of another state". Second: it was accepted that states of differing political stripes and ideological outlooks could get along and deal with one another. Third: Canada accepted that Cubans had the right to decide for themselves what sort of government they wanted and that "outside interference with a view to changing internal conditions or external policies were unjustified." Fourth: the government viewed the American interpretation of the Monroe doctrine as "an unacceptable unilateral decision on spheres of influences and types of governments in the Western Hemisphere." Fifth: there were no grounds upon which Canada could base such a departure (an embargo) from normal diplomatic conduct. Sixth: even if such an action was justified, Canada could hardly be expected to impose stronger sanctions on Cuba than its Latin-American neighbours in the OAS. Seventh: ostracizing Cuba in this fashion could only force it further into the Soviet orbit. "By maintaining diplomatic relations with Cuba, Canada might have little opportunity to influence the course of

Cuban events; by breaking diplomatic relations with Cuba, Canada would have no opportunity to influence these events at all. We had a window on an otherwise darkened court-yard." Eighth: the government´s policy towards Cuba enjoyed the "overwhelming support of Canadian public opinion and of Canada´s press."[26]

Canada would therefore not follow the example of its American neighbour and would in fact maintain, for better or for worse, its somewhat distant relationship with Castro and his revolutionary regime. Of course, the Canadian leadership could not know that the war of finances and rhetoric between the US and Cuba was not only far from finished, but about to escalate further into one of the most important confrontations of the early sixties. This confrontation, known as the Bay of Pigs invasion, would not only fail but would also seriously damage the credibility of the new Kennedy administration in foreign affairs.

The Bay of Pigs Fiasco

President Kennedy, upon taking office in January of 1961, found plans for a US-organized invasion of Cuba led by American-trained Cuban exiles. Some of these Cubans were of the Batista stripe while others were said to be former colleagues of Fidel Castro. People who had

fought at his side in their common fight to dislodge Batista and who had left Cuba once they became disenchanted with the path the revolution was following.

Kennedy decided to go along with the plans even though they had been drafted under the former Eisenhower administration and the April 17-20 invasion was allowed to proceed. However, the results were disastrous as the invaders misjudged the ability of the Castro regime to defend itself, the firepower the revolutionaries had at their disposal, as well as the loyalty of the Cuban population, which had been counted upon to rise up against the Castro regime.[27]

In Canada, Prime Minister Diefenbaker expressed anxiety about Chairman Khrushchev's earlier threat to defend Cuba in the event of an armed invasion. In the House, on 19 April, Diefenbaker said "what we earnestly wish to see established are stable conditions within Cuba which will allow it to develop in peace and live free from outside pressures as a constructive partner of the nations of the Western Hemisphere".[28]

In the same statement, the Prime Minister also indicated that his position had shifted from the view that maintenance of contact with some Western nations would discourage Havana from seeking a partnership with the Soviet Union. He now upheld that:

> It is now all too clear the situation in Cuba is much more than a continuation of its original internal revolution, which was to a large extent an expression of the legitimate social and economic aspirations of the Cuban people. Cuba, like so many small and defenceless countries, has become the focal point in the ideological contest which is progressively reaching into every corner of the world.[29]

The US invasion of Cuba was not well received by several members parliament, one of the MP's, H.W. Herridge (CCF), was especially adamant in suggesting that the government protest in the strongest possible terms the attempted invasion of Cuba.[30]

The Canadian press reactions were varied. The Toronto Daily Star, in an editorial, charged that the US government has reserved "the right to intervene --invited or not-- to deal with communist penetration" of the Western Hemisphere. The Star also urged the government to reject the new Kennedy doctrine "which would make the US the unscrupulous bully of the Western world".[31] The Montreal Star, on the other hand said that "Mr. Kennedy talked tough. This ... he had to do if only to reaffirm the Monroe Doctrine as basic to American policy".[32]

During a foreign policy debate held in late April 1961, the opposition parties made their positions very clear with regards to the invasion of Cuba. Hazen Argue of the CCF said that he felt that the invasion was a "mistake in its wider implications". To continue to act

in this fashion would be a surefire way to "hand the nations of Latin America into the arms of the communists".[33]

The leader of the opposition, Lester Pearson, said that he understood that the US had shown a good deal of patience in the face of confrontation but that it was wrong to attempt to intervene in such a direct and forceful fashion. He also noted that the US claim that Cuba was endangering its continental security was a little hard to believe. Rather, he maintained that the real danger was the fact that Cuba, only 90 miles away from the US, could become a Soviet base from which the forces of international communism could be unleashed in Latin America. Pearson also suggested that action should be taken collectively through the Organization of American States.[34]

* All in all, the reaction in Canada was mostly one of disapproval of the US actions in Cuba. The attempted invasion was seen by the government as an unwarranted aggression against the Cubans and the opposition parties tended to view these events in the same light. The Bay of Pigs can be seen as another element of American policy which the Diefenbaker government fundamentally opposed. There would be others, some of which are thought to stem from the worsening personal relationship between the two

heads of government of Canada and the United States.

Private and Public Relations

When President Kennedy came to Ottawa on an official visit with Diefenbaker in May 1961, it marked the second time that these two leaders had met in an official capacity. The first Diefenbaker-Kennedy encounter had taken place in Washington in February of that same year and had been seen by all as a very successful trip. However, shortly after, it became known that President Kennedy had made disparaging remarks about the Canadian Prime Minister in public. This proved to be the seed which would later lead to great communications problems between the two men. The Ottawa trip compounded these bad feelings harboured towards Kennedy as the American President used the trip to attempt to press the Canadian government into accepting membership in the OAS. Mr. Diefenbaker very clearly resented the way in which Kennedy and his people tried to pressure the government by inviting Canada to join the Organization publicly during an address to the House of Commons. Mr. Diefenbaker also did not appreciate the attitude of the President's entourage as outlined in a US memo which found its way into Diefenbaker's hands. The memo outlined steps to be taken so as to "push" Canada into certain positions.

Later, the Prime Minister threatened to make the memo public during the 1962 election to show the Canadian people how America under Kennedy was trying to coerce Canada.[35]

The issue of mediation also came up again just prior to the Kennedy visit, when Green, travelling in Geneva, gave an Associated Press reporter an ~~interview~~ and announced that Canada would be ready to help settle the US-Cuban dispute through mediation. This perceived change of policy, widely reported in Canada, was quickly denied by Prime Minister Diefenbaker who reaffirmed that Canada was definitively not getting involved in the dispute. One can only speculate at the angry reaction from Washington policy-makers, then engaged in a campaign to achieve consensus on sanctions with the OAS states, when the reports of Green's comments were first made public.[36]

The end result of the strained relationship between the two men and their administrations clearly led to the inability and unwillingness of the Canadian leadership to co-operate with the US President. The personal ~~differences between them would~~ later go a long way towards explaining certain Canadian decisions during the missile crisis of October 1962.

In late January of 1962, the Organization of American States met to come to terms with the Cuban

problem or to quote The Vancouver Sun, "put Cuba on the griddle".[37] Had it been a member, Canada would have been forced to follow the US lead or openly reject it. In light of this situation, it is easy to imagine that the government was no doubt quite pleased that it was not a member of the OAS.

The 30 January OAS meeting at Punta Del Este decided to declare that the Cuban government was "incompatible with the purposes and principles of the inter-American system".[38] They also suspended trade with Cuba in arms and other related products. After the vote, US officials expressed the hope that Canada and other Western nations would join in isolating Cuba from the Western Hemisphere. On 31 January, Diefenbaker set the record straight when he told Parliament that "our trade with Cuba was in non-strategic materials and there was no reason whatsoever to interfere with it. ... No consideration has been given to any change in the policy."[39]

Elements of Domestic Politics

Diefenbaker and his Progressive Conservatives were still firmly in power at the beginning of 1962. However, on 19 April, Diefenbaker dissolved the House and requested an election be called for 18 June. On election night, the Conservatives were able to stay in office but their

massive majority was gone. In fact, after all the votes had been counted, Diefenbaker had managed to elect only 116 of his MP´s while the Liberals had doubled their 1958 number and were now going to form a strong opposition of 100 members.

The Cuban issue, in 1962 and 1963, was destined to play a large part in the undoing of the PC government in Ottawa. Indeed, the Prime Minister´s all too apparent indecision during the Cuban missile crisis and his refusal to follow through on a series of earlier decisions with regards to nuclear weapons and defense policy would combine in helping to defeat his government a few months later.

While the Cuban missile crisis of October 1962 does not fall in the context of bilateral relations between Cuba and Canada, the crisis played an instrumental part in the shaping of the working relationship between Canada and the US during the Diefenbaker-Kennedy years and, perhaps more importantly for the subject of this thesis, afforded the Canadian government a clear opportunity to revise its Cuban position in the face of possible danger. That they chose not to do so remains one of the most curious elements of this relationship.

The Missile Crisis

There is no doubt that the greatest confrontation

of the Cold War era took place in October 1962 after the Americans discovered evidence of the erection of Soviet offensive missile launchers in Cuba.

The United States began to suspect that something suspicious was brewing in Cuba in September 1962 and reacted very quickly. On 7 September, permission from Congress was sought to call up 15,000 reservists. On 13 September, Kennedy declared that he was convinced that while there was an arms build-up, it was for purely defensive purposes. He suggested however that the US would react quickly if it ever became apparent that Cuba was about to become a military base "of significant capacity for the Soviet Union".[40] A few days later, Congress approved by a vote of 86-1 a resolution declaring America´s determination "to prevent by whatever means may be necessary, including the use of arms", the development of "externally supported military capabilities endangering the security of the United States."[41] On 21 September, Andrei Gromyko threatened the US that any invasion of Cuba would risk "punishment" from the Soviet Union.[42]

As the tension between the superpowers was starting to mount, Canada, while still refusing to "fall in line" with the US wishes and curtail its trade with the Cuban island, decided to recall its Trade Commissioner

from Cuba. The trade office was closed as of 1 October because, as Green explained in the House, there had been a "great falling-off of sales" to Cuba and that there was no longer a need for a trade office in Havana. Indeed, in the first six months of 1962, there had only been exports totalling 5.5 million dollars, roughly one-third the total for the first half of 1961.[43] While the financial numbers prove that sales between Cuba and Canada had indeed tailed off and that there was perhaps no longer a need for a trade office in Havana, one cannot help but wonder nevertheless whether the timing of the removal might have had anything to do with the political climate.

Between 13 September and 22 October, the US increased its reconnaissance flights over Cuba and became convinced that the military installations were not, as the Soviets were saying, of a purely defensive nature but rather of an offensive one. There was clear evidence of the construction of missile launchers which directly threatened most of the continental US as well as vital areas of Canada.

On 22 October, President Kennedy spoke to the American people on a matter of "grave national importance" via the national television networks. He charged the Soviet Union with a "clandestine, reckless and provocative threat to world peace" and called for a naval quarantine

of Cuba. A blockade was to be set up and no ship carrying armaments was to be allowed to go through.[44]

In Canada, the Leader of the Opposition, Lester Pearson, requested that the Prime Minister address the House on these crucial new developments. Despite the late hour, Diefenbaker obliged and said in his statement that:

> This is a time for calmness. It is a time for the banishment of those things that sometimes separate us. Above all, it is a time when each of us must endeavour to do his part to assure the preservation of peace not only in this Hemisphere but everywhere in the world. The existence of these bases or launching pads is not defensive but offensive. The determination of Canadians will be that the United Nations should be charged at the earliest possible moment with this serious problem. ... I think what people all over the world want tonight and will want is a full and complete understanding of what is taking place in Cuba. What can be done? Naturally, there has been little time to give consideration to positive action that might be taken. But I suggest that if there is a desire on the part of the USSR to have the facts, if a group of nations, perhaps the eight nations comprising the unaligned members of the 18-Nation Disarmament Committee, be given the opportunity of making an "on-site" inspection in Cuba to ascertain what the facts are. ... This is the only suggestion that I have at this moment; but it would provide an objective answer to what is going on in Cuba. As late as a week ago, the USSR contended that its activities in Cuba were entirely of a defensive nature, and that the hundreds, if not thousands of citizens of the USSR, mechanics, technicians and the like, were simply in Cuba for defensive purposes. As to the presence of these offensive weapons, the only sure way that the world can secure the facts would be through an independent inspection.[45]

Pearson, for his part, declared it a shock for Canadians to be told that Cuba had been turned into "an offensive nuclear missile base" and that President Kennedy should use the OAS as a forum for discussion on this matter.[46]

The leader of the NDP, T.C. Douglas, approached the issue from another perspective when he stated that "before we get too excited, we should remember that for fifteen years Western powers have been ringing the Soviet Union with missile and air bases". He also added that "we have only the statements of the Americans".[47]

On 23 October, Kennedy received unanimous support for his actions from the OAS and ordered the blockade to begin the next day at 10:00 PM.

In Ottawa, 23 October was a busy day as the Cabinet met in the morning to discuss whether the Canadian government should accept a US request to place the Canadian section of NORAD on the same defense condition as the US section. The cabinet debated the issue but decided after much deliberation not to do so.

> Most of the ministers believed that endorsement of the American move would be nothing more than a formality. But the mood around the Privy Council table changed when Howard Green delivered what was the most impassionned appeal of his political life. He pleaded that reconsideration be given to the idea of blindly following the United States lead. ... "If we go along with the

> Americans now" he said "we'll be their vassals forever".[48]

In the afternoon, the Prime Minister, realizing the extent of what he had said the evening before, attempted to clarify his statement. He stressed that he did not want to suggest that the US evidence was not in itself conclusive and that he did not put in question US good faith on this issue:

> In connection with the suggestion I made last evening that a group of nations might be given the opportunity of making an "on-site" inspection in Cuba, lest there be any doubt about my meaning in that connection, I was not, of course, casting any doubts on the facts of the situation as outlined by the President of the United States in his television address. The government has been informed of and it believes that there is ample evidence that bases and equipment for the launching of offensive weapons have been constructed in Cuba and exist in sufficient quantities to threaten the security of this Hemisphere. ... The suggestion I made was not intended to compete with any proposal of the United States that might be placed before the Assembly, but rather to supplement it by providing a way in which the United Nations could begin the heavy task of exercising its primary responsibility in respect of the maintenance of international peace and security.[49]

The next day, Wednesday 24 October, the Cabinet met again and, under increasing pressure, finally approved the placing of the Canadian section of NORAD on the same footing as the US section. This was to be announced in the House of Commons in the morning.

In the afternoon, the Pentagon announced that some

Soviet ships had stopped before the blockade on the way to Cuba while others were turning around and going back. Upon hearing this, Secretary of State Dean Rusk uttered his often-quoted "we´re eyeball to eyeball and I think the other fellow just blinked".[50]

That evening, Howard Green was interviewed on the CBC in what many would later call the most damaging interview by any spokesman of the Conservative government. "We have always stood by our friends and the Americans are our friends and we are standing by them"[51] Green, despite repeated questioning, refused to say that he supported the US quarantine action and was very careful in not saying anything mildly provocative. In the end, puzzled viewers were left with the impression that the government was mired in indecision and unable to agree on a course of action.

I. Norman Smith, writing in The Ottawa Journal, attacked government policy as well as Green´s appearance on the CBC:

> I do question whether Mr. Green should have been there at all, and whether the CBC should have thought this project in the national interest. When a ship is on the brink of a Niagara there are, I think, more useful things for the Captain to do than matching wits before television on the nature of the storm.[52]

On Thursday 25 October, it was reported that there had been contact between the Soviet ships and the US

blockade. In fact, a few ships were let through once it had been ascertained that they were not carrying military equipment. By that point, there had been a considerable easing of the tension between the Soviets and the Americans.

In the morning, Diefenbaker spoke in the House and gave his most supportive speech of the entire episode. He said that "the Soviet Union, by its actions, had reached out across the Atlantic to challenge the right of free men to live in peace in this Hemisphere". He added that the missiles were "a direct and immediate menace to Canada. Furthermore, they are a serious menace to the deterrent strategic strength of the whole Western alliance on which our security is founded". He also added that Canada had ordered its forces in NORAD to stand at the same level of readiness as the US component.[53]

Once the Prime Minister had stated his government's position on Thursday, Canada's role in the crisis had at long last been decided. The government had agonized over the decision for days and had finally made its move. Canada would support its ally in this confrontation.[54]

The crisis concluded on Friday when Khrushchev dropped his earlier demand that the US pull its missiles out of Turkey and announced that the Soviets were

accepting the US promise not to invade Cuba. He also said that all the military hardware would be dismantled and shipped back to the Soviet Union.

