1

OF/DE

3

28032

National Library
of CanadaBibliothèque nationale
du CanadaCANADIAN THESES
ON MICROFICHETHÈSES CANADIENNES
SUR MICROFICHENAME OF AUTHOR/NOM DE L'AUTEUR FRANCESCO GIUSSEPPI MORELLITITLE OF THESIS/TITRE DE LA THÈSE CANADA AND THE MIDDLE EASTUNIVERSITY/UNIVERSITÉ CARLETON UNIVERSITYDEGREE FOR WHICH THESIS WAS PRESENTED/
GRADE POUR LEQUEL CETTE THÈSE FUT PRÉSENTÉE MASTERS OF ARTS IN INT'L AFFAIRSYEAR THIS DEGREE CONFERRED/ANNÉE D'OBTENTION DE CE GRADE 1976NAME OF SUPERVISOR/NOM DU DIRECTEUR DE THÈSE PROF. I. RABINOVICH

Permission is hereby granted to the NATIONAL LIBRARY OF
CANADA to microfilm this thesis and to lend or sell copies
of the film.

L'autorisation est, par la présente, accordée à la BIBLIOTHÈ-
QUE NATIONALE DU CANADA de microfilmer cette thèse et
de prêter ou de vendre des exemplaires du film.

The author reserves other publication rights, and neither the
thesis nor extensive extracts from it may be printed or other-
wise reproduced without the author's written permission.

L'auteur se réserve les autres droits de publication; ni la
thèse ni de longs extraits de celle-ci ne doivent être imprimés
ou autrement reproduits sans l'autorisation écrite de l'auteur.

DATED/DATE Nov. 10/1976 SIGNED/SIGNÉ Francesco Morelli

PERMANENT ADDRESS/RÉSIDENCE FIXE 245-5th St. East,
Fort Frances, Ont., Canada,
P9A 1T8

CANADA AND THE MIDDLE EAST

by

Francesco Guisseppi Morelli, B.A.

© 1976 by Francesco Guisseppi Morelli

A thesis submitted to the Faculty of
Graduate Studies and Research in partial
fulfillment of the requirements for the degree of
Masters of Arts
in International Affairs

The Norman Paterson School of International Affairs

Carleton University

Ottawa, Ontario

Canada

March, 1976

INFORMATION TO USERS

THIS DISSERTATION HAS BEEN
MICROFILMED EXACTLY AS RECEIVED

This copy was produced from a microfiche copy of the original document. The quality of the copy is heavily dependent upon the quality of the original thesis submitted for microfilming. Every effort has been made to ensure the highest quality of reproduction possible.

PLEASE NOTE: Some pages may have indistinct print. Filmed as received.

Canadian Theses Division
Cataloguing Branch
National Library of Canada
Ottawa, Canada K1A 0N4

AVIS AUX USAGERS

LA THESE A ETE MICROFILMEE
TELLE QUE NOUS L'AVONS RECUE

Cette copie a été faite à partir d'une microfiche du document original. La qualité de la copie dépend grandement de la qualité de la thèse soumise pour le microfilmage. Nous avons tout fait pour assurer une qualité supérieure de reproduction.

NOTA BENE: La qualité d'impression de certaines pages peut laisser à désirer. Microfilmée telle que nous l'avons reçue.

Division des thèses canadiennes
Direction du catalogage
Bibliothèque nationale du Canada
Ottawa, Canada K1A 0N4

26

A

The undersigned hereby recommend to the Faculty of
Graduate Studies and Research acceptance of this thesis, submitted by
Francesco G. Morelli, in partial fulfilment of the requirements
for the degree of Master of Arts.

Michael G. Fry
Norman Paterson School of International Affairs.

Itamar Rabinovich, Supervisor

III

ABSTRACT

This thesis was written in recognition of the growing importance of the Middle East region in international politics and to Canadian foreign policy. The analysis centres on Canadian policy towards three important Middle Eastern issues: superpower rivalry, the Arab-Israeli conflict, and the politics of oil. A general descriptive analysis of each of these Middle Eastern issues was made prior to the study of Canadian policy towards each issue.

