

Prime Minister Harper signals Canada's renewed engagement in the Americas

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Thank you Ambassador for that kind introduction.
Good afternoon,
President Bachelet,
Distinguished guests,
Ladies and gentlemen.

First let me say thank you to James Callahan and the Chile-Canada Chamber of Commerce for co-hosting this luncheon.

And thank you for all the work your organization does to foster trade, co-operation and friendship between our two great countries.

I consider it a unique privilege to be in Santiago and, specifically, to be here with you today to mark what has been a pivotal achievement in the relationship between our nations.

Ten years ago this month, the Free Trade Agreement linking our two countries came into force.

For Chile, it was your first free trade agreement beyond South America. For Canada, it was only our second beyond North America.

So, for both of us, it was a step into the unknown. Ten years later, we can rightly congratulate ourselves for having been bold.

For Canada, the signing of our Free Trade Agreement was the consequence of two important path-breaking initiatives undertaken by the government of Prime Minister Mulroney.

The first initiative was, of course, Canada's embrace of free trade through the 1988 Canada-U.S. Free Trade Agreement and, subsequently, the North American Free Trade Agreement which, by embracing Mexico, moved our formal commercial relations into Latin America.

The second initiative was Canada's decision, in 1989, to join the Organization of American States.

In some ways, this was even more of a departure. For Canada, whose foreign policy had been shaped by centuries of membership in French and British imperial networks, had always seen itself as linked to Europe.

These developments were the dawning of a new perspective – rooted firmly in our geography – that we are, in fact, a country of the Americas.

It is ironic, then, that Canada's engagement in our own neighbourhood tended to languish in the years that followed – the trade agreement between our two countries being a notable exception.

It is especially ironic in that our initiative of ten years ago has been an overwhelming success, opening doors to friendship, prosperity, growth and cooperation between Canada and Chile that have exceeded all of our expectations.

Canada's New Government has made clear that re-engagement in its hemisphere is a critical international priority for our country.

We have begun by getting back in the game of trade negotiations throughout the Americas and around the world.

We recently launched free trade negotiations with Peru, Colombia and the Dominican Republic.

We remain committed to negotiating an agreement with the Central American Four of El Salvador, Guatemala, Honduras and Nicaragua.

These will help expand and develop the extensive economic linkages which few Canadians – and I daresay few Chileans – fully understand.

Foreign direct investment from Canada into the Americas now stands at close to 100 billion dollars – a number that is more than twice the size of Canadian investment in Asia.

And this is growing rapidly, making Canada the third-largest investor in Latin America and the Caribbean.

But the story doesn't end there. Our Government is also forging partnerships in matters of security and development throughout the hemisphere.

So my message to you today is clear.

Canada is committed to playing a bigger role in the Americas and to doing so for the long term.

Three key objectives form the basis of our engagement in the Americas:

- First, to strengthen and promote our foundational values of freedom, democracy, human rights and the rule of law.
- Second, to build strong, sustainable economies through increased trade and investment linkages, as well as a mutual commitment to expanding opportunity to all citizens; and
- Third, to meet new security challenges, as well as natural disasters and health pandemics.

We are undertaking these actions with a sense that the Americas today stand at a crossroads.

Looking at the region as a whole, and some countries in particular, we have seen some phenomenal success stories of political, economic and social development over the past generation, of which Chile is a shining example.

In certain other countries, however, we are witnessing cases of regressive economic policy, dangerous political conflict and persistent poverty, social inequality and insecurity.

While most nations are turning toward economic reform and political openness, too often some in the hemisphere are led to believe that their only choices are - if I can be so bold to say - to return to the syndrome of economic nationalism, political authoritarianism and class warfare, or to become "just like the United States."

This is, of course, utter nonsense. Canada's very existence demonstrates that the choice is a false one.

Canada is an open, free and democratic society with the strongest economy in the G8 today, while also being a proud and independent country with our own way-of-life.

Canada's political structures differ substantially from those in the United States. Our cultural values and social models have also been shaped by unique forces and we've made our own policy choices to meet our own needs.

We want our role in the hemisphere to reflect these differences while emphasizing the economic and political fundamentals necessary for progress.

In other words, we want a role that reflects our commitment to open markets and free trade, to democratic values and accountable institutions, but also to our national identity, and our traditions of order and community values.

But for Canada to play this role, we need partners.

It is not in our past, nor within our power, to conquer or to dominate.

What we can do is bring forward our resources and goodwill, in concert with those with whom we have historical links as well as significant interests, to build a more democratic, prosperous and secure hemisphere for all of its citizens.

With a new model of partnership at the heart of Canada's approach to the Americas, we know we can strengthen hemispheric cooperation in support of peace, security and development.

There is no better place for Canada to pursue a partnership than by building on the shared success of our relationship with Chile and on our common values of political democracy, economic freedom and social cohesion.

Chile and Canada can show the way forward.

Both our nations recognize that market-based systems, guided by the right public-policy decisions, create the best economic model for growth and prosperity.

We know that foreign direct investment, free enterprise and private property, create wealth.

Coupled with fair taxation that offers incentives while ensuring no one is left behind, they give people the chance to live out their dreams, whether that means owning their

own home, sending their children to college or simply being able to retire without anxiety.

Your nation is evidence of those truths.