On Monday 29 October, Diefenbaker told the House that while the crisis appeared to be solved, there was still one issue that needed to be dealt with: "There is still the complex if not difficult question of verification under U.N. supervision to be worked out; and there is little time in which to work out and accomplish what must be done in this connection." He added that Canada was fully prepared to lend its help in this regard.[55] For a few days, it appeared that Diefenbaker would have his wish fulfilled as the USSR agreed to on-site supervision and the US attempted to persuade U. Thant, the Secretary-General of the U.N., to send American planes painted white with U.N. markings to Cuba to fulfill this task. The planes were to be piloted by Canadians. However Castro refused to permit supervision of the withdrawal of the weapons and Diefenbaker's contribution to the solution of the crisis was not to become a reality.

The Aftermath

After the situation was resolved, one of the Conservative party's top theoreticians, George Hogan, made several statements which were very critical of the

government´s performance during the US-USSR confrontation. He argued that all trade with Cuba should cease and that diplomatic relations with Castro´s government should be suspended because the Cuban leader was "an irresponsible and probably unbalanced adventurer", was a pawn of "Soviet imperialism" and that to continue to deal with such a leader and his government would be a contradiction; an attempt to be both neutral and committed.[56]

There were also other critics within the governing party. Pierre Sévigny, the Associate Minister of Defense at the time of the crisis, summed up his views of the events in his memoirs published a few years later.

> Canada´s role in what happened was negligible, and the Canadian government could not and did not disturb the course of events. It would be unfair to say that John Diefenbaker deliberately acted in a way to prejudice the cause of world peace, or the cause of North American solidarity in the preparation that went on for an adequate defense against armed agression. But he did misjudge the seriousness of the situation, and he miscalculated the absolute determination of his followers to stand side by side with their American neighbours in a combined effort to halt Communist aggression in the many continents of the world. By his actions, he lost the loyalty of many fanatical Conservatives who are normally disciplined enough to follow a Tory leader, come what may, but not to the extent of undermining the security of the nation.[57]

A major factor in the government acting as it did during the crisis lies in the character of the Prime Minister himself. Firstly, he did not particularly like

or get along with Kennedy. Secondly, he was personally offended when Kennedy did not consult him at the onset of the crisis. In his memoirs, Diefenbaker stresses this very point: "we were not a satellite state at the beck and call of an imperial master".[58]

> Canada certainly had the right to expect notice longer than two hours, if military measures were to be involved. ... It was obvious that Canada was not to be consulted but was expected to accept without question the course to be determined by the President. The partnership in continental defense that my government had worked out with the Eisenhower administration could not long survive the strains imposed upon it by President Kennedy.[59]

There might be additional reasons for the behaviour of Diefenbaker and his administration. Both he and Green were very cautious from the beginning to avoid saying anything which might aggravate the situation. The problem with this approach is that while they thought it best not to react, such a policy might well have been counterproductive by encouraging the Soviet Union to pursue its goals in the knowledge that the allied front was not as solid as it could be. Kennedy felt that it was important that America be supported by all its allies at such a time of crisis.[60] Diefenbaker, for his part, was attempting to play an independent hand, perhaps to avoid being seen as an American puppet. In the end, his posturing may have damaged both the Western alliance, of

which Canada was a member, as well as his government's credibility at home.

John W. Holmes, commenting on the state of the unequal alliance between Canada and the United States, pointed out that:

> However justifiable ... it was misunderstood in the United States to such an extent that our capacity to influence American policy has been negligible. We can attribute this misunderstanding to ignorance and emotion in the United States, but we must recognize that the style of our performance has left something to be desired. Too many of us have given the impression that we were differing with the Americans out of prejudice and perversity rather than conviction. We are again reminded of the basic dilemma of middle powers. They must constantly demonstrate their independence without sacrificing the respect of the great powers, particularly those who are their allies.[61]

John Diefenbaker failed to keep the respect of Canada's allies during the crisis and in so doing may have struck another hard blow to any chance the Conservatives had of regaining their lost majority in the House of Commons. A few months later, in April 1963, Diefenbaker's Conservatives were defeated at the polls and replaced by Lester B. Pearson and his Liberals. To them fell the task of molding Canada's foreign policy with Cuba; a policy which, in a way, had been a vital element in the downfall of their predecessors.

> Cuba was Diefenbaker's watershed, beyond which his political fortunes were to flow sometimes sharply and sometime imperceptibly

> but always irrevocably downhill. His hesitation in giving the order to alert Canada's defense forces was fatal: It emphasized the swelling belief that he was incapable of decision, and it infuriated the Kennedy clique. It gave authority to the Liberal charge that he had become too hesitant to govern Canada, and it gave purpose to Washington's rising imperialistic objective of removing the too independent government of this particular "banana republic".[62]

Conclusion

Canada's Cuban policy from 1959 to 1963 was tied very closely to two men within the government. These men were Secretary of State for External Affairs Howard Green and Prime Minister John Diefenbaker. While other ministers at times seemed lukewarm towards the idea of maintaining relations with Castro, both Diefenbaker and Green never appeared to hesitate in following the path they had chosen, even when such a policy was totally opposed to US government perceptions and policies. To them it seems that Cuba was a vital symbol of independence and perhaps a means by which they could tell the world that Canada could indeed stand on its own feet and make its own decisions. Diefenbaker and Green must have realized that the potential political price Canada and its government could pay for maintaining these ties with Cuba was high but still they never wavered. This price would

include a virtual termination of the close relationship previously enjoyed between Washington and Ottawa as well as a government suspicion that many people in Washington were active in undermining the Diefenbaker government in the hope that it might be defeated in the House and later at the polls.

It can be said that government policy towards Cuba was always in flux. It flowed and altered with the events. We can identify four distinct phases during which Canadian policy evolved:

1) Following the revolution, Canada recognized the Castro regime almost immediately. The new Cuban leader was seen as a hero who had liberated Cuba from the corrupt Batista. From this perspective, the change was seen as an essentially non-threatening positive evolution in the affairs of the Hemisphere.

2) When it became clear that the revolution was taking an anti-American flavour, Canada thought it best to keep good relations with Castro so as to leave a door to the Western world open to him. Once the American embargo had been set up, Canada feared that isolating Cuba would force it to turn towards the Soviet Union and its satellites both for economic and defensive reasons.

3) Prior to the Bay of Pigs invasion, it had become quite clear that the Cuban revolution was following

a socialist path and that the Cuban leadership was leaning towards increased friendship and reliance upon the Soviet Union. Following the invasion, the Canadian government was somewhat repulsed and began to view the US-Cuba conflict as an attempt by the US and the USSR to bring the Cold War to the Americas. Furthermore, the so-called "Kennedy Doctrine" which gave the US the right to intervene in the affairs of other nations did not please the Canadian government who thought it presumptuous and dangerous.

4) During the missile crisis, Diefenbaker, upset that Kennedy chose to inform him of US action rather than consulting him, was very slow to comply with US wishes. He did not feel that the President of the United States could order Canada around as though it were just another weak compliant state, eager to please its US master and devoid of its own independence. When he did come around, support for the blockade was ambiguous at best and only when the crisis had been practically resolved did the Prime Minister fully back the US action.

From 1959 to 1963, the Diefenbaker government took two "major" decisions which ran contrary to US wishes. The first was the decision to maintain and expand relations with Cuba after the US announced its trade embargo. The second occurred during the missile crisis

when Diefenbaker not only put Kennedy's word and evidence into question, but refused to follow the US request to upgrade the defence condition until three days after the crisis had begun.

In summing up, it seems clear that the Conservative leadership was more than willing to confront Washington to avoid severing its relations with Cuba. Certainly the opportunities to break the links were not lacking. Perhaps the best opening to do so was during the missile crisis, when nuclear missiles aimed at the very core of the continent were being erected in Cuba. At that point, Canadian public opinion was clearly against Cuba and influential organizers within the Conservative party were opposed to the government's policy. Yet even then the government chose to withstand these domestic pressures, as it had withstood external pressures, and did not act to alter its foreign policy with Cuba; a policy which would be left relatively unchanged by the subsequent Liberal administrations of Lester B. Pearson and Pierre Elliott Trudeau.

NOTES - CHAPTER 1

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[2] The Winnipeg Free Press quoted in Robert Reford, op. cit., p. 155.

[3] Harold Boyer, "Canada and Cuba: a study in International Relations" unpublished Ph.D. dissertation, Simon Fraser University, 1972, p. 156.

[4] The Globe and Mail, quoted in Robert Reford, op. cit., p. 155.

[5] Canada, Parliament, House of Commons, Debates, January 16, 1959, p. 9.

[6] Reford, op. cit., pp. 155-156.

[7] Ibid., p. 156.

[8] Ibid., p. 157.

[9] H. Micheal Erisman, Cuba's International Relations: The Anatomy of a Nationalist Foreign Policy (Boulder & London: Westview Press, 1985), p. 17-18.

[10] Reford, op. cit., p. 157.

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[12] House of Commons, Debates, July 15, 1960, p. 6358.

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[14] J.C.M. Ogelsby, "Continuing US Influence on Canada-Cuba Relations," International Perspectives (September-October 1975), p. 35.

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[16] Reford, op. cit., p. 159.

[17] Ibid., p. 161.

[18] Robert Spencer, "External Affairs and Defence" in

John T. Saywell, ed., Canadian Annual Review for 1960, (Toronto: University of Toronto Press, 1961), p. 137.

[19] House of Commons, Debates, December 8, 1960, p. 611.

[20] House of Commons, Debates, December 9, 1960, p. 651.

[21] Spencer, op. cit., p. 137.

[22] House of Commons, Debates, December 12, 1960, pp. 700-701.

[23] Spencer, op. cit., p. 138.

[24] Ibid., p. 138.

[25] John W. Holmes quoted in Robert Reford, op. cit,, pp. 161-162.

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[28] House of Commons, Debates, April 19, 1961, p. 3795.

[29] Ibid., April 19, 1961, p. 3795.

[30] Ibid., April 21, 1961, p. 3873.

[31] The Toronto Star quoted in Robert Spencer, "External Affairs and Defence" in John T. Saywell, ed., Canadian Annual Review for 1961, (Toronto: University of Toronto Press, 1962), p. 126.

[32] The Montreal Star quoted in Robert Spencer, "External Affairs and Defense" in John T. Saywell, ed., Canadian Annual Review for 1961, (Toronto: University of Toronto Press, 1962), p. 126.

[33] House of Commons, Debates, April 27, 1961, p. 4067.

[34] Ibid., p. 4083.

[35] Reford, op. cit., pp. 164-165.

[36] Ian Sclanders, "How Green Almost got Hit in the Cuba-US Fight", Maclean's, (Vol. LXXIV, June 17, 1961), p. 63. (Also, see Hansard April 27-May 30, 1961).

[37] The Vancouver Sun quoted in Robert Spencer, "External Affairs and Defence" in John T. Saywell, ed., Canadian Annual Review for 1962, (Toronto: University of Toronto Press, 1963), p. 80.

[38] Ibid., p. 81.

[39] House of Commons, Debates, January 31, 1962, p. 399.

[40] Robert Spencer, "External Affairs and Defence" in John T. Saywell, ed., Canadian Annual Review for 1962, (Toronto: University of Toronto Press, 1963), p. 125.

[41] Ibid., p. 125.

[42] Ibid., p. 125.

[43] Ibid., p. 126.

[44] Ibid., p. 127.

[45] House of Commons, Debates, October 22, 1962, pp. 805-806.

[46] Supra, note 40, p. 128.

[47] Ibid., p. 128.

[48] Peter C. Newman, Renegade in Power: The Diefenbaker Years (Toronto: McClelland and Stewart, 1963), p. 337.

[49] House of Commons. Debates, October 23, 1962, p. 821.

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[51] Supra, note 40, p. 131.

[52] I. Norman Smith quoted in Robert Reford, op. cit., pp. 193-194.

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CHAPTER II - THE QUIET YEARS 1963-1968

Introduction

The years 1963 to 1968 were quiet ones on the Canadian-Cuban front. Indeed, it seemed that once the missile crisis had passed into history, Canadian political opinion was quite ready to turn its attention to other more vital concerns. From that moment on very little was heard in Canada´s parliament and elsewhere about Canada´s ongoing relationship with revolutionary Cuba.

In Canada, the general election of 18 April, 1963 had seen the defeat of the Diefenbaker regime and the rise to power of the Liberal party under Lester B. Pearson. The Liberals´ hold on power, although in no way comparable to Diefenbaker´s massive mandate of 1958, was nevertheless strong enough to permit them to govern effectively as a minority government. Of course, one of the dossiers the Liberals inherited from the Conservatives was the Cuban one, but from the outset Pearson and his Secretary of State for External Affairs Paul Martin seemed determined to maintain a coherent line in foreign policy and pursue trade and diplomatic relations with Castro´s regime in the same fashion as their predecesssors in office.

The Canadian-Cuban relationship, a once explosive

and dangerous issue which had played a part in the downfall of the Conservatives, was to be dealt with very carefully by the new administration. Pearson and the Liberals would continue to deal with Cuba but were also keenly interested in mending the deteriorating relationship with Washington which had become embittered and antagonistic during the Conservative years. In essence, the 1963-68 period in Canadian-Cuban relations was a time of coming to an understanding of the consequences of this exceptional policy and a period during which relations with Cuba were to be normalized. It was also a time of conciliation with the US and of attempted renewal of the once "special relationship".

Cuba, as has been pointed out, was not of major concern to Canadians during the Pearson years. However, the existence of the Cuban "socialist" regime would act as a background to many discussions and debates both in Canada and the United States. The major debates were centered in two distinct areas. The first fell within the range of Canadian-American political and economic relations and concerned questions such as ongoing trade with Cuba, American extraterritoriality, the rise of nationalism in Canada, the Vietnam war, as well as political consultation between the two allied nations. The second debate dealt mostly with Canadian foreign policy, Ottawa´s

role in hemispheric affairs and the pros and cons of joining the Organization of American States (OAS) as a full member. Both debates were important and tested very strongly the resolve of the Canadian government to withstand American pressures and maintain a political course thought to be in the best interest of the nation.

Continuing Political and Trade Relations

The new Canadian government's willingness to maintain relations with Cuba was expressed clearly in the House of Commons on 28 November, 1963 when John Diefenbaker enquired whether the Liberals were thinking of implementing any changes with regards to trade with communist nations. Paul Martin answered that the government was not considering any changes in this policy as they subscribed to the belief that "in ... foreign policy there is a continuity of developments regardless of which government is in power".[1] Earlier, on 12 July, 1963, the Minister of Trade and Commerce, Mitchell Sharp, had reaffirmed in the House of Commons the continuation of trade relations with Cuba with regards to goods of a non-strategic nature.[2]

Trade between Canada and Cuba started to rebound in 1963 after bottoming out in 1962 when Canadian exports had only reached the total of $10.8 million, the lowest

total since 1950.[3] The decline in trade was mostly due to a shortage of hard currency and the unwillingness of Canadian businesses to extend credit to Cuba because of a lack of confidence in the new regime.[4] However, the year 1963 saw an improvement in Cuba's foreign exchange position as the price of sugar rose dramatically on world markets and Cuba was once again able to resume trading with Canadian businesses. The export trade volume rose to $16.4 million in 1963, $60.9 in 1964, $52.5 million in 1965, $61.4 million in 1966 and $42.3 million in 1967. Import trade for this period, while still lower than pre-revolutionary era, rose from the 1962 total of $2.8 million to $13 million in 1963, $3.4 million in 1964, $5.3 million in 1965, $5.6 million in 1966 and $6.3 million in 1967.[5]

Statistics suggest that trade with Canada was vital to Cuba's economy during the 1960's. While Cuba was integrating into the international socialist economy and multiplying its economic links with the Soviet Union, Canada still played a major role in the rebuilding of the island's economy. In 1969, the US department of Agriculture reported that Cuba depended on Western sources for 50% of its food supplies, 90% of total cereals and 85% of total fats and oils.[6] Since a major part of Canada's exports were commodities such as skim milk powder, dairy

and pure-bred cattle, baker´s yeast and seed potatoes, it is reasonable to assume that this trade was quite important for Cuba.