The basic conceptual approach utilized in this thesis is that of relating Canadian reactions to Middle Eastern events with Canadian foreign policy objectives. The purpose is to discover which Canadian objectives are most relevant in Canadian Middle Eastern policy. This approach is supplemented by the analysis of the impact of Middle Eastern events on the Canadian domestic scene.

One general observation stands out in this study: the October, 1973 Arab-Israeli war was a watershed in Canadian-Middle Eastern relations. Before the war the Middle East was of low priority to Canadian global foreign policy; after the war Canadian decision-makers appeared to see the Middle East as vital to the achievement of a number of Canadian foreign policy objectives.

TABLE OF CONTENTS

ABSTRACT	p. III
CHAPTER I: INTRODUCTION	p. 1
CHAPTER II: THE CONCEPTUAL FRAMEWORK	p. 8
(1) Foreign Policy Objectives	p. 9
(2) Region	p. 13
(3) The Approach	p. 16
CHAPTER III: CANADIAN FOREIGN POLICY: APRIL 1968 - DECEMBER 1974	p. 18
(1) Principles of Canadian Foreign Policy under Trudeau	p. 19
(2) Canadian Foreign Policy Objectives	p. 23
(3) Canadian Foreign Policy Decision-Making	p. 28
(4) Canadian Foreign Policy in Practice	p. 32
CHAPTER IV: CANADA AND SUPERPOWER RIVALRY IN THE MIDDLE EAST	p. 46
(1) Superpower Rivalry in the Middle East	p. 46
(2) Canadian Reactions to Superpower Rivalry in the Middle East	p. 63
CHAPTER V: CANADA AND THE ARAB-ISRAELI CONFLICT	p. 83
(1) The Arab-Israeli Conflict	p. 83
(2) Canadian Reactions to the Arab-Israeli Conflict	p. 108
CHAPTER VI: CANADA AND MIDDLE EASTERN OIL	p. 140
(1) Middle Eastern Oil Developments	p. 140
(2) The Canadian Energy Situation	p. 155
(3) Canadian Reactions to Middle Eastern Oil Events	p. 160

CHAPTER VII: CONCLUSION

(1) Postscript

BIBLIOGRAPHY

p. 192

p. 202

p. 207

CHAPTER I: INTRODUCTION

The Middle East underwent rapid and dynamic changes from April, 1968 to December, 1974. These changes had repercussions in almost every nation and even threatened to plunge the world into a major East-West military confrontation. As such, the Middle East remained a focus of world attention in this period.

Four major issues dominated the Middle Eastern scene after 1968. One was the rivalry between the two superpowers for dominance in the area. Each viewed the Middle East as vital to its security needs and was prepared to push the other to the limit, short of direct military confrontation. In consequence, the general process of detente between the two superpowers was absent in the Middle East.

The Arab-Israeli conflict was a second major Middle Eastern issue after 1968. The 1967 Israeli victory had at first given hope for a possible negotiated settlement to the conflict by giving Israel something concrete (the occupied territories) to offer the Arabs in return for an Arab acceptance of the state of Israel. But this soon proved illusory. The paramount issue of the Arab acceptance of Israel remained unresolved after 1968 as did the other cardinal problems in the conflict: Israeli withdrawal from occupied lands, the Palestinian question, Jerusalem, and freedom of navigation. The failure to resolve these issues

led to an intensification of conflict between Israel and the Arab states starting with the war of attrition in 1969 and culminating in the October, 1973 Yom Kippur war.

The third major Middle Eastern issue was the politics of oil. By 1968 the Middle East had become the world's most important oil producing and oil exporting region. Further, the world's largest proven oil reserves were in the Middle East. But Middle Eastern oil was controlled by the giant multinational corporations. After 1968 the Middle Eastern oil-producing countries were determined to gain control over their oil resources and a confrontation between them and the multinational corporations ensued. The countries eventually prevailed and dramatically raised oil prices.

A fourth Middle Eastern issue was inter-Arab relations. Conflict, both verbal and practical, which had existed between the conservative and progressive Arab states had not disappeared after 1968. It was, however, moderated and supplemented by a high degree of Arab cooperation. This was best exemplified by the rapprochement between the leaders of the conservative and progressive Arab states, Saudi Arabia and Egypt, respectively. By the time the Yom Kippur war broke out, the Arab states had achieved a degree of unity few observers had believed possible.