Chile has reduced its levels of poverty significantly and has already met its Millennium Development goals regarding extreme poverty. Chile has reduced its levels of poverty significantly and is building a dynamic middle class.

You have one of the highest levels of Gross Domestic Product per capita in the Americas – well above the regional average – and you are one of the most competitive countries in the hemisphere.

And that, in turn, has led to improved social services, such as your advanced pension and health care systems.

Indeed, your recent invitation to join the Organisation for Economic Co-operation and Development – the first South American country so honoured – is clearly a recognition of all these achievements.

It is little wonder, then, why many call Chile a pathfinder in Latin America.

You have a model democracy.

You have an increasingly diversified, market-based economy, led by natural resources.

And you exhibit a growing willingness to play a leadership role across the hemisphere.

As President Bachelet has put it: Chile has had its own experience – combining political stability, sound macroeconomic policies and social cohesion. And, she has underlined, you cannot have one without the others.

The same is true for Canada.

We believe in a Canada that must work for all Canadians.

Our country is safe, civil, embracing of regional and cultural diversity, and at peace with itself.

And our shared success and programs of fiscal transfers have enabled us to provide a strong system of education at all levels, a system of universal public health insurance and a pension plan that is fully funded.

These are part of a model designed to ensure that the life of every Canadian is one of opportunity. They are cornerstones of our development, shared prosperity and social cohesion.

As I often say: we are building a Canada where what really matters is not who you know or where you're from, but rather what you have done and where you are going. It's why generations from all corners of the earth have immigrated and continue to come to Canada.

These include, of course, students and immigrants from Chile, who have enriched Canada while building bridges between our two countries.

Of course, through our Free Trade Agreement, Canada is already partnering with Chile in advancing economic growth and mutual commercial interest – through commercial investments, energy security, financial services and science & technology.

Our country is one of the largest investors in Chile with an accumulated stock valued at more than five billion dollars.

Last year, Canada was the largest source of new investment in your country – and remains the largest foreign investor in your mining sector.

This is not surprising, given our status as a global mining giant, but we're not just involved in natural resources.

Canadian companies are also major players in areas that reflect the diversity of the Canadian economy – like financial services, power transmission, energy, information technology and telecommunications.

Many of these trade and investment ties have long histories. But they've been spurred on by the success of the FTA, which is the foundation for the new partnership agreement which will strengthen and deepen these relations.

That starts with increasing cooperation, not just in the traditional trade and investment areas, but beyond that to include other key economic sectors – energy, for instance. Like many nations, Chile has a significant energy challenge.

Canada is an emerging energy superpower and is committed to working with you in addressing this challenge.

We both are investing in renewable energy, in energy efficiency, in bio-fuels, all of which has impacts on related challenges in the area of the environment and climate change.

Science and technology development is another sector.

Recently, Canadian officials were here in Santiago talking about the vital importance of innovation in this field.

It drives the transformation of our economies – from resource-based to knowledge-based; from low-tech to high-tech – creating new opportunities, new jobs, new wealth and a better quality of life.

This is why expanding our cooperation in science and technology development is part of the partnership agreement we signed earlier today.

Financial services is yet another economic sector of increasing cooperation.

Our FTA is evolving to serve the needs of our ever-expanding commercial relations.

I am pleased that negotiations to add a financial services chapter have been successfully concluded, building on the government procurement chapter we signed last year.

There are two other areas that underpin the kind of model partnership we are embarking on together. Security and – the most important element of any strong relationship – people.

In terms of security, Chile and Canada are working side-by-side in peace operations in Haiti.

As the Chilean representative told the United Nations Security Council last year, we agree that the international community must commit to the challenges, dreams and hopes of the nine million Haitians who aspire to live with dignity and liberty.

We stand with you in putting forward the effort necessary to realize these objectives.

For some years, Chile has had a troop presence in the United Nations Stabilization Mission in Haiti, and we applaud the Senate's recent authorization of a 12-month extension.

Your cooperation agency is active in Cap Haitien, and there are volunteer Chileans working to improve the situation.

Like Canada, you have emphasized the importance of proper and effective police training.

Our countries both know that Haiti faces a long road of institution-building, such as in police, judicial reform and in economic and social recovery, all of which must form the foundation for a lasting democracy.

But Haiti also symbolizes something else.

It is a test case for the Americas; for our capacity as neighbours and friends to get together in common endeavour.

Our success in Haiti will depend on the extent to which we stay committed; to show the people of Haiti that we mean what we say when we speak of working toward the achievement of real and lasting improvement in their lives.

Supporting democracy and the rule of law is critical for development across the Americas. But so too is addressing the security challenges that face the region – from crime and trafficking, to pandemics and natural disasters.

We and our partners have a common interest in addressing such risks – and I know Chile and Canada will work closely together on such vital security issues.

Ladies and gentlemen, I can see that Chile is determined to be a country where one finds all the conditions to create wealth, to sustain liberty and to enjoy a better quality of life.

At the same time, it is a country determined to provide equality of opportunity, protect the vulnerable and look after those who can't benefit from the chances others have.

Canada understands that aspiration. Indeed, we want to be part of it.

That is why I'm pleased to commit to you today that we are here for the long haul – as people who share common political values, as economic and business partners, as neighbours.

Thank you.