Capital goods of a non-strategic nature such as building materials, pipes, metal wiring and cables as well as machinery to help in modernizing the tobacco and potato harvests were also prominent in the trade relationship. In the 1963-68 period, the most important export commoditities remained cattle, refined sugar, wheat and wheat flour.[7]

Canada was also involved in many cattle deals in the 1960´s and even participated in a program designed to breed a new, superior Holstein cow adapted specifically to Cuba´s climate. The Cubans bred their cows, which traditionally yielded less milk and meat, with the more productive Canadian Holstein. In the end, the program succeeded and Cuba´s milk and meat production increased dramatically.[8]

Sugar is historically Cuba´s main export to Canada; however, from 1959 to 1962, Canadian purchases of Cuban sugar declined considerably and only reached about $1 million in 1961 and 1962. In 1963, purchases increased to $11.8 million but this level was not substained as Canada returned to pre-revolutionary levels in later years. In 1958, approximately 25% of sugar

imports originated from Cuba but by the late sixties, this total had dipped to only about 8%. The major difficulty encountered by Cuban sugar producers wanting to increase sugar exports to Canada was the tariff preference accorded to present and former Commonwealth nations. Traditionally, Caribbean Commonwealth nations, Australia and South Africa had used the tariff preference, much to Havana's displeasure, to undercut Cuba's position in the Canadian sugar market.[9]

The Great Grain Sale and Extraterritoriality

American Extraterritoriality, broadly defined as the threat to Canadian sovereignty through the obedience of firms in Canada with American affiliation to US laws and policies, was a major irritant during the period under study. At a time when Canadians were becoming more nationalistic, cases of extraterritoriality were seen by a large portion of the population as a direct attack on the country's sovereignty and its capacity to maintain its independence from Washington.

By far the most controversial episode of extraterritoriality during this period was prompted by a Canadian-Soviet wheat and flour deal. Behind this controversial grain sale was a Soviet pledge made to Castro in the Soviet Union in 1963 when the Soviets had

promised that, as part of their aid package, they would help Cuba fulfill its grain and wheat quotas for that year. However, when it became apparent that the Soviets would be unable to produce the required grains because of bad harvests and assorted transportation problems, they had little choice but to turn to an external source to supply them with the wheat and assorted grains promised to the Cuban leadership. The choice of Canada was an obvious one since Canada was both competitive in the wheat market and the closest geographically to the Cuban market. The agreement was negotiated in September 1963 between the USSR and the Canadian Wheat Board and called for a quarter of a million tons of wheat and 750,000 tons of flour purchased from Canada to be delivered directly to Cuba. The contract also included cash payment for the Cuban portion of the deal in order to sidestep any possible US objections to the granting of credit to Cuba.

It seems that the Canadian government tried to avoid publicizing the Cuban component of this "Great Grain Sale" since it was not until the following year that this portion of the deal was revealed to the public when the London Times published a story which claimed that Canadian wheat was being "diverted" to Cuba.[10] The article, and opposition pressure, would later succeed in forcing the government to reveal the terms of the agreement so as to

clarify any doubts in the public's mind about these sales of grain to Cuba.

On 24 August 1964, the leaders of the opposition parties demanded an explanation from the Prime Minister on this issue:

> Mr. Diefenbaker: Mr Speaker, I would then direct this question to the Prime Minister. With respect to the diversion of this wheat and flour to Cuba, has there been any complaints by any friendly governments?
>
> Mr. Pearson: Not to my knowledge, Mr. Speaker, and even those governments which have cut off normal trade with Cuba have agreed, I think --I am speaking particularly of the United States-- not to prevent the sale to Cuba for cash of exports of certain foodstuffs and medical supplies.
>
> Mr. T.C. Douglas: May I ask a supplementary question? I ask the Prime Minister if he knows of any international commitment which Canada has made which would preclude our selling wheat either directly or indirectly to Cuba?
>
> Mr. Pearson: No, Mr. Speaker.[11]

Shortly after this exchange in the House, a Soviet trade mission came to Canada and negotiated a new trade agreement which included 860,000 tons of wheat and 860,000 tons of wheat flour to be sold in 1965-66. A large portion of this wheat was also earmarked for the Cuban market.[12]

The US government was very displeased by these "diversions" of grain to Cuba and decided to invoke the

Assets Control Regulation to prevent US subsidiaries from participating in these deals with Havana. By August 1965, three US-owned milling companies were refusing to mill any wheat destined for the Cuban market. While it was never actually clear whether the three companies --Quaker Oats Co. of Canada owned by the International Milling Company of America, Robin Hood Flour Mills of Montreal, a subsidiary of the US General Foods Company and Pillsbury Canada owned by the US company of the same name-- actually received orders to comply to the regulation or simply decided to follow them voluntarily. In either case, the results were the same as all three companies decided to opt out of the deal completely.[13]

The Liberal government did not appear to know how to react to this embarassing situation. In 1964, the Minister of Trade and Commerce, Robert Winters, had announced a new set of guidelines for good corporate citizenship which was to apply mostly to American subsidiaries operating in Canada. The basic principles underlying the exercise was "maximization of profits" but this was meant to happen in a context which respected Canadian laws and regulations. Later Winters stated that this "directive" ran against the principles of his guidelines but that he did not know "just what action to take".[14]

The Conservatives, for their part, had clearly stated their position on 31 March, 1966 when John Diefenbaker told the House that "we welcome American investment, but we ask that American and other foreign investment in Canada shall so conduct itself as to merit the description that he used, namely good Canadian citizenship."[15]

In July 1966, Robert Winters said in the House that the three companies had made it clear to him that there had in fact been no directive and that they were acting voluntarily in such a way as to avoid conflict with the US "Trading with the Enemy Act."[16] This only served to reinforce a statement Mr. John Tatam, President of Robin Hood, had made a year earlier when he acknowledged that "his company was prohibited (by law) as a Canadian subsidiary of a US company from sharing in the processing of any part of the order bound for Cuba."[17]

The end result was that the contracts were awarded to two Canadian owned and operated milling companies, Ogilvie and Maple Leaf Milling, and that these companies emerged as the big winners in this incident.

While the outcome was economically satisfactory for Canadian milling companies, not everyone was happy with the conclusion of the debate. The Conservative member for Winnipeg-South, L.R. Sherman, made his feelings

known in the House on 12 July, 1966:

> But I submit, Mr. Speaker, that there is a principle at stake here and it is in the undeniable interest of our Canadian sovereignty that it be respected. Hon. members on the government side will say perhaps that no Canadian business is being hurt here; so, they will ask, what harm is being done?
>
> But I would ask them this: What would happen if all the flour mills in Canada were American-owned? Then would not the logical result be a situation wherein Canada would find that she could not sell any of her flour or at least could not sell any flour to Cuba?[18]

On 14 July, 1966, T.C. Douglas of the NDP asked Winters whether he considered it "in keeping with Canada´s dignity as a sovereign nation that an American subsidiary should consider it is bound by the laws of the United States and ... ignore the guidelines set down by a Canadian minister".[19]

When all was said and done, the reaction of the Canadian government had to be considered weak. Beyond stating, as Martin did, that the government would take the "strongest action in the national interest" if "there was any extraterritorial application"[20] and Pearson´s promise that Ottawa would protest to the US government "if investigation confirmed the reports" (of a directive to the subsidiaries)[21], the government did not act in any decisive way to counter what many people saw as the

blatant extraterritorial imposition of American law on Canadian trade relations. In fact, one especially curious aspect of this case was the slowness of the reaction in Canada, whether in the House or outside. Indeed, there was little protest when the restriction was made public and the issue was later brought up only sporadically in the House.

One factor which may explain this lack of public reaction may be that Canadian public opinion, in 1965, was still relatively content with the role America was playing in the economy. In fact, a Maclean´s poll taken that year showed that public opinion was not only in favour of some form of free trade with the US but also held a relatively benign view on foreign investment. However, public opinion would shift very quickly between 1965 and 1967 as proven by a Toronto Daily Star poll taken in 1967 in which 67% of respondents then felt that the government should take steps to reduce foreign control in the economy and 63% thought that the Canadian government was not asserting enough independence vis-à-vis the US government.[22]

Another possible reason for what appeared to be a soft government response could be their stated goal of re-establishing a privileged relationship with Washington following the Diefenbaker years and the somewhat acrimonious relationship which had developed between both

governments. In fact, when the Liberals came to power, they found that many doors in Washington were closed to them and that Canada did not have the influence over Washington that they felt it ought to have. One path the Liberals chose to remedy this situation was to follow the principles of "quiet diplomacy" which involved consultation and private negotiation, as opposed to public debate, as a way of dealing with contentious issues. While this approach would prove to be mildly successful, it also suffered many setbacks. The most important barometer of its success was Prime Minister Pearson himself in the course of his working relationships with Presidents Kennedy and Johnson.

Canadian-US Relations in the 1960´s

Pearson´s relationships with the American Presidents in office over the 1963-1968 time period were mixed. While he got along fine with Kennedy, he had trouble dealing with Johnson and his very particular aggressive style of leadership.

Kennedy´s death in October 1963 unarguably altered the course of Canadian-American relations for the entire decade. During the eight months when Pearson and Kennedy were both in office, the two men had learned to respect each other and, importantly, to like each other. At the

conclusion of their only official meeting in Hyannis Port in May of 1963, Kennedy escorted Pearson in the rain to the Canadian Prime Minister´s helicopter and, in a dramatic gesture, took down the presidential flag and gave it to Pearson.[23] This would set the tone for the brief working relationship the two men would subsequently enjoy. Pearson and Johnson, on the other hand, did not get along quite as well. While Kennedy knew enough about Canadian issues to discuss them at length with Pearson, Johnson often gave the impression that he knew little more than what was included in his briefing papers.[24] Pearson, on more than one occasion, was also taken aback by the way Johnson conducted business and dealt with people.

The 1960´s, as much as Pearson and the Liberals might have wanted it to be otherwise, saw many confrontations between Canada and the US. Much of the reason for this stemmed from the growing realization in Canada that US ownership of the economy was a major problem which needed to be addressed. By 1959, US capital already controlled 44% of Canadian manufacturing and 55% of all mining. In particular industries the problem was acute. In the automobile industry, for example, US control was up to 90% and climbing quickly.[25] The Pearson government, elected on a platform of reconciliation with the American government, had little choice but to adopt some counter

measures to forestall what was seen by many as an imminent American economic takeover.

These measures included imposing a special tax on Canadian editions of American magazines, with the exception of Times and Reader´s Digest, to prevent new magazines from coming to Canada and further threatening the Canadian publishing industry.[26] It also included the government´s refusal to permit Citibank of New York to purchase majority control in the Canadian Mercantile Bank even though, in the end, Citibank was allowed a five year exemption from the Canadian ownership provision.[27] Another controversial episode was the Gordon budget of 13 June, 1963 in which the finance minister proposed the imposition of a 30% tax on foreign takeovers of Canadian firms. The uproar from the Canadian business community, claiming that such a measure could only worsen Canada´s balance-of-payment problems, was so great that Gordon withdrew the measure six days later. In the US the Gordon budget was seen as little more than blatant discrimination. In fact, there was so much criticism of the budget, both in Canada and the US, that Gordon eventually decided it was wiser to simply introduce a revised budget, with a watered down takeover tax, at a later time.[28]

Gordon´s attempts at stopping the flow of foreign ownership in Canada was an uphill battle. While it was

seen as a good idea to maintain domestic control over the Canadian economy, the Pearson government soon found that the US government would not stand idly by and watch Ottawa implement what they considered to be discriminatory legislation. In a sense, to attempt to regulate investment in this way could very well have led to the end of the "special relationship" which the government so dearly wanted to maintain and expand. Of course this relationship included certain advantages such as exemptions from such damaging American economic measures as the interest equalization tax on foreign borrowing proposed by Kennedy in late July 1963. It was truly ironic that Walter Gordon, a scant few weeks after his ill-fated budget and the resulting removal of the teeth from his takeover tax, should have to go to Washington to lobby for a Canadian exemption from this potentially damaging new measure. His success on this occasion nevertheless proved that the special links between the two states were strong and that the US was still willing to exempt Canada from potentially damaging measures.[29]

Amidst all the controversy surrounding the revitalized Canadian nationalism and Canadian-American economic relations, one issue was all important in altering the course of relations between the two countries during the decade. The issue was the basic disagreement

between the two countries on American decisions and actions during the Vietnam war. The war involved Canada directly in several ways: 1) Canada was a participant in the International Control Commission for Vietnam, 2) Canada was concerned because of Pearson´s efforts to effect a peace settlement and 3) Canada was heavily involved in arms sales to the US. Later, the issues of American draft-dodgers and Canadian public opinion against the war would also become important bilateral issues in Canadian-American relations.[30]

The most controversial event in Canadian-American relations in the sixties occurred in Philadelphia on 2 April, 1965 when Pearson, speaking at Temple University, condemned the US government´s strategy in Vietnam. The following day, Pearson was invited to Camp David where Johnson proceeded to lecture Canada´s Prime Minister, in a most brutal manner, on his feelings and reactions to the Philadelphia address. While the incident caused a great deal of damage to the relationship between the two men, Pearson attempted to downplay it as much as possible in an effort to salvage the situation.[31]

Not every aspect of the relationship was bad however. For instance, the auto pact, signed in January 1965, has to be listed as the high profile achievement of the decade. The pact, still in effect today, called for a

continental integration of the automobile industry. Canadians, as part of the deal, were also guaranteed that a fair share of the production facilities would be located in Canada.[32] Since there was no large Canadian automobile industry to protect, it was generally assumed, at the time, that the deal was very favourable to Canada.

Early in their relationship, in brighter times, Johnson and Pearson had commissioned a task force on the state of the relationship between the two countries. The report was released in February 1964 but the mood of conciliation which had led to the creation of the task force had already evaporated due to the intervening disputes discussed earlier. Senior civil servants, Canadian Arnold Heeney and American Livingston Merchant, had been given the mandate to "study the practicality and desirability of working out acceptable principles which could make it easier to avoid divergencies in economic and other policies of interest to each other".[33]

The report, in its very bland way, discussed principles for "timely and sufficient consultation in candour and good faith at whatever level ... is appropriate". They found that relations would improve if a system of consultation was created. Canadian authorities "must have confidence that the practice of quiet diplomacy is not only neighbourly and convenient to the United States but

that it is in fact far more effective than the alternative of raising a row and being unpleasant in public". American authorities "must be satisfied that ... Canada will have a sympathetic response for the world-wide preoccupations and responsibilities of the United States".[34]

President Johnson praised the authors of the report and said that it represented "a serious and constructive contribution to still better relations between Canada and the US". Pearson, for his part, stated that, even though he had always believed in quiet diplomacy, "we must always reserve the right to make a statement publicly when we feel it is right to do so".[35]

Press reaction was basically negative. Charles Lynch writing in the Ottawa Citizen thought that Heeney had been "conned into signing a report recommending that the Canadian government should keep a civil tongue in its head when commenting on United States foreign policy".[36]

Walter Gordon, former Minister of Finance, stated in his memoirs that if the recommendations had been followed, Canada would have been tied even more closely to the US and would have had a weaker capacity for taking independent stands on important issues.[37]

Paul Martin, in his memoirs, says that he agreed with the gist of the report but suggests that the term

"quiet diplomacy" should have been defined and the passage about "making a row in public" deleted. He adds that more consultation would be beneficial for the relationship but that in no case should some passages in the report be interpreted as a censuring of Pearson´s April 1965 speech at Temple University in Philadelphia.[38]

The Merchant-Heeney report fell flat and most of its recommendations were conveniently forgotten as the Pearson government continued to aspire to a higher degree of independence in both economic and foreign affairs.

The OAS Debate

The second set of issues which were of major concern during the 1963-1968 period centered on the question of Canada´s growing role in hemispheric affairs and its possible entry in the Organization of American States as a full member. Although the debate on an independent foreign policy in the 1960´s focused mainly on the Vietnam war, the ongoing OAS debate was also very important and extremely relevant to Canada´s relationship with the US, Cuba and other hemispheric actors. In essence, this debate would set the tone for Canadian actions in Latin America at this time and later on in the seventies and eighties.

The most important component of this issue-area

was Canada's much discussed entry as a full member in the Organization of American States. Canadian governments had periodically discussed joining the Pan-American Union and its successor the OAS but had never arrived at a sufficiently strong consensus to take action on the issue. The discussion began again in the sixties when President Kennedy went to Ottawa in May 1961 and, while speaking to Parliament, invited the Canadian government to join the Organization. The Diefenbaker Conservatives, upset at not having been consulted before the offer was made in public, were not especially interested, while the Liberals, especially Paul Martin, were more favourable to the idea. Once the Liberals came to office, it was expected that Canada would at last apply for membership to the hemispheric Organization. However, it would not prove to be that easy.