The interrelationship among these issues was very complex. Events occurring in one sphere often had important repercussions on other issues. Thus, for example, the intensification of

the Arab-Israeli conflict led to a greater superpower rivalry and to the Arab use of the oil weapon. This latter event was to be a major factor in the world-wide energy crisis of 1973-74.

Middle Eastern events after 1968 had repercussions in Canada. The Middle East, however, had never played a prominent role in Canadian foreign policy. Canadian involvement with Middle Eastern issues began in 1947. Canada, led by Under-Secretary of State for External Affairs Lester Pearson, was a member of the United Nations Special Committee on Palestine (UNSCOP) and supported the partition plan. During the 1948 Arab-Israeli war Canada explicitly argued that a settlement on the basis of the de facto boundaries should be made. It was hoped that this would prevent a renewal of war and a further deterioration of the United Nations position.¹ Canada recognized Israel on December 24, 1948 and on July 18, 1949 the first Israeli consul-general arrived in Montreal.

In these early years, Canadian Middle Eastern policy was a function of two major Canadian foreign policy objectives: support for the United Nations as the bulwark of world peace and mediation between her two principal allies, the United States and Britain, who were at odds over the Middle East.² Canada otherwise had no major interests in the Middle East.

1. Ismael, T., "Canada and the Middle East", Behind the Headlines, Vol. XXXII, #5, December, 1973, p. 6-7.

2. Stein, J., Canadian Foreign Policy in the Middle East, unpublished paper, 1974, p. 3.

The main reason for this lack of Canadian interest is that Middle Eastern events had few domestic repercussions in Canada and affected no vital Canadian interests.

Between the 1948 Arab-Israeli war and the Suez crisis of 1956, Canada's involvement in the Middle East was limited. Canada annually contributed to the United Nations Relief and Works Agency (UNRWA) and in 1954 General E.L.M. Burns was made head of the United Nations Truce Supervision Organization (UNTSO). Canada also supported Israel's right to exist while stressing the right of Palestinians to compensation and/or repatriation. But, as Tareq Ismael writes, the only major Middle Eastern event in which Canada played an important role was the negotiations to continue the Conciliation Commission in January, 1952. Canada's role here was to secure a modification of the United Nations resolution so as to make it more certain of passage and less critical of Israel.³ The major reason for Canada's participation was to reinforce United Nations authority in the Middle East.

The lack of Canadian interest was also apparent in the limited Canadian diplomatic representation in the Middle East. By 1955 Canada had embassies in only four Middle Eastern countries: Israel, Lebanon, Egypt and Iran.

The 1956 Suez crisis brought the Middle East to the forefront of Canadian foreign policy. Canada, again led by

3. Ismael, T., op. cit., p. 8.

Minister of External Affairs Lester Pearson, played a very active role in containing the crisis. Pearson made the initial proposal for a Middle East peace force which contributed greatly to the creation of the United Nations Emergency Force (UNEF); for this he was awarded the Nobel Peace prize in 1957. Further, Canada was to make one of the largest contributions to UNEF.

Canada, however, still had no explicit Middle Eastern policy. Canada's policy was not designed specifically to settle any Middle East problems. Rather, it was designed, as Janice Stein writes, to strengthen the position of the United Nations and to mediate between Canada's principal NATO allies: France and Britain on the one hand, and the United States on the other.⁴ Canada wanted to solve a NATO and Commonwealth problem, not solve the Arab-Israeli conflict. Canadian policy was based on interests in which the Middle East played no intrinsic role.⁵

Between the Suez crisis and the June 1967 war the Middle East was of little consequence to Canada. But the Suez crisis did affect future Canadian policy. Canadian decision-makers argued that Canada's chief role in world politics was that of "peacekeeper". This peacekeeping role was to be executed

4. Stein, J., op. cit., p. 3.

5. Ismael, T., op. cit., p. 12-13.

through the United Nations and it was in this role that Canada maintained an active interest in the Middle East. The stress on Canada's role as a peacekeeper was in accord with the Canadian decision-makers' perception of Canada as a "middle power". As such, it was argued, Canada had a specific international role to play and this role was peacekeeping.