On 13 January, 1964, Martin told reporters in Winnipeg that "as an individual, I formally believe that we should belong (to the OAS) so we can play our part in hemispheric affairs".[39] Martin knew of course that of all the arguments for or against, the most important one was that once inside the OAS, many people thought that it would be very difficult to conduct a foreign policy independent from Washington's in hemispheric affairs. In essence, if Canada had been a member of the OAS earlier,

it would not have been able to maintain relations with Cuba without paying a much larger price in terms of American displeasure. Canadians understood this clearly at the end of April 1964 when the OAS states met to impose new sanctions on Cuba. The resolution, approved by a vote of 15-4, provided the following measures: that governments of American states not deal with Cuba diplomatically, that there be no trade relations except for food, medicine and medical supplies and that all sea transportation with Cuba be suspended. Mexico, Bolivia, Chile and Uruguay were the only dissenting votes at the meeting. After the meeting, Martin stated that while he would take the resolution into consideration, Canada would maintain its trade relations with Cuba because having trade and diplomatic relations with a country does not necessarily signify approval of a particular regime.[40]

In 1965, Prime Minister Pearson himself flirted with the idea of joining the OAS as he announced in Kingston, Jamaica on 30 November, 1965 that "Canada would seriously consider an official invitation to join the OAS". The domestic reaction to this statement was one of scepticism as observers doubted the intentions of the Prime Minister. Charles Lynch asked in the Ottawa Citizen whether "all this is in the tradition of our Prime Ministers, Lester Pearson continues to chacha around the

question of chilly old Canada moving in with her warm red-blooded neighbours".[41]

On 31 May, 1967, Martin speaking at a dinner hosted by the Canadian Inter-American Organization said that Canada was "adopting a pragmatic approach to the OAS and ... relations ... with the American countries". He enumerated Canada´s long-standing ties in the hemisphere and stressed the fact that Canada was already a full member of three agencies linked to the OAS. He made no mention of any larger role for Canada in the future.[42]

His successor in External Affairs under Pierre Trudeau, Mitchell Sharp, had no such inclination toward joining the hemispheric Organization, preferring instead to maintain and develop a bilateral approach. It was said that while Martin wanted to join the OAS, his advisers would not let him. It then seemed quite unlikely that Sharp would overrule his advisers and institute this change in policy. Especially since the consensus at the Department of External Affairs appeared to be that the OAS was no more than "a mechanism for rationalizing relations between the United States and Latin America".[43] Canadian membership in the OAS, while a much discussed idea in the 1960´s, was not to become reality under Lester Pearson or even under Pierre Trudeau. This debate, however, would prove quite important in the late sixties when Canada

decided to expand its horizons and turn its attention to its Latin neighbours in a more systematic fashion.

Conclusion

The Liberals had come to office hoping to re-establish a good working relationship with the American government. Although they were able to achieve this to a degree, all was not always peaceful on the Canadian-American front. The rise of nationalism in Canada accompanied by a new political mood often put the Canadian government very much at odds with its counterpart in Washington.

The Pearson government, while forced to compromise on several domestic issues, --notably the Gordon budget, the exemptions given to Times and Reader's Digest, as well as the issue of extraterritoriality-- nonetheless created and maintained its own positions in several key foreign policy areas such as the Vietnam war, membership in the OAS, and, of course, the maintenance and expansion of the relationship with Cuba.

The Vietnam war was a subject of much controversy, particularly after the Temple University speech and the Camp David incident, yet Pearson and his ministers maintained their opposition to the conduct of the war in a very open way. On the issue of membership in the OAS, the government chose to remain out of the organization prima-

rily because they feared that their margin of manoeuvre would be severely limited within the American-dominated hemispheric forum. With regards to the Cuban issue, the government was not prepared to even consider terminating its relations with Cuba and, much like the Diefenbaker government, was willing to antagonize the US on this issue if necessary.

While the government desperately wanted to have a solid relationship with the White House, it quickly became apparent that it would have to be very cautious in dealing with the US and strive to create a balance which would permit it to have a good relationship with Washington while maintaining the perception of independence in policy-making in order to satisfy an increasingly nationalist public opinion at home. Most of the issues dealt with during this time period must, if a clear understanding is to be reached, be seen in this light. Cuba is no exception. The Liberals maintained relations with Cuba because they were committed to continuity in foreign relations, believed that other governments could be built upon different ideological premises and because this had become a very symbolic issue which was very much linked to the pursuit of increased independence in decision-making. However, the government, conscious of American opposition to this policy, made no major moves to expand this

relationship in a dramatic fashion and was much more inclined to pursue the policy as quietly as possible, hoping not to attract too much attention south of the border.

In the final analysis, the 1963-68 period was not a time for great decisions and major shifts in Canadian-Cuban relations. Nevertheless, considering the varied pressures exerted on the Pearson government from Washington and the fact that the Cuban revolution was undergoing fairly radical change, (including the development of close Cuban-Soviet ties and the attempts to export the revolution to other Latin states), the simple maintenance and modest expansion of the relationship during this period stands as a lasting testament of the will and commitment of this government to maintain a distinct foreign policy in the face of great constraints.

NOTES - CHAPTER II

[1] Canada, Parliament, House of Commons, Debates, November 28, 1963, p. 5195.

[2] House of Commons, Debates, July 12, 1963, p. 2127.

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[4] The Financial Post, March 16, 1963.

[5] Boyer, op. cit., pp. 471-477. (for table, see appendix 'B').

[6] Ibid., p. 371.

[7] Ibid., p. 372.

[8] Ibid., p. 385.

[9] Ibid., p. 388.

[10] Ibid., p. 374.

[11] House of Commons, Debates, August 24, 1964, p. 7167.

[12] Boyer, op. cit., p. 375.

[13] Ibid., p. 376.

[14] The Globe and Mail, July 14, 1966.

[15] House of Commons, Debates, March 31, 1966, p. 3644.

[16] Ibid., July 13, 1966, p. 7620.

[17] The Globe and Mail, August 24, 1965.

[18] House of Commons, Debates, July 12, 1966, p. 7607.

[19] Ibid., July 14, 1966, p. 7658.

[20] Ibid., July 12, 1966, p. 7539.

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[22] Robert Bothwell, Ian Drummond & John English, Canada since 1945: Power, Politics and Provincialism (Toronto: University of Toronto Press, 1981), p. 279.

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[28] Mahant & Mount, op. cit, p. 206.

[29] Bothwell et al, op. cit., p. 272.

[30] Mahant & Mount, op. cit., pp. 210-211.

[31] Munroe & Inglis, op. cit., p. 137-148.

[32] Mahant & Mount, op. cit., p. 209.

[33] A.D.P. Heeney & Livingston Merchant, Canada and the United States: Principles for Partnership (Ottawa: Queen's Printer, 1965), p. 1.

[34] Ibid., pp. 23 and 33.

[35] Walter Gordon, A Political Memoir (Toronto: McClelland & Stewart, 1977), p. 173.

[36] Ibid., p. 174.

[37] Ibid., p. 174.

[38] Paul Martin, A Very Public Life Vol. 2 (Toronto: Deneau Publishers, 1985), p. 398.

[39] Peyton Lyon, "External Affairs and Defense" in John T. Saywell, ed., Canadian Annual Review for 1964, (Toronto: University of Toronto Press, 1965), p. 206.

[40] The Globe and Mail, July 28, 1964.

[41] Thomas Hockin, "External Affairs and Defense" in John T. Saywell, ed., Canadian Annual Review for 1966, (Toronto: University of Toronto Press, 1967), p. 197.

[42] Canada, Department of External Affairs, External Affairs (July, 1967), p. 264.

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CHAPTER III - THE EXPANSION YEARS 1968-1979

Introduction

Prime Minister Trudeau came to power in April 1968 firmly resolved and committed to reviewing Canada's foreign policy in its entirety. Among other items on his agenda, Trudeau especially wanted to see changes and developments in Canada's relations with other hemispheric nations. Early in his mandate, Trudeau stated that "we have to take greater account of the ties which bind us to other nations in this hemisphere ... and of their economic needs. We have to explore new avenues of increasing our political and economic relations with Latin America, where more than 400 million people will live by the turn of the century and where we have substantial interests."[1] The Trudeau government did not wait long to translate its rhetoric into actions as it mandated, in 1968, a ministerial mission to visit the leading countries of Latin America and submit its recommendations as part of the government's foreign policy review. Subsequently, after the publication of the foreign policy White Paper in 1970, the government chose to increase its participation in inter-American affairs by joining several specialized bodies of the OAS, among them the Pan American Health

Association and the Inter-American Institute of Agricultural Sciences.[2] As for membership in the OAS itself, the government decided that while it would seek to maintain links with the Organization, it thought it in the best interest of Canada not to seek full membership. Instead, the White Paper emphasized the establishment and maintenance of extensive bilateral economic and cultural ties with the nations of Latin America. In essence, it was now seen to be in the best interest of Canada to develop new patterns of hemispheric relationships because such relations could be advantageous in providing new markets for Canadian businesses while permitting more trade diversity and lessening the economic dependence on the United States.

> Closer relations with Latin countries as a basis of mutual respect and reciprocal advantage would enhance Canadian sovereignty and independence. Greater exposure to Latin American culture would enrich Canadian life. Increased trade with Latin America and judicious Canadian investment there would augment Canada's capacity to "pay its way" in the world. Similarly, a closer dialogue with some of these countries about world problems could enhance Canada's capacity to play an independent role in international affairs.[3]

In 1972, the government made two important gestures towards closer integration in hemispheric affairs by joining the important Inter-American Development Bank and accepting a "permanent observer status" at the OAS. Thus it appeared that Canada had indeed taken measures to

increase its presence in Latin American affairs and would now be in a position to advance its interests from within while continuing the debate on the advantages and disadvantages of joining the OAS at its own leisure. According to James Guy, writing in International Perspectives, the government was operating under the assumption that membership in the OAS was not a necessary precondition for effective interaction with Latin states.[4] Canada could choose to establish other bilateral and multilateral links that would be equally advantageous while avoiding the OAS and its Rio treaty, a form of collective defense obligations which Canada had long sought to avoid in international relations.

Additionally, the government also moved to implement assistance programs in the fields of technical and infrastructure development. The programs grew very rapidly and by 1976 Latin America was receiving over 27 million dollars in Canadian assistance.[5]

Trade with the Latin American states also improved dramatically in the early Trudeau years and by the middle of the seventies, export sales to Latin America were growing rapidly. Most of this trading was done with six Latin American countries: Venezuela, Brazil, Mexico, Peru, Colombia and Cuba.

This chapter will focus on Canada´s relations with

Cuba from 1968 to 1979 in the overall context of Canada´s foreign policy in hemispheric affairs. The first part of the chapter will consist of a global overview of the period with emphasis on the low and high points of the relationship. The second part will look at specific situations which were especially important in shaping the relationship in this period. Some of these situations will stem directly from bilateral ties with Cuba while others will arise out of Canada´s relations with the United States. The situations will include extraterritoriality, the development of the Canadian aid programme, and the 1976 Trudeau visit to Cuba.

Low and High Points in Canada-Cuba Relations

Canada´s relations with Cuba continued on a solid footing into the Trudeau era. Trudeau´s government came to office committed to developing new bilateral ties with the major Latin American polities and this, of course, meant that there would be new developments in Canadian-Cuban relations. Canada´s "new" attitude towards Cuba was partly due to the fact that a large segment of the Trudeau era included a period of east-west détente. This climate probably explains why Canada may have felt it had a little more freedom in dealing with the Cuban regime without incurring the wrath of the American administra-

tion. Of course, as we shall see when we look at the cases of extraterritoriality, this was not always the case.

The 1970´s were solid expansion years in Canadian-Cuban relations and this is borne out in trade figures, the frequency of ministerial visits, the establishment of assistance programs, the extension of credit lines and other indicators. However, as in all other relationships, there were many high points and a few low points.

One of the lowest points in the relationship no doubt occurred in April 1972 when a bomb exploded at the Montreal Cuban consulate, killing one man and injuring another. The controversy arose from the fact that city police and firemen, on their way to investigate, were welcomed by six Cuban officials bearing arms. The Montreal authorities charged the men with illegal possession of firearms, including machine-guns, as well as obstructing the police. When news of these events was relayed to Havana, Cuban leader Fidel Castro denounced, in no uncertain terms, the actions of the Montreal police and accused them of using "brutal and fascist" methods and of violating the Cuban consular immunity of the officials. He also suggested that Canada´s embassy in Havana might one day be treated in the same fashion. In Ottawa, acting Secretary of State for External Affairs Bud Drury stated

there would be an investigation of the incident without delay. He also said that he hoped that this "would not prejudice the good relations between Canada and Cuba". Two days later, Drury stated there had been a misunderstanding and that he would ensure that the six men not be charged as they were entitled to Consular immunity.[6] On 11 April, the charges were dropped by the Quebec department of justice. The investigation revealed that the explosion was probably the work of Miami-based anti-Castro Cuban exiles.[7]

Another low point in the otherwise good relations between the two states occurred in January 1977 when four Cubans, including two diplomats, were ordered to leave Canada immediately after the discovery of a Cuban spy operation in Montreal. The discovery came as a result of the admission by a 40 year-old American who claimed he had been given espionage training for intelligence operations in Rhodesia by Cuban officials in Montreal. The Cuban government, in an official communiqué, admitted it was using Canada to recruit third parties for training as counter-revolutionaries but denied it had anything to do with Rhodesia. Rather they said the espionage was intended to fight the FNLA, a western backed group which had lost in the Angolan civil war a year earlier.[8] The statement also said that "il est de notoriété publique que

ces groupes... menacent ouvertement de pratiquer des aggressions contre le personnel diplomatique cubain et les techniciens qui se trouvent dans ce pays".[9] On 11 June, Robert Trumbull, writing in the New York Times, described the spy incident as a potential source of embarrassment for the Trudeau government and the Prime Minister himself who a few months earlier had gone on an official visit to Cuba.[10] In the House of Commons, the Conservative opposition, Otto Jelinek among others, expressed intense displeasure with the spy operation and demanded that the Canadian International Development Agency (CIDA) end all involvement with the Cuban regime until all allegations in the affair could be properly investigated.

> What I am asking the External Affairs department to consider is the following ... Because of the continuing disrespect shown by the Cubans towards Canadian relations, I ask that the whole matter of the Cuban aid program be brought before the Sub-Committee of the External Affairs Committee dealing with CIDA and that all current aid programs and negotiations with that country cease until the committee has had a chance to resolve these trade problems.[11]

The government itself was worried about the repercussions of this affair but as Jim Fleming, acting Secretary of State for External Affairs, stated in the House in January 1977:

> More generally, Honorable members on both sides of the House know very well that relations between countries may involve both good elements and, on occasion, ones that are

> unsatisfactory. ... These situations naturally make it more difficult to move our relations with Cuba forward as we would wish. Nevertheless, it is our intention that overall relations not be affected.[12]

Ultimately, relations were not damaged as the spy affair was as quickly forgotten as the consulate bomb affair. These two incidents were examples of events which could have had very negative consequences but which, in the end, hardly caused a ripple on the smooth surface of the surprisingly strong Canadian-Cuban relationship.

High Level Visits or the Pursuit of Mission Diplomacy

The 1970's also witnessed many high points in Canadian-Cuban relations. Undoubtedly, the highest point consisted of Prime Minister Trudeau's highly criticized voyage to Cuba in January-February 1976 when he appeared to enjoy a good rapport with Fidel Castro and concluded a major address with a resounding "viva Castro". However, there were many other high level visits during the Trudeau period which contributed to the establishment of closer relations and increased trade between the two countries.

In 1971, for example, Conservative M.P. Heath Macquarrie went to Cuba as part of what is considered to be the first visit by a Canadian parliamentary group. His travelling mates were Ralph Stewart of the Liberals and Andrew Brewin of the NDP. Macquarrie, now a Senator from

Prince Edward Island, often spoke in the House in glowing terms about the positive economic transformation underway in Cuba and strongly encouraged more Canadian activity on the island.[13]

In November 1972, the Cuban Deputy Minister of Trade and Commerce, Raul Leon visited Canada for discussions with government officials on the expansion of trade between the two nations.[14]

In February 1973, the Cuban First Minister of Foreign Affairs, René Anillo, came to Canada to sign the Canada-Cuban anti-hijacking agreement, the first treaty ever signed between Canada and revolutionary Cuba.[15]

In March 1973, the Canadian Director of the Bureau of Western Hemispheric Affairs and the Director of the Latin American Division of the Department of External Affairs went to Cuba to discuss trade and to talk about the case of Ronald Patrick Lippert, a Canadian imprisonned in Cuba since 1963 on a charge of arms smuggling.[16] Lippert was subsequentely released in November 1973 after spending ten years of his thirty year sentence in Cuban jails.[17]

In 1974, a Canadian parliamentary group went to Cuba in January. CIDA President Paul Gérin-Lajoie also paid Fidel Castro a visit in February and discussed the possibility of new aid programs.[18] As well, a trade and

economic delegation visited Havana in March.[19]

In March 1975, a trade mission led by Trade and Commerce Minister Alastair Gillespie went to Cuba for trade talks.[20] Health Minister Marc Lalonde visited Cuba in March and negotiated an understanding for exchanges in the nursing and hospital fields.[21]

There were also visits by high level Cuban officials in 1975. In February, the Minister of National Banks, Raul Leon, came to Canada.[22] The Deputy Prime Minister, Carlos Rafael, visited in September to attend the first meeting of the newly-established Canada-Cuba Joint Committee on Economic and Trade Relations. This committee mirrored other committees set up to oversee Canadian trade relations with key Latin American states. An accord was signed at this meeting with regards to air service between Canada and Cuba.[23]

The year 1975 was a landmark of sorts in Canadian-Cuban relations as CIDA extended a ten million dollar loan to Cuba while the Export Development Corporation (EDC) opened a $100 million line of credit to encourage the purchase of Canadian exports. The EDC also lent the Cuban government $19.7 million.[24] 1975 also saw a large increase in the number of Canadian tourists visiting Cuban beaches. This increase was attributed to the new air service as well as the low cost of Cuban vacations.

In May 1977, the Canadian Minister responsible for the Environment and Fisheries, Roméo Leblanc, went to Cuba and signed a new fisheries agreement with the Cubans.[25] There was also in 1977 the second meeting of the Joint Committee which was held in Havana. The focus of the meeting was the discussion of future trade opportunities.[26] In December, Nova Scotia Premier, Gerald Regan, went to Cuba to look at trade and investment possibilities.[27]

The year 1979 saw the visits to Canada of the President of the Bank of Cuba and the Minister of Electricity who went to Québec to observe the operations of a Hydro-Québec power plant.[28] In October 1980, there was the third meeting of the Joint Committee on Economic and Trade Relations.[29]

In May-June 1981, NDP leader Ed Broadbent visited Cuba in his capacity as Vice-President of the Socialist International. He met with Castro for four hours, over beer, and emerged from the meeting quite pleased with his talk with the Cuban leader. He described the meeting as an "extremely useful" contribution to his seven-nation fact-finding mission of Central America in the search for a solution to stop the bloodshed in El Salvador.[30]

1982-83 saw the convening of the fourth Joint Committee meeting.[31] There was also a visit to Havana by

the members of the Commons Subcommittee on Latin American Affairs who met with the Cuban leader for two and-a-half hours. They discussed Cuban human rights policies, the situation in El Salvador, as well as the imposition of martial law in Poland.[32]

Bilateral Agreements

During this period, several accommodations were arrived at with Cuba in order to provide a framework for increased interactions between the two economies. Important among them, were the granting of credits by the EDC, CIDA assistance programs which were operational until the late 1970´s, the establishment of the Joint Economic Committee, as well as the signing of several treaties dealing with diverse areas of interest.

The first of these treaties, signed in February 1973, dealt with the treatment of hijackers and included a clause for repatriation of such criminals to their country of origin.[33] This treaty was built upon the co-operation which had started in October 1970 when Cuba accepted the Canadian request for help in dealing with the FLQ terrorists.

A treaty on economic co-operation was signed in February 1974 and called for the establishment of assistance and technical co-operation programs with

Cuba.[34]

In 1975, the two governments signed an agreement whereby CIDA would grant Cuba a $10 million loan.[35] The money borrowed was subject to an annual interest rate of 3% with a maturity period of 30 years. The terms of the loan led to much criticism in the House of Commons as some Conservative M.P.´s did not consider valid the extension of loans to a communist country like Cuba at such a low rate of interest. The critics however did not deter the government from following this policy.[36]

Air transportation was the subject of another Canada-Cuba treaty signed in September 1975. This is the treaty that established regular air service between the two countries.[37]

On May 12 1977, both countries signed a fisheries agreement which gave Cuba the right to fish in Canadian territorial waters. It also recognized Canada´s interest in fish stocks beyond the 200 mile limit. Upon signing the treaty, Fisheries Minister Leblanc said that the accord "will insure that good bilateral relations over fishing continues".[38]

The last agreement signed, also the most controversial, dealt with the compensation owed Canadian individuals following the nationalizations after the revolution.[39] The treaty, signed in Havana in November

1981, called for a lump sum payment of $850,000 to be shared among all the claimants. Under the arrangement, all claimants would receive the first $10,000 of their claim and the rest of the money would be shared pro rata.[40] Both governments were severely criticized by the Globe and Mail for what it considered inadequate compensation:

> It is robbery of the Canadians who made honest investments in Cuba and will not even receive a fraction of their value at the time of confiscation, let alone any allowance for interest or increased value during the intervening years.

The Globe also criticized the government for accepting the terms of the agreement which stated that no further claims could be raised by Canada with regards to these cases. The Globe and Mail said that Fidel Castro did not live up to his statement that Cuba would never forget those who behaved correctly with them during the early years of the embargo.[41]

Extraterritoriality and Trade

Trade relations with Cuba were at their best in the 1970's as Canadian exports increased by over 700% between 1970 and 1980. Imports also increased dramatically by more than 1,700% in the same period. This expansion, however, was not achieved without difficulties as Canadian businesses and their government had to come to terms with more cases of American extraterritoriality and

the "Trading with the Enemy Act".

Most cases of extraterritoriality during this decade stemmed from the inability of US parent corporations to obtain the proper export permits from the American Department of Commerce. Indeed, while US policy was to forbid trade with the Cuban regime, it was still possible to conduct limited trade with Havana as long as a trade permit was obtained from the proper authorities. In cases of contracts by Canadian-based subsidiaries, it was generally assumed by all, at least in Canada, that Washington would not deny the proper permission in light of the extraterritorial nature of such actions. However, this was not always the case.

The first major case of extraterritoriality of the 1970´s became known to the public in February 1974 when the US administration chose not to grant the necessary export permit to MLW-Worthington of Montreal, now Bombardier of Canada, then a Canadian-based American-owned company. The deal arranged between Worthington and the Cuban government called for the delivery of twenty-five Canadian-made locomotives at a price of $18 million.[42] After the US refusal became known, the NDP member for Oshawa-Whitby, Ed Broadbent, asked the government what action it intended to take and if the government of Canada would follow an earlier Argentinian precedent where the

government of that country stated unequivocally that "corporations operating within their borders, whether they are subsidiaries of United States companies or not, must operate according to Argentinian law".[43] The Secretary of State for External Affairs, Mitchell Sharp, replied that the Finance minister, John Turner, had been in touch with his American counterpart to discuss this problem. For his part, Sharp was attempting to reach Henry Kissinger who was away on government business at that time. Sharp added that "this kind of action is most undesirable and does not promote good relations between our two countries ... but one has to change the laws of the United States, not of Canada."[44] On 5 March, 1974, Broadbent pursued the issue and suggested that the government issue a special directive under the powers of the Export Development Corporation Act which would ensure that the sale of the locomotives did proceed. The Minister of Trade and Commerce, Alastair Gillespie, replied that he had just spoken to the President of the company and inquired as to the status of the order to Cuba. Gillespie suggested to him that since this was an American problem involving American citizens and American laws that one solution to the problem might be the resignation of the American directors of the company. In this way, those individuals could not be found liable of an infraction to The Trading

with the Enemy Act. Broadbent then asked the Prime Minister for an explanation on this new government suggestion; Trudeau replied:

> I think that the Honourable member (Gillespie) has indicated one course, resignation. We hope to attain the same result by option, by a series of approaches to this matter. It may not be by resignation. It may be by moral suasion; it may be by talking to the American government. The important thing for the House and the Canadian public to know is that the Canadian government has means to make sure that this kind of deal which is to the profit of a Canadian company does go through. We have the means to do it and we will exercise those means.[45]

Conservative MP George Hees then asked the Prime Minister if he had any intention of introducing legislation "to insure that subsidiaries of foreign companies operating in Canada cannot be denied the right to trade with countries with which this country has good trading relations."[46] Trudeau replied that it was indeed the intention of his government to do so and that he hoped the Conservatives would support such legislation.[47]

New developments were reported in Le Devoir on 7 March when it was learned that the Canadian embassy in Washington protested the US decision to the State Department. An earlier letter of protest dated 13 February had already emphasized the very strong wish of the Canadian government that this deal be allowed to be completed. The note also said that the US regulations

concerning trade with Cuba should not interfere in this case because of the obvious territorial application.[48]

On 8 March, the board of directors of MLW-Worthington voted to accept the Cuban order and proceed with the sale. Neither of the two American directors voted for the proposal. One voted against the sale while the other was absent from the meeting. In this way, the directors of the company were fairly confident that they could avoid prosecution under the Trading with the Enemy Act.[49]

On 24 April, the EDC announced that it was lending the Cuban government $19.9 million so it could purchase the railway equipment. Gillespie also announced that another related contract, worth $4.2 million, had been given to Canron Ltd. of Montreal for railway construction and maintenance services.[50]

Jean-Claude Leclerc, writing in Le Devoir on 9 June revealed that a public opinion poll on the subject of possible legislation covering foreign investment found that an overwhelming majority of people were in favour of such an idea. Since all three parties in the House of Commons were already in favour of such measures, it appeared likely that the Trudeau government would make it one of its priorities in 1975. Later that year, the government acted as expected and introduced the proposed controls on foreign investment as part of the Canadian

Business Corporations Act and the Combines Investigations Act. The first bill required that the majority of directors on the boards of directors of any federally-incorporated companies be composed of Canadian citizens.[51] The second bill, the Combines Act, stipulated that it was illegal for a US subsidiary to refuse to deal with Cuba, or any other state, by order of its parent company or the US administration. The act had provisions of heavy fines and even jail terms for those found guilty of not acting in the interest of Canadian domestic or foreign trade.[52] Since 1975 however, the government has not used its powers under the Combines Act because the government had to be officially notified of a refusal by the US Commerce Department before it could take any action. Such notification seldom occurred because it was surely not in the long-term interest of the subsidiary to complain and thus place its parent company in a vulnerable situation, where it could be penalized by the US government for acting one way or the Canadian government for acting the other way. In 1977, an official of the Department of Trade and Commerce was quoted in The Globe and Mail saying that "if a Canadian subsidiary doesn't get a licence, it wouldn't come to us because we'd force them to export."[53] It appeared, then, that while the measures spelled out in the Combines Act gave the Canadian govern-

ment the possibility of action in defense of Canadian interests, the reality of business and government relations insured that very few cases of extraterritoriality would come to the official attention of the government. Furthermore, it still did not address the basic problem, which was that the majority of Canada´s trade with Cuba still required approval, one way or another, by the US Department of Commerce. The Act also did not take into account the innumerable cases where a Canadian subsidiary simply did not seek out trade possibilities with Cuba because of the numerous difficulties involved.[54]

Prior to the adoption of the Combines Act, another important example of extraterritoriality occurred when Cole Ltd, a subsidiary of California-based Litton Business Equipment, was ordered by its parent to cancel a Cuban order for $500,000 of office furniture. It appeared that the parent company simply did not attempt to get an export permit because it thought the sale to be generally subject to the Trading with the Enemy Act. The case came to the attention of Canadian parliamentarians in December 1974 and immediately elicited a very strong response from Gillespie who stated that he deplored this "return to a type of commercial colonialism we find intolerable". He added that he was appalled at the situation and at

Litton's refusal to approach the US government. A few days later, under pressure from Canada, Litton finally relented and filed for the proper licence from the US authorities.[55] On 14 February 1975, it was announced in Washington that the permit had been granted to Litton Ltd. for its subsidiary. The official said that the application had been accepted "on its own merits" and that "our relations with Canada were obviously of importance in a decision on this case."[56]

In August 1975, the US administration announced changes in its regulations which would permit Canadian-based subsidiaries considerably more freedom in their trade relations with Cuba. It was reported at the time that the American move was made mostly to remain in step with OAS nations which had opted to cease the embargo on Cuba. Although there was still a need for export licences, the conditions would be less stringent and would take into account the new political realities of the situation. This meant that while companies like MLW-Worthington and Cole Ltd. could now trade with Cuba with fewer restrictions, the basic problem still persisted. This fact was outlined by Gillespie in the summer of 1975 when he said that "the issue of principle --the extra-territorial aspect of US laws and regulations-- remains." Gillespie added that Canadian companies were expected to

work within a framework of Canadian law and policy in pursuing their business interests.[57]

Undoubtedly, the issue of extraterritoriality was not put to rest by the guidelines and regulations adopted by the Canadian and US governments in the 1970´s. Extraterritorial measures, while not as controversial today, still exist in many facets of everyday Canadian life. An example among others is the fact that the Montreal Expos and Toronto Blue Jays are not allowed to scout, draft and sign Cuban players because the rules of professional baseball simply do not allow Cuban players the right to play baseball in the National League, the American League, or in their minor league systems.[58] With issues like this still unresolved, there can be no doubt that the question of American extraterritoriality will eventually surface again as a problem in Canadian-American relations.

The Ford administration´s decision to relax the guidelines regarding export trade with Havana was interpreted as a sign that the US government was starting to move towards accommodation with Cuba and that the embargo might soon be lifted. This however created major problems for Canadians involved in Cuba as they realized that Canadian interests stood to lose much of the Cuban

market and once again be relegated to second-class status behind the US. After all, if the Cuban government could deal directly with the American multinationals at a lower cost, why bother dealing with the Canadian subsidiaries? A major reason behind the extended Canadian effort to lobby Cuba in the mid-1970´s, including Trudeau´s visit, can be seen in the context of this Canadian fear of Cuba returning to its "natural market" and pulling the rug out from under Canadian businesses. Dr. Carlos Rodriguez, Vice-Prime Minister of Cuba, attempted to ease Canadian fears in when he stated in 1975 that:

> Canada was one of the countries that took a firm stand in favour of freedom of commerce. ... This position, based on principles of international obligation, we shall not forget.[59]

In March 1975, during Gillespie´s visit to Havana, Castro himself conveyed the same message using different words:

> We are interested in maintaining our commercial relations with Canada since Canada buys Cuban products and it is only fair that we buy Canadian products.[60]

Talk of renewed relations between Washington and Havana spurred Canadian businesses and government officials to make great effort to consolidate trade with Havana before the lifting of the embargo in anticipation of an unwanted return to the "natural channels of two under-developed economies: exchanges of natural resources

and agricultural products."[61] The drive to expand and consolidate lasted until the mid to late 1970's as a steady flow of business and government delegations made their way to Havana. Of course, the most important of these visits to Cuba was the January 1976 visit of Prime Minister Trudeau as the guest of Fidel Castro and his government.

The Trudeau Visit: Triumph or Disaster?

The Trudeau visit must be seen in the overall context of Canadian-Cuban relations up to that point. Canada and Mexico were two of the few hemispheric states to maintain relations with the Castro regime in the early 1960's after the imposition of the US-led OAS embargo. Since the 1960's, trade with Cuba had increased substantially and Canada enjoyed, in 1975, a big trade surplus with the island. Canadian exports consisted not only of agricultural products and farm animals but also, more importantly, heavy equipment. By the mid-1970's, the relationship reached its highest peak as the EDC extended a $100 million line of credit and CIDA lent the government $10 million at the low rate of 3% interest and started technical assistance programs on the island.

The Canadian government, for its part, was actively pursuing its "Third Option" policy, which con-

sisted of a drive to diversify foreign investments in Canada and thus lessen US influence in the economy, and was busy courting the Cuban government at many levels in an attempt to create new trade opportunities. A new air service was being established which would link Canadian tourists to Cuban beaches.

All in all, the Canadian-Cuban relationship was blooming, but still there seemed to be a sense of urgency and insecurity to the Canadian actions; as though the Canadians had profited from an unusual state of affairs which was in the process of being reversed. Indeed, there were signs emanating from Washington that the Ford administration might be thinking of eliminating the embargo and renewing trade and diplomatic relations with Cuba. There was also another negative aspect in the overall picture as Cuba had recently intervened in the Angolan war and were indicating that they were prepared to go much further in exporting their revolutionary ideals than many had earlier thought possible. Of course, Cuban intervention in Angola, deemed unacceptable by Henry Kissinger, US Secretary of State, and subsequent action in the Horn of Africa would eventually weaken US willingness to come to some kind of accommodation with Havana. This new Cuban globalism would also, a few years later, be a prime reason for the eventual cooling off of Canadian

Cuban relations.

Because of the Angolan intervention which began in late 1975, the Trudeau visit was seen with some suspicion not only in Washington but also in opposition circles in Ottawa. On 3 December, 1975, several weeks before the trip to Latin America, Conservative Lloyd Crouse asked the Prime Minister whether he intended to ask Castro to remove his troops from Angola. Trudeau replied:

> I have some doubt as to whether I will be receiving advice from Premier Castro with regards to the placement of Canadian troops, and it is unlikely that I will give such advice to him.[62]

On 26 January, Conservative Sinclair Stevens asked Acting Prime Minister Mitchell Sharp if Trudeau would protest the Cuban actions in Angola during the trip. Sharp's response was clear:

> I think the Prime Minister's visit to Cuba gives the leader of the government an opportunity to express personally to the Prime Minister of Cuba Canada's policy, which is opposed to foreign intervention by anyone in Angola, including that country.[63]

On 30 January, the Secretary of State for External Affairs, Allan MacEachen, released a statement in which he acknowledged that he was aware that the Cubans had used the Gander airport in Newfoundland for two non-scheduled flights, one to Guinea-Bissau and one to Brazzaville, on 13 and 14 January respectively. The statement also said that the government had protested the possible use of the

airport to transport military personnel and equipment to Angola although the government did not know the contents of the two planes. MacEachen also added that the government would be "quite opposed to having Gander used this way."[64]

Trudeau arrived in Cuba on 26 January and visited sites in La Habana, Las Villas and Ceinfuegos. The two leaders held talks on bilateral and multilateral subjects such as trade, industrial co-operation, exchanges in the fields of health and sports, the international sugar market, the New International Economic Order being proposed by less developed states, current problems in the Middle East and Africa, disarmament and the UN, negotiations on the Laws of the Sea treaty as well as new developments in Latin American affairs.[65]

When questionned by Canadian reporters about their discussion on Angola, Trudeau replied that it had been "very frank and full". He said that he had found Castro "extremely well informed on Africa" and that it was "obvious that Premier Castro had made the decision (to get involved in Angola) with a great deal of thought and feeling for the strategic situation in Africa." He added that he came out of the meeting with "a much greater knowledge of the assessment of the African situation viewed from the particular socialist point of view of

Premier Castro, and I hope that he also benefited from some of the ideas and arguments that I put forth."[66]

Responding to a question on whether or not it was Canadian policy to have warm relations with communist countries, Trudeau noted that he had been criticized for going to Peking and Moscow only to be followed a short time later by President Nixon. "While the Americans may not say "me too" in this instance, I think international realities have a knack of imposing themselves on the rest of the world. Regardless of their historical preferences or of their ideologies."[67]

Of course, the most publicized and controversial aspect of the trip was Trudeau´s address to 20,000 Cubans at Cienfuegos. Trudeau´s speech followed one by Castro in which the Cuban leader praised Canada and Mexico for not severing their links with Cuba in the 1960´s. "We will never forget those who behaved correctly with us in those most difficult years." Castro said.[68] Trudeau´s speech, in Spanish, talked of Canadian-Cuban relations, the ability to disagree honourably and without disrespect and to still be able to find "areas of cooperation to their mutual benefit." Trudeau then concluded with a resounding "long live Cuba and the Cuban people, long live Premier Commander Fidel Castro, long live Canadian-Cuban friendship."[69]

Once back in Canada, Trudeau was severely criticized for the trip, its timing and content as well as for the enthusiastic support Trudeau appeared to give Castro and the Cuban revolution. The Cuban government had chosen the period during which Trudeau was in the country to tell its population of its involvement in Angola thereby giving Cubans the impression that Canada supported such military incursions.[70] On 3 February, the Leader of the Opposition, Robert Stanfield asked the Prime Minister why the trip had not been cancelled as a way to protest the Angolan activities of Castro's government. Trudeau replied:

> I venture to say that if we had postponed the visit, it might have been postponed for a long while, and without making any certain predictions, I thought it important that Canada show its desire to continue that peaceful exchange with Cuba which had begun in the days of the Right Honourable member for Prince Albert (Diefenbaker) and that my visit to Cuba should precede any possible visit of a high level official from the United States.[71]

The usually supportive Toronto Daily Star wrote two editorials critical of the Trudeau trip to Latin America. The first, published on 22 January, suggested that Trudeau should cancel the "unneeded journey to the sun" which would accomplish little of value.[72] On 30 January, the Star criticized Trudeau for his effusive praise of Castro at a time when Cuba was engaged in a

power-struggle in Angola.[73]

On 3 February, MP Dan McKenzie asked the Prime Minister if he would consider reviewing Canada´s assistance programs to Cuba in light of the Angolan intervention. Trudeau replied that "our aid program is not linked to the ideology of a particular country."[74]

Conservative member Doug Roche brought the issue back to the floor of the House in February 1977 when he reported back on a trip to Canadian aid recipient countries:

> This question has been floating around Ottawa for the past several months. It is time that the Prime Minister took specific action, ... re-evaluate our aid to Cuba and consider cutting off aid to that country. Whatever good CIDA´s agricultural projects are doing in Cuba, it is not possible to support them when Cuba finds the resources to send troops to Angola.[75]

On 4 April, 1977, the Secretary of State for External Affairs, Don Jamieson, was asked whether the government would review the situation and terminate all assistance programs with Cuba. Jamieson replied that "our aid programs are running down rapidly" thereby indicating that the government was indeed thinking of ending all assistance to Cuba.[76]

Former Prime Minister Diefenbaker, the man responsible for maintaining relations with Cuba in the 1960´s, also joined in the debate when he rose in the House on 20

December 1977 and asked the government if it would cut off Cuban aid once and for all:

> Castro has gone all over Africa launching civil wars. Castro has American republics deeply concerned over what he has been doing to undermine their governments in favour of communist governments or left institutions. In Great Britain, in the United States, in France and in West Germany I have spoken to the leaders of those countries. They cannot understand the close and abiding relationship that prevails between the Prime Minister of Canada and Castro. An international brigand --that is what he is-- who has his forces destroy freedom in African countries, is endeavouring to undermine democratic governments in Central and South America. Yet he is Canada's pet. It is beyond my understanding.
> Mr. Speaker, I repeat and underline that Castro is engaged in exporting revolution to Africa and inciting revolution in the Americas. People cannot understand why the government of Canada kowtows to Castro. The Prime Minister went to Cuba on an official visit. He said "Castro, you wonderful fellow," while at the same time, Castro had 10,000 or 20,000 troops in Africa undermining legitimate governments and spreading revolution. Today, if you speak to leading Americans both in and out of the administration, the first thing they will say is "why is Canada so close to Castro? Do you know what he is doing?"[77]

Jamieson, speaking in the House on 2 June, 1978, finally announced the government's new policy on assistance to Cuba when he said that there would be problems if the aid programs were stopped abruptly but that in any case, "we are not contemplating now, giving any additional assistance of any kind to Cuba.[78]

This statement by the Secretary of State for

External Affairs followed very closely an article published in the Montreal Star a few days earlier in which Trudeau was reported as saying that Canada had "no present plans" for aid projects to Cuba and that current projects "are either terminating or on the verge of being terminated".[79]

Following reports of the cutting off of aid, it was also learned that Canada was imposing visa requirements on Cuban citizens for the first time.[80] A decade which had seen outstanding growth in trade and governmental relations was ending on a relatively sour note.

Conclusion

The years between 1968 and 1979 were extraordinary in terms of the growth of Canadian involvement not only in Cuba but in the entire hemisphere. For many decades, Canada had oriented its trade predominantly towards the United States and European countries but with the arrival of Trudeau and his foreign policy review, Canada turned itself towards its Latin neighbours in search of new markets. While it is true that the vision and the rhetoric of the "Third Option" policy created expectations of much closer trade relations between Canada and Latin American states than was actually achieved, the launching

of this policy might nonetheless have opened new opportunities for Canada and Canadians in hemispheric politics.

The Canada-Cuba relationship itself experienced a powerful expansion fuelled by numerous high level visits, the establishment of aid programs and increased trade between the two economies. It appeared in the 1970´s that Canada and Cuba had at long last shed their mutual suspicions and decided to seriously deal with one another on a simple bilateral basis. No longer would Canada even consider a role as mediator in the US-Cuba feud as they had during the Diefenbaker years. In the 1970´s, Canada decided it would much rather simply bypass the issue and continue to deal with Cuba as it would with any other growing regional economy. For Cubans, dealing with Canada in such a way also meant a certain openness to the idea that Canada was indeed a totally independent nation and not one dealing with them as an American proxy. The development of this spirit was the very basis of the great expansion in the relationship. The fact that Trudeau and Castro were men of a similar mindset also did not hurt the evolution of the special links between the two men and their countries.

The relationship, however, was not totally problem-free because while there was talk of a resumption of

relations between the US and Cuba, a reconciliation which never occurred, the rancour of that relationship remained under the surface and generally helped preserve a tense atmosphere over Canadian-Cuban relations. While the American government was not especially concerned about Cuba from 1968 to 1975, it nonetheless maintained both its embargo on the island economy and the punitive measures of "The Trading with the Enemy Act" for subsidiaries which dared to trade with Cuba without the official permission of the administration. This measure was not to be relaxed until 1975 after the OAS decided to lift their embargo on Cuba and after great efforts by the Canadian government to diplomatically convince the US that such a policy conflicted with Canadian independence and could be potentially damaging to Canadian-US relations.

The fact that Cuba was not a high foreign policy priority for the US government during this period no doubt gave Ottawa much more leeway in the development of expanded relations with Cuba. The "Nixon Doctrine" of 1972, in acknowledging that the "special relationship" between Washington and Ottawa was perhaps no longer necessary for mutual growth, and that both could conduct their own autonomous policies without consulting the other, may also have offered Canada more scope for actions in the hemisphere.[81] Certainly, the Canadian "Third

Option" policy of 1972 stated boldly that Canada needed new markets to diversify trade and that Canadians should not hesitate to reach out and create new opportunities.

The Canada-Cuba relationship peaked with the Trudeau visit of 1976. On his return however, the Prime Minister had to face diverse pressures to account for the timing of his trip and the maintenance of aid programs to Cuba. By 1979, further Cuban activism in Angola and Ethiopia, opposition pressures, the renewal of the US-Cuban feud, as well as Ottawa´s unhappiness at Cuban actions, helped the government decide to curtail relations and terminate their aid programs with Cuba. This decision would symbolize the end of the expansion years and a return to somewhat cooler relations between the two states.

NOTES - CHAPTER III

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[48] Bruce Thordarson, ed., International Canada (Toronto: CIIA, March 1974), p. 45.

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[51] Bruce Thordarson, ed,. International Canada (Toronto: CIIA, December 1974), p. 232.

[52] The Toronto Daily Star, January 26, 1977.

[53] The Globe and Mail, February 11, 1977.

[54] David Leyton-Brown, "Extraterritoriality in Canadian-American Relations", International Journal (Winter 1980-81), p. 193.

[55] Bruce Thordarson, ed,. International Canada (Toronto: CIIA, December 1974), pp. 230-232.

[56] The Globe and Mail, February 15, 1975.

[57] Robert J. Willmot, ed., International Canada (Toronto: CIIA, July/August 1975), p. 203.

[58] The Globe and Mail, August 10, 1985.

[59] The Financial Post, May 21, 1977.

[60] The Globe and Mail, March 22, 1975.

[61] The Toronto Daily Star, January 11, 1975.

[62] House of Commons, Debates, December 3, 1975, p. 9681.

[63] House of Commons, Debates, January 26, 1976, p. 10264.

[64] Robert J. Willmot, ed., International Canada (Toronto: CIIA, January 1976), p. 25.

[65] Robert J. Willmot, ed., International Canada (Toronto: CIIA, January 1976), pp. 3-4.

[66] Ibid., p. 4

[67] Robert J. Willmot, ed., International Canada (Toronto: CIIA, January 1976), p. 5.

[68] The Globe and Mail, January 29, 1976.

[69] Ibid.

[70] The Toronto Daily Star, January 30, 1976.

[71] House of Commons, Debates, February 3, 1976, p. 10570.

[72] The Toronto Daily Star, January 22, 1976.

[73] Ibid., January 30, 1976.

[74] House of Commons, Debates, February 16, 1976, p. 10996.

[75] Ibid., February 1, 1977, p. 2628.

[76] Ibid., April 4, 1977, p. 4593.

[77] Ibid., December 20, 1977, p. 2048.

[78] Ibid., June 2, 1978, p. 5998.

[79] The Montreal Star, May 25, 1978.

[80] Kari Levitt, "Canadian Policy in the Caribbean", in SCCRLAC Proceedings issue # 22, Appendix LAAL-8, (Ottawa: Queen's Printer, 1981), p. 206.

[81] Edelgard E. Mahant & Graeme S. Mount, An Introduction to Canadian-American Relations, (Toronto: Methuen Publications, 1984), p. 220.

CHAPTER IV - THE WITHDRAWAL YEARS 1979-1984

Introduction

The most appropriate keyword to describe Canadian-Cuban relations at the end of the 1970´s was simply "proper". While trade relations continued to be very good, intergovernmental relations were not nearly as cordial as they had been earlier in the decade. By the end of 1979, all CIDA assistance had been cut off and the Trudeau government was considering discontinuing official aid to Canadian non-governmental organizations operating in Cuba. (They eventually did so in December 1980.[1]) The stated reason for cutting off assistance programs was that Cuba´s per capita income was too high but it was no secret that the real reason they were not renewed was the government´s disapproval of Cuba´s involvement in Angola and Ethiopia.

The emphasis in Canadian-Cuban relations at the beginning of the 1980´s, as in the Diefenbaker years, would once again be focused on the renewed US-Cuba hemispheric dispute. Indeed, the Cuban globalist foreign policy which had prompted their involvement in the Angolan and Ethiopian conflicts in the mid to late seventies and later the support of developing hemispheric revolutions

was actively opposed both in Ottawa and in Washington by the Carter administration which was then in power. There had often been talk of a US-Cuba reconciliation during the Ford and Carter years but negotiations had always failed due to US demands that Cuba discontinue its globalist foreign policy. Cuba, for its part, wanted better relations with Washington but not at the price of having to give up key foreign policy goals.[2] The relationship between the two states during the Carter era had been very unstable. There were periods where it appeared the two nations might be on the verge of signing agreements and renewing relations but there were also some very antagonistic incidents. One such incident was the Soviet Brigade issue of September 1979 when Carter, in the midst of a losing election campaign, announced that a Soviet combat brigade of 2000-3000 soldiers was stationed in Cuba. The President claimed that never before had there been so many Soviet soldiers in Cuba and that the situation was unacceptable. His main response to the so-called brigade threat was to increase US military presence in the Caribbean Task force, stationed in Key West, in an attempt to flex some muscles and intimidate the Cuban leadership. Castro's reaction, however, was fairly muted and disdainful since he considered the issue little more than an election ploy. In any case, the issue

was quickly forgotten by all parties since Carter could not mobilize public opinion on this question.[3]

The election of Ronald Reagan and the Republicans in November 1980 signalled a hardening of US attitudes and policy with regards to Cuba and its friends in Nicaragua, El Salvador and Grenada. The Reagan policy would essentially mean that for the first time since the missile crisis, Latin American issues would be put at the forefront of the newly-renewed East-West Cold War.

This chapter will deal with the evolution in America's foreign policy from Carter to Ronald Reagan, Cuban globalism in Africa and Latin America, events in Nicaragua, El Salvador and Grenada, as well as Canada's responses to these events in the context of overall hemispheric relations and the continued maintenance of relations with Cuba.

Opposing Forces in Hemispheric Relations

Reagan came to power in Washington firmly committed to changing the course of US foreign policy in Central America and the Caribbean. The Republicans recognized that while the area might be relatively unimportant economically, it was vital that the trend towards the establishment of non-US oriented regimes should stop for geostrategic reasons.[4] It was vitally

important to ensure that no other states in Central America and the Caribbean should be allowed to leave the American sphere of influence. Reagan and his advisers viewed foreign policy very much in the context of bipolarity and macrolinkage. In effect, the Republicans conceived the political environment as one dominated by the two superpowers where all issues were, one way or the other, linked to fierce East-West competition. Seen from this perspective, Cuban actions, such as supplying weapons, advisers, soldiers, experts in various fields and materials, both in Africa and in the hemisphere, could be viewed as those of a proxy state acting as a surrogate for the Soviet Union in the task of destabilizing America and its allies.[5] Certainly, this vision of Cuban actions and policies would influence the analysis of White House strategists throughout the early to mid 1980´s and lead them to work towards the destabilization of the Cuban political environment.

The first important test of this new foreign policy vision and commitment to "peace" in the region came as a result of the civilian unrest in El Salvador which began, on a large scale, in 1979. The revolutionaries led by a coalition of opposition forces called the FDR-FMLM were striving to create a new regime based on economic reforms, the instalation of popular power in a new legal

framework, as well as a position of non-alignment on the world stage.[6] Subsequent to the controversial elections of 1984 when US-backed José Napoleon Duarte and his Christian Democratic Party were elected to office, the government of El Salvador moved very slowly towards land reforms and the elimination of human rights abuses. The government was still committed to reforms of the judiciary, the establishment of a new popular democratic system and national reconciliation as a way of ending the costly and bloody conflict. The Americans, in this situation, encouraged the government with an infusion of military and economic assistance, as well as supplying them with advice and direction. By acting this way, the administration proved that it was possible to attain their objectives without having to commit American troups to the area. This low-intensity approach, developed in El Salvador, would also be used to undermine the Nicaraguan revolution.

In Nicaragua, the FSLN regime, in power since 1979, came under increasing criticism from Washington for both its ideological orientation and its purported military assistance to El Salvadorian guerrillas. In this case, the US again intervened in an indirect manner by funding extensively a counter-revolutionary group called the "Contras". These "Contras", labelled "freedom-

fighters" by President Reagan, have been known to use an assortment of methods, including kidnapping, torture, rape and murder, in order to achieve their goals. The "Contras" were on record as favoring the dismantling of the Nicaraguan armed forces, a call for new elections, and the establishment of liberal democracy in the context of a mixed economy. Non-alignment in international affairs was also one of their stated objectives.[7]

The third country in which the US decided to intervene in the early 1980´s was a very small Commonwealth country called Grenada. Since March 1979, Grenada had been ruled by the New Jewel Movement, a group committed to social change and aligned ideologically with Cuba. In October 1983, after much internal turmoil which included a left-wing coup, the assassination of Prime Minister Bishop, and possible impending anarchy, the United States, with the support of several Caribbean states, decided to invade the tiny island. The official reason for the armed intervention was the protection of the lives of US medical students studying on the island but it very quickly became obvious that its real purpose was to "liberate" the island from its new military regime and its Cuban advisers.[8] While the invasion was a departure from the low-profile approach the US had favored in the management of events in other countries, it proved

to be advantageous in that it was rapidly accomplished, posed little danger to US troops, enhanced American military prestige and was extremely well received at home.

Coupled with its Caribbean Basin Initiative, an assistance and trade plan based to a large degree on ideology and launched in February 1982, the Reagan administration´s new strategy to make the Soviets, Cubans and Nicaraguans appear to be the cause of all problems in the region seemed to be politically successful. Indeed, in the 1984 Presidential elections, the Reagan administration was popular enough to achieve a massive electoral victory partly as a result of its Latin American policy and the fact that the situations in Grenada and El Salvador were perceived as having improved to the strategic advantage of the US-backed forces. The Nicaraguan problem was still to be stabilized but remained the first US priority in Central America in the mid-80´s.

The Canadian Response

In Canada, the new interventionist orientations of American foreign policy seemed to cause a massive awakening of interest among innumerable foreign policy interest groups, the majority of which found the US actions in El Salvador, Grenada and Nicaragua totally unacceptable and worthy of a solid reprimand by the

Canadian government. For its part, the government generally did not criticize the Reagan Administration for its actions in Central America, preferring instead to opt, in many instances, for quiet diplomacy.

There were however occasions when the Trudeau government did get involved in the debate, albeit in a fairly diplomatic way. The Canadian position on El Salvador was basically supportive of US actions. In March 1981, during a visit to Washington, then Secretary of State for External Affairs, Mark MacGuigan, was quoted saying that he "would certainly not condemn any decision the United States takes to send offensive arms (to El Salvador)... The United States can at least count on our quiet acquiescence."[9] A month later, in Parliament, MacGuigan stated that he "was not aware that we have any obligation in that part of the world, in Central America, which is not an area of traditional Canadian interest."[10]

On the Nicaraguan issue, Canada was generally opposed to such US actions as mining the harbours and was more supportive of the Nicaraguan government´s right to self-determination. In February and March 1984, Allan MacEachen visited several Latin American countries in his capacities as Secretary of State for External Affairs and on his return noted that Canada and the US "have differences" on the mining issue.[11]

On the question of Grenada, Canada was quite clearly opposed to the US intervention. Indeed, when it had become clear that the US had invaded primarily for ideological reasons, Trudeau stated in the house that he found the US action "unjustified"[12].

If the Canadian government was on the whole generally quiet on these issues, there was one voice which was heard very clearly in this foreign policy debate; that of the Parliamentary Sub-Committee on Canada´s Relations with Latin America and the Caribbean which tabled its final report to the House of Commons in July 1982. The report recommended among other things that the government give a much higher priority to relations with Latin American and Caribbean states, that the area be considered an area of concentration in foreign policy, that Canada seek full membership in the OAS, that development assistance be based on human rights and developmental criteria rather than ideological ones and that Canada should call an hemispheric conference between all the national actors to discuss the problem of hemispheric security.[13] This conference would include the US and Cuba and would occur in a context where there would be "no threat to vital US and western interests". For its part, the US should be willing to accept that the internal systems adopted by individual states in the conduct of

their domestic affairs, in themselves, poses no security threat to the western hemisphere.[14]

The report, completed after sixteen weeks of hearings and extended travel to eighteen countries, including Cuba, also seemed to take a sceptical view of the US contention that the problems of the hemisphere could be attributed in large part to the policies of the Cuban regime, even if Cuba was unarguably involved, as were the Americans, in extending military and humanitarian assistance to ideologically-aligned groups.

In Canada, many Latin America interest groups found that the Canadian government's response to events in Latin America and the Caribbean had been mixed, or, to use the critical words of the Toronto-based Canadian-Caribbean-Central America Policy Alternatives (CAPA):

> The initiatives actually taken seem to be largely ad hoc reactions to the spiralling emergencies and mounting pressures: a patchwork of inconsistent, tardy and weak responses, in lieu of a well-articulated blend of principles, interests, objectives and strategies.[15]

The Canadian response to these events was indeed weak but it is important to acknowledge that Canada, like the US, has hemispheric interests which must be protected and that following US policy is perhaps the best way of doing so. The government of Canada may not always agree with the actions taken by the US government but it very

rarely disagrees with the overall long term objectives. In other words, they may agree with the purpose while differing on the particular means used to achieve the goals.

There are many similarities in the national interests of both nations. For instance, both have a stake in stability and the encouragement of a climate which will permit economic expansion and, most of all, avoid defaults on the massive debt owed richer western nations and their financial institutions. They also share an obvious strategic interest in seeing that the Panama Canal and South Atlantic sea lanes remain open to commercial activity. (For this reason Canada has participated on several occasions in NATO naval manoeuvres in the Caribbean.) They also have an interest in keeping external influences such as advisers and weapons out of the area and are committed to protecting their citizens abroad and fighting terrorism in all its forms.[16]

There are also, of course, important dissimilarities in national interests. Canada, as a middle-power, has a much more important stake in the use of diplomacy than the US. For Canada, the use of force to resolve conflict invariably means a decline in the power of international law and order and, thus, a decline in Canadian influence.[17] Canadians also have a much more

developed outlook toward "ideological pluralism". Indeed, as explained by the Prime Minister in St. Lucia at the Commonwealth Western Hemisphere meetings in February 1983:

> In our view, states have the right to follow whatever ideological paths their people decide. When a country chooses a socialist or even a marxist path, it does not necessarily buy a "package" which automatically injects it into the Soviet orbit...
> The internal systems adopted by countries of Latin America and the Caribbean, whatever these systems may be, do not in themselves pose a security threat to this hemisphere. It is only when countries adopt systems which deliberately inject East-West rivalry or seek to destabilize their neighbours that a threat is posed.[18]

There are also differences in approaches used by the two nations. In contrast to the US Caribbean Basin Initiative, Ottawa supports the use of multilateral organizations, as well as the principles of universality and non-conditionality in its assistance programs. Canada also rejects the US interpretation of hemispheric events with its emphasis on a Soviet-Cuban plot and the new application of the "domino theory". Ottawa also places more emphasis on economic growth to alleviate the basic problems which later create the explosive political situations such as exist in Central America and the Caribbean. Canada is therefore more likely to view the events in the hemisphere in a North-South rather than an East-West perspective. Canada also supports the Con-

tadora initiative which consists of a group of Latin American middle-powers, trying to mediate and organize a form of dialogue to alleviate the regional tensions in Central America.[19]

The last major distinction between the two states is the important issue of human rights. While the US administration routinely supports regimes which infringe on human rights, such as the government of El Salvador, the Canadian government, faced with different realities, has made it known that it will follow the recommendation of the Parliamentary Sub-Committee and make respect for human rights a more important criterion in the allocation of development assistance. Canada will also not sell arms to any country engaged in conflict and has developed a comprehensive policy designed to integrate refugees in Canadian society.[20]

Conclusion

In the context of the altered US foreign policy, the many conflicts in Central America and the Caribbean, as well as the attitude of the Canadian government towards Cuban actions, it is interesting to note the continuing expansion in Canadian-Cuban trade relations in the 1980´s. Indeed, while governmental relations were cool, trade between the two countries continued on such a positive

note that Canadian export trade reached a ceiling of $452.3 million in 1981 and has consistently maintained a higher level in the 1980´s than during the 1970´s. Import trade has also done well in the 1980´s although a decline to 1974 levels occurred after a hiatus in 1981 when imports reached an all-time high of $196.5 million.[21] Of course, part of the decline must be attributed to the recession of the early 1980´s which reoriented the bulk of Canadian trade back towards the US market. Indeed, the ($10 billion) increase in Canadian-US trade in 1982-83 accounts by itself for almost twice the total value of Canada export trade to Latin America and the Caribbean. The recession all but buried the "Third Option" once and for all as Canada started to ponder again the issue of free trade with the United States.[22]

The early 1980´s were very tense in Latin America. It is therefore not altogether surprising that the Canadian government chose to abandon its policy of concentrated bilateralism with Havana. Indeed, during this period, there were few official visits to Cuba, the aid programs were not renewed and aid to non-governmental organizations was altogether cut off. All of the above are fairly good indications that Canada was very dipleased with Cuban actions in Africa and Latin America and had reconsidered its earlier policy thrust towards an

important opening with Cuba. In any case, had Canada not acted this way, it is quite likely that a close Cuban policy would have been misinterpreted by the Cubans and, more importantly, by the Americans as being somewhat tolerant, if not supportive of Cuban globalism.

The government acted to distance itself from Castro and make the relationship a non-issue but chose nonetheless to maintain its formal relationship with Cuba albeit in a much more passive fashion. It did so mainly because Trudeau still believed in the ideological pluralist premise initiated by Diefenbaker with regards to Cuba and because Trudeau, while critical of Cuban actions, did not view hemispheric events in the same bipolarized prism as the American leadership.

NOTES - CHAPTER IV

[1] Kari Levitt, "Canadian Policy in the Caribbean", in SCCRLAC Proceedings issue # 22, Appendix LAAL-8, (Ottawa: Queen's Printer, 1981), pp. 201-202.

[2] H. Micheal Erisman, Cuba's International Relations: The Anatomy of a Nationalistic Foreign Policy, (Boulder & London: Westview Press, 1985), p. 91.

[3] Ibid., p. 94.

[4] Anthony P. Maingot, "American Foreign Policy in the Caribbean: Continuities, Changes and Contingencies", International Journal (Spring 1985, Vol. XL, # 2), p. 316.

[5] Erisman, op. cit., p. 149.

[6] Steven Baranyi, "Peace in Central America?", Background Paper, Canadian Institute for Peace and Security, (# 8, October 1986), p. 2.

[7] United Nicaraguan Opposition, "Communiqué and Basic Agreements", (Documents signed by the UNO leaders Adolfo Calero, Alphonso Robelo and Arturo Cruz on 29 May 1986, Miami, Florida).

[8] Time Magazine, November 7, 1983, p. 17.

[9] Steven Baranyi, "Canadian Foreign Policy Towards Central America, 1980-84: Independence, Limited Public Influence, and State Leadership", CJLACS/RCELAC, Volume X, # 19, (1985), p. 31.

[10] Canada-Caribbean-Central America Policy Alternatives, "Brief on Canada and Central America", (Toronto, CAPA, March 29, 1984), p. 18. (It is also important to note that Canada suspended its bilateral aid to El Salvador in 1981 because of its human rights record. Aid was restored in 1985).

[11] Steven Baranyi, "Canadian Foreign Policy Towards Central America, 1980-84: Independence, Limited Public Influence, and State Leadership", CJLACS/RCELAC, Volume X, # 19, (1985), p. 37.

[12] House of Commons, Debates, October 26, 1983, p. 28343.

[13] Canada. Department of External Affairs, SCCRLAC, Canada's Relations with Latin America and the Caribbean, Final Report to the House of Commons, (Ottawa, Queen's Printer, 1982), pp. 23-25.

[14] Ibid., pp. 115-116.

[15] Canada-Caribbean-Central America Policy Alternatives, "Brief on Canada and Central America", (Toronto, CAPA, March 29, 1984), p. 1.

[16] Thomas C. Bruneau, "Canada and Latin America: Background" in Canada, the United States and Latin America: Independence and Accommodation, (Washington: The Wilson Center, 1984), p. 9.

[17] Edgar J. Dosman, "Hemispheric Relations in the 1980's: A Perspective from Canada", in Journal of Canadian Studies, (Winter 1984-85), p. 53.

[18] Pierre E. Trudeau quoted in Thomas C. Bruneau, "Canada and Latin America: Background" in Canada, the United States and Latin America: Independence and Accommodation, (Washington: The Wilson Center, 1984), p. 6.

[19] Thomas C. Bruneau, "Canada and Latin America: Background" in Canada, the United States and Latin America: Independence and Accommodation, (Washington: The Wilson Center, 1984), p. 10.

[20] Edgar J. Dosman, "Hemispheric Relations in the 1980's: A Perspective from Canada", in Journal of Canadian Studies, (Winter 1984-85), p. 55.

[21] For Export-Import figures covering the 1959-1984 period, see appendix "B".

[22] Edgar J. Dosman, "Hemispheric Relations in the 1980's: A Perspective from Canada", in Journal of Canadian Studies, (Winter 1984-85), p. 48.

CONCLUSION - OVERVIEW, DETERMINANTS & ANALYSIS

Introduction

Canadian-Cuban relations are interesting mainly because the government of Canada did not follow the US lead in the early 1960´s in dealing with Cuba´s revolutionary regime. In fact, Ottawa not only chose to maintain relations with Cuba but also decided to develop them more fully. This concluding chapter will concern itself mainly with the reasons why Canada acted as it did with regards to Cuba and the US in the period from 1959 to 1984. The chapter will pull the historical thread through the entire period under study and explain the determinants of the Canada-Cuban relationship. It will also explore the apparent limits of Canada´s independence in hemispheric affairs in situations where the Canadian government chooses to maintain relations with an enemy of the United States.

Overview

Canada appears to have maintained a relatively consistent policy stance towards Cuba during the period under study. However, it can be argued that relations between the two states actually went full circle between

1959 and 1984. To illustrate this point it is necessary to recall the major events which have shaped the relationship over those 25 years.

Prior to the 1959 revolution, relations between Canada and Cuba had evolved at a very slow pace. Beginning with Canadian banking interests at the turn of the century, the relationship had matured with preliminary government ties in the early 1900´s and later with the formal establishment of diplomatic relations in 1945. For the most part, interactions between the two countries from 1945 to 1959 were of a business nature. Overall, Canadian-Cuban relations were, on the eve of the revolution, essentially solid but not warm or cordial.

Subsequent to the revolutionary takeover, Canada, following the US lead, very quickly moved to recognize the new government in Havana. Canadians and Americans alike hoped that this change of regimes would spell an end to the corruption and exploitation on the island and that Castro would work towards the improvement of the standard of living for the average Cuban.

The course of the Cuban revolution in the early period did not directly worry Canadians, in part because Cuba was outside the Canadian international spectrum and in part because Canadian interests, notably the banks, were not being directly threatened by the revolution. In

the United States however, the orientation of the revolution was becoming a problem as economic restructuring on the island began to aim directly at reducing, if not eliminating altogether, American economic influence in the Cuban economy.

In the fall of 1960, the worst American fears proved well-founded as the Cuban government announced the nationalization of the vital, predominantly US-owned, banking sector. The Eisenhower administration countered by organizing a general trade embargo which prohibited the trade of all goods, except food and medical supplies, with Cuba.

The embargo posed a dilemma for the Diefenbaker government. Should it support the US move and the embargo out of loyalty and friendship, and avoid openly clashing with the US on this issue, or should it attempt to conduct a distinctive policy and maintain economic relations with Castro against the clearly evident wishes of the American government? The government, of course, chose the latter option and decided to confront the US and maintain, if not expand, relations with Castro's Cuba.

This policy, obviously, created some problems for the Canadian government. One of them was explaining to the Canadian people why it chose to follow a course conflicting with that of the United States. Diefenbaker

defended the policy on the basis of "ideological pluralism" and argued that philosophical differences did not constitute sufficient grounds for curtailing relations. Diefenbaker also felt that isolating Cuba would only force it to seek more ties with eastern Europe and the Soviet Union. The Canadian government thought it best that there remain some point of contact between Cuba and the Western world. Canada was to be that "window on an otherwise darkened courtyard."[1]

The January 1961 attempted invasion of Cuba at the Bay of Pigs by US-trained Cuban exiles raised a new level of consciousness in Canada as it became evident that the Cuban revolution was now becoming intermixed with the strongly ideological Cold War between the US and the Soviet Union. The Prime Minister himself admitted in the House that "the situation in Cuba is much more than a continuation of its original internal revolution .... Cuba ... has become the focal point in the ideological contest which is progressively reaching into every corner of the earth."[2]

While the Cuban revolution was developing a new dimension, the Conservative government in Ottawa was nevertheless still committed to maintaining and expanding trade relations with Castro. The Diefenbaker government's resolve to respect "ideological pluralism" would be tested

during the missile crisis of October 1962 but Diefenbaker chose to maintain his policy even when it was discovered that Soviet-built missiles were being aimed at Canada. During the crisis, the Canadian government appeared to have more grievances with Washington and its demand that Canada stand on alert than with Castro´s Cuba. The fact that Canada maintained relations with Castro and did not comply with the US wishes until the climax of the crisis further underscored the Diefenbaker government´s determination to pursue an independent foreign policy even at the cost of severely straining its relations with the Kennedy administration. In all fairness though, it must also be mentioned that Washington may have been quietly pleased by the Canadian decision to maintain relations with Cuba in that it may have given the American government access to an intelligence source which could have keep them abreast of internal Cuban developments.[3]

The Pearson Liberals, coming into office in 1963, were committed to renewing the then strained relations with Washington while maintaining, albeit in a quiet fashion, relations with Cuba. Secretary of State for External Affairs, Paul Martin, made this very clear shortly after taking office when he said that he foresaw no major change, and that "in foreign policy, there is a continuity of developments regardless of which government

is in power."[4]

The major issues which arose during the years 1963-68 were related less to Cuba per se and more to the United States and its influence on Canadian-Cuban relations. There was also a major ongoing debate on Canada´s possible membership in the Organization of American States.

Canadian-US relations were most controversial when the issue of extraterritoriality came up, as it did in September 1963, when American milling companies operating in Canada decided that they would not fill a wheat order resulting from negotiations between the Soviet Union and Canada. The problem was that a portion of the wheat purchased by the USSR was to be shipped directly to Cuba. It was never proven whether the companies were acting on orders of the US administration or of their own volition but the controversy was eventually settled when the order was filled by Canadian milling companies instead.

Extraterritoriality would continue to be an issue in US-Canada-Cuba relations until 1975 when the American government relaxed its regulations pertaining to trade with Cuba by their subsidiaries operating in foreign countries.

The debate on whether Canada should join the OAS was vital to Canada´s future participation in hemispheric

affairs. The discussion lasted for most of the 1960´s and was finally partially settled in 1972 when Canada decided to accept a permanent observer status within the Organization. One of the reasons successive Canadian governments had hesitated and, in the end, rejected full member status was the fear that membership in the OAS would further curtail their foreign policy decision-making. It was widely accepted that Canada would have paid a much higher price for its Cuban policy in the sixties had they been forced to openly oppose the US at the OAS meetings.

During the sixties, the Liberals witnessed the expansion of trade with Cuba. An expansion which, in many ways, was much more vital to Cuba´s economy than Canada´s. In fact, it was estimated in 1969 that Cuba was dependent on the Western world for half of its food supplies. It is therefore a fair assumption that Canada played an important role in helping to rebuild that sector of the island economy since a large part of Canadian exports consisted of commodities such as skim milk powder, dairy and pure bred cattle, baker´s yeast and seed potatoes.[5]

Pierre Trudeau assumed power in 1968 determined to expand Canada´s role in Latin America. The acceptance of the observer status at the OAS as well as membership in the Inter-American Development Bank were important symbols of the willingness of the new Canadian leadership to get

involved with its Latin neighbours. The Trudeau government also moved to implement new development assistance programs and to expand trade with Latin American states.

Canadian-Cuban trade experienced an important expansion from 1968 to 1984. In fact, the relationship between the two states opened up generally throughout this period as is evident by the number of high-level visits between Canadian and Cuban officials, as well as by the numerous international agreements the two states signed during the 1970´s.

Canadian-Cuban relations no doubt reached their highest point in February 1976 during Pierre Trudeau´s visit to Cuba. The visit was both praised and criticized by Canadians. It was praised because Canada was once again affirming its independent Cuban policy, assuring its existing market and creating new opportunities for Canadians in the Cuban economy while it was criticized largely for its timing, which coincided with Cuban involvement in Angola. Although Trudeau attempted to make it clear that Canada did not approve of the Cuban actions in Africa, many felt that the trip, and Trudeau´s enthusiastic reaction to Cuba, left the perception that he in fact supported the Cuban action.

Once back in Canada, pressure mounted on Trudeau to abandon the Cuban aid programmes begun in the 1970´s.

After much stalling, the government announced in 1979 that it would not renew the established programmes or create new ones. For the first time, it also imposed visa requirements on Cuban visitors to Canada. In 1980, the government cut off financial aid to Canadian non-governmental organizations operating in Cuba.

The early 1980´s did not see an improvement in the tone of Canadian-Cuban relations primarily because of Cuban actions which displeased the Canadian government. While Canadian-Cuban trade figures continued to soar until 1982, all other aspects of the relationship remained on hold as Cuba continued to conduct a foreign policy obviously offensive to Ottawa. By 1984, therefore, Canadian-Cuban relations had come full circle and could once again be described as little more than simply "correct"; solid but not especially close.

Determinants and Analysis

It can be argued that Canada generally maintained a coherent policy towards Cuba in the time period under study. Nevertheless, it is important to examine the various determinants which prompted the successive governments of Canada to act in the fashion they did at various junctures.

John Diefenbaker´s government initiated the policy

in 1960 when it chose to confront Washington and follow a different course from the United States with regards to Cuba. The government did so primarily because it genuinely believed in ideological pluralism and the fact that it was necessary to keep an avenue open to the Western world for Cuba lest it become a full member of the Soviet-East European alliance. This policy was also profitable to the government in two other ways. First, it enabled the government to satisfy the expectations of Canadian nationalists by providing them with a tangible example of independence and second, it no doubt gave the Conservatives a good measure of satisfaction to choose a path diametrically opposed to the one followed by Kennedy´s administration.

The Pearson Liberals, for their part, maintained the Cuban policy essentially for the same reasons. The Liberals also believed in pluralism and recognized that the policy was a great symbol of independence from Washington. The Liberals however, unlike the Conservatives, did not maintain the policy as an act of defiance to Washington since they were vitally interested in improving the character of the crucial relationship with the US. In any case, by the mid-sixties, Cuba was no longer as emotional an issue as it had been earlier and thus, in conducting Canadian-Cuban relations, Pearson´s

task was easier than Diefenbaker´s.

Trudeau arrived at a time when America´s attention was sharply focused on Vietnam and far from Cuba. He initiated a major foreign policy review which concluded that Canada, among other things, should expand its trade with Latin American states. Cuba, as one of Canada´s major trading partners in the region, would figure prominently in Canada´s new trade and aid orientation.

Trudeau´s government expanded trade relations with Cuba primarily because the Cuban policy was still a useful symbol of independence and because Cuba represented a potential market which could be developed far from the competition of US businessmen. In fact, the Cuban market was ideally suited to the government´s "Third Option" policy of 1972 which stated that Canada should diversify its trade to reduce economic dependence on the US economy.

After 1976, with the Cuban government deeply involved in African affairs, the Trudeau government decided to begin to downgrade its increasingly special relationship with Cuba. Indeed, because of Cuba´s bad reputation in the Western world and the Canadian government´s own repulsion at the Cuban activism in Africa, the Trudeau government refused in 1979 to renew aid programmes to Cuba and decided that it no longer wanted to maintain a high profile relationship with the

Cuban regime. It appears Ottawa simply did not wish to expand its relations with a state that was perceived to be involved in undermining Western economic and geopolitical interests. Of course, had Canada continued its close relationship with Cuba, it would no doubt have had to face the wrath of the United States at a time when America was moving from détente under Carter to a renewed Cold War atmosphere under Reagan.

By the late seventies, with renewed Cuban activism in Latin America, the Trudeau government must have realized that Diefenbaker´s policy of keeping a door on the Western world open to Cuba had failed abysmally. Indeed, Cuba had by then chosen to ally itself fully with the Soviet Union and its allies in direct confrontation with the Western world and there was little that Canada under Trudeau could do to change that reality.

Subsequent Cuban actions in El Salvador, Grenada and Nicaragua would ensure that the Liberal government in Ottawa would continue to harden its line against Cuba and make relations in the 1980´s that much more distant.

When looking at the entire period under study, one finds that Canadian-Cuban relations underwent several transformations throughout the years. It is possible to identify three distinct phases. The first, from 1959 to 1963, was essentially a passive phase as the Diefenbaker

government chose to view American-Cuban events from a distance. While Diefenbaker decided not to follow the US lead and talked of expanding the relationship with Cuba, very few concrete actions were taken to follow through on these pronouncements. The second phase, from 1963 to 1976, was much more active as the Pearson and Trudeau governments were developing increased Canadian-Cuban ties. This period saw the expansion of trade, the establishment of aid programmes as well as closer relations between the two states, characterized by the many bilateral treaties signed and the multitude of high level visits. The third phase, from 1976 to 1984, consisted essentially of a désengagement on the part of a Canadian government which was again becoming much more passive in the face of American-Cuban confrontations.

It is interesting to note that the three phases correspond loosely with the level of tension in American-Cuban relations. In the first phase, the level of tension was extremely high and thus the margin of manoeuvre for Canada was quite small. In the second phase, America was not quite as concerned with Cuba and Canada decided to slowly step up its relations with Castro´s regime. In the third phase, the level of tension was again climbing as Cuba and America engaged in a renewed rhetorical battle. In this phase, Canada adopted

a very passive stance towards Cuba, in part because of its opposition to Cuban policies but also in part because they preferred to avoid open confrontation with the US on this issue if possible.

Conclusion

The evidence from the case study clearly shows that Canada conducted an autonomous foreign policy with Cuba from 1959 to 1984. However, one must acknowledge the evidence that American influence remains a very powerful restraint for Canadian policy-makers. The study of the relationship during this period indicates that while Canada developed an independent foreign policy with Cuba, one that was both distinctive (until the 1980's) and in the interest of Canadians, the development of such a policy required a high degree of calculating and the occasional concession to US interests. The calculating had to be done to ensure that the benefits of the policy outweighed the disadvantages of possibly confronting the United States, while the concessions were made to limit any damage inflicted on the bilateral relationship.

An important example of such calculations was the government's behaviour during the Pearson years when the Liberals were intent on refurbishing the bilateral relationship with the US while simultaneously maintaining

relations with Cuba. In order to manage to do both, they dealt with Cuba in a very low-key manner and generally kept the issue free from controversy. There are other examples such as the Trudeau visit in 1976 which was carefully calculated so that it would be controversial while not actually damaging relations with Washington. The cutting off of aid at the end of the seventies can also be seen as a move partly intended to allay US fears that Canada might be accepting, albeit passively, Cuban globalism in Africa.

Major concessions were made to avoid overly antagonizing the US administration with the Canadian Cuba policy. One such concession occurred when Ottawa chose to forbid the trans-shipment of goods of US origin. In doing so, Canada ensured that its trade policy would not completely undermine the American embargo. It seems likely that if Canadian-Cuban relations had managed to sabotage or destroy the embargo, there would probably have been some kind of economic retaliation which would have made Canada´s policy stance a costlier one. Another concession made by Ottawa consisted of the very diplomatic handling of the entire extraterritorial issue in the post-Diefenbaker period. The Canadian government attempted at all times to keep this issue as low-key as possible to avoid further damaging the fabric of Cana-

dian-American relations.

It must also be added that since Canada generally chose to take a back seat whenever the US-Cuba dispute heated up, its policy turned out, as planned in Ottawa, to be little more than a minor irritant for the US government and thus did not warrant damaging economic retaliation.

The major lesson which can be drawn from this case study is that Canada must always walk a fine line in its foreign policy decisions. It can choose to conduct policies which are at odds with those of the US but must be prepared to confront Washington and possibly pay a price for its actions. To conduct a totally independent foreign policy may be possible in such traditional spheres as the Commonwealth but to do so in hemispheric affairs, in the heart of the American sphere of interest, will always include its share of calculations, concessions, risks, constraints and limitations. The question therefore remains: independence; yes, but to what degree and at what price?

NOTES - CONCLUSION

[1] John Diefenbaker, One Canada: The Years of Achievement 1956 to 1962 (Toronto: Macmillan of Canada, 1976), p. 174.

[2] Canada, Parliament, House of Commons, Debates, April 19, 1961, p. 3795.

[3] Charlotte S.M. Girard, Canada in World Affairs 1963-65 (Toronto: Bryant Press, 1980), p. 24.

[4] House of Commons, Debates, November 28, 1963, p. 5195.

[5] Harold Boyer, "Canada and Cuba: A Study in International Relations" unpublished Ph.D. dissertation, Simon Fraser University, 1972, p. 371.

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APPENDIX A

CANADIAN BILATERAL AID TO CUBA
1970-1984

($ Millions)

Year	Canadian Aid
1970-1971	——
1971-1972	——
1972-1973	0.5
1973-1974	.43
1974-1975	.43
1975-1976	3.68
1976-1977	4.26
1977-1978	4.52
1978-1979	1.06
1979-1980	——
1980-1981	-.02
1981-1982	-.30
1982-1983	-.44
1983-1984	——

Source: Canada. CIDA. Annual Aid Review. 1970-1984. Ottawa.

APPENDIX B

CANADIAN EXPORT-IMPORT TRADE
1959-1984

($ Millions)

	Export				Import			
Year	Cuba	Latin 1*	Latin 2*	Intn'l	Cuba	Latin 1*	Latin 2*	Intn'l
1959	15.2	122.9	113.7	5,021.6	12.0	173.4	287.2	5,508.9
1960	13.0	131.4	121.7	5,266.4	7.2	143.8	276.5	5,492.3
1961	31.1	159.8	145.8	5,754.9	5.1	141.6	305.3	5,768.5
1962	10.8	152.1	147.9	6,178.6	2.8	154.2	319.7	6,257.8
1963	16.4	181.1	173.9	6,798.5	13.0	184.9	350.7	6,558.2
1964	60.9	253.5	180.4	8,094.7	3.4	186.5	394.3	7,489.5
1965	52.5	238.3	191.9	8,525.0	5.3	183.1	364.8	8,633.1
1966	61.4	259.8	232.5	10,070.7	5.6	183.5	319.0	9,866.8
1967	42.3	245.1	233.1	11,111.5	6.3	204.0	377.4	11,075.1
1968	44.9	257.8	281.6	13,220.2	5.1	215.8	465.5	12,366.7
1969	40.7	292.3	291.4	14,503.6	7.7	247.3	466.3	14,130.2
1970	58.8	378.7	374.1	16,458.1	9.5	213.7	476.8	13,939.3
1971	58.8	347.1	379.3	17,396.6	10.3	224.6	530.1	15,616.8
1972	57.6	373.1	418.3	19,589.4	11.0	222.2	565.4	18,667.7
1973	81.9	445.6	413.4	24,643.5	16.6	278.4	751.5	23,316.8
1974	145.6	644.4	901.4	31,674.4	76.3	417.4	1,596.3	31,692.1
1975	220.3	750.1	770.4	32,325.0	81.4	401.5	1,400.1	34,635.5
1976	260.7	800.4	903.8	37,258.7	60.5	427.2	1,627.5	37,432.5
1977	184.0	784.7	1,112.8	43,683.8	45.3	618.2	1,833.8	42,332.2
1978	217.8	962.5	1,456.2	51,918.9	60.4	603.5	1,899.5	49,937.6
1979	257.3	1,151.3	1,694.8	64,193.5	106.7	693.3	2,226.1	62,870.7
1980	416.5	1,534.4	2,249.8	74,445.9	163.4	1,034.9	2,978.5	69,127.6
1981	452.3	1,872.7	1,897.2	81,203.2	196.5	1,821.0	3,249.9	78,875.8
1982	324.3	1,468.2	1,501.2	81,713.3	94.8	1,626.9	2,693.9	67,855.7
1983	360.5	1,406.3	1,314.8	88,154.5	56.2	1,775.2	2,047.0	75,608.3
1984	335.8	1,426.7	1,530.7	109,543.4	62.6	2,279.5	2,440.6	95,842.4

* Latin 1 = Central America and the Caribbean.
* Latin 2 = South America.

Sources: Canada. Statistics Canada. Exports by Countries. 1957-1984. Ottawa.
Canada. Statistics Canada. Imports by Countries. 1957-1984. Ottawa.