Canada's stance during the 1967 Arab-Israeli war reflected her position that the conflict should be resolved through United Nations mediation. Canada, like Britain and the United States, was one of the few nations to argue that United Nations Secretary-General U. Thant should not have acceded to Egypt's request for UNEF withdrawal. The Canadian argument was that only the Security Council or the General Assembly had the right to withdraw UNEF. This Canadian position drew an angry response from Egyptian President Nasser who included Canada in the same "imperialist" category as the United States and Britain. Nasser argued that Canada's alliance with Britain and the United States in opposition to the withdrawal of UNEF forces from Egypt precluded her from playing a "neutral" role in the Arab-Israeli conflict. From that moment on, Canada's claim to "objectivity" was openly questioned by the Arab states. As a result, both Canada's peacekeeping role and Pearson's role as mediator became extremely limited. The forced withdrawal of UNEF also reduced Canadian interest in the Middle East and raised

But the change of ministers did not entail a shift in Canadian foreign policy.

Other members of the Canadian Cabinet, notably the various Ministers of National Defence and Industry, Trade and Commerce became part of the foreign policy elite whenever the issue at hand involved their departments. But seldom, as far as public records indicate, did the whole Cabinet participate. The major reason for this non-involvement is that most ministers were chiefly concerned with domestic matters and were often ill-informed about foreign policy matters unless foreign policy intruded into their specific sphere of influence.

Several members of the PMO (Prime Minister's Office) also formed part of the decision-making elite. Trudeau did not entirely trust, and was suspicious of, the bureaucracy in the Department of External Affairs.¹⁷ This was exemplified in Trudeau's downplaying of the Department's role in both the foreign policy review and the NATO review. Trudeau's distrust led him to turn to the PMO for advice and the most influential man in the PMO to deal with foreign policy was Ivan Head, Trudeau's legislative assistant. This influence was best exemplified in the Canadian decision to curtail Canadian forces in NATO when Trudeau asked for, and accepted, Ivan Head's report on the proposed number of troop reductions.¹⁸

17. Dobell, P.C., Canada's Search for New Role: Foreign Policy in the Trudeau Era, (Toronto: Oxford University Press, 1972), p. 20.

18. Thomson, B., op. cit., p. 158.

CHAPTER II: THE CONCEPTUAL FRAMEWORK

This thesis is a study of Canada and the Middle East. Its purpose is to analyze the relationship between Canadian government reactions to the events of three current major Middle Eastern issues (superpower rivalry, the Arab-Israeli conflict, the politics of oil) and

- (a) Canadian global foreign policy objectives
 - (b) Canadian national foreign policy objectives
 - (c) Canadian global-national foreign policy objectives (objectives which cannot be clearly designated as either global or national).*
- The aim is to discover whether there is a pattern to Canadian foreign policy in the Middle East after 1968 and, if so, the form which it takes.

The time frame for the analysis is the Trudeau years, April, 1968 to December, 1974. The major reason for choosing this period is that the Canadian government, for the first time, had formulated a clear set of Canadian foreign policy objectives to which Canadian reactions can be related. The basis for these foreign policy objectives is found in the foreign policy review conducted by the Trudeau government. The analysis is facilitated further by the fact that the Canadian government was led by basically the same decision-makers throughout this period.

* These terms are defined below

The conceptual framework revolves around the two key concepts of "foreign policy objectives" and "region". Accordingly, a clear definition of each of these concepts and their uses is necessary.

FOREIGN POLICY OBJECTIVES

The concept of "foreign policy objectives" is a key term in the study of foreign policy behaviour and stands at the core of the understanding of foreign policy decision-making. Objectives are, in theory, the motivating forces which drive decision-makers to act as they do. In effect, objectives are the goals towards which decision-makers strive. The two concepts of "goals" and "objectives" are often used interchangeably.

There is no universally accepted definition of "foreign policy objectives" by international affairs theorists. However, one of the most generally accepted definitions is that advanced by Snyder et al in 1962.

We shall define objective as essentially an 'image' of a future 'state of affairs' - a 'set of conditions' to be fulfilled or a 'set of specifications' which when met are to be regarded as the achievement of what was desired by the decision-makers.

K.J. Holsti endorses this definition by rejecting the

-
1. Snyder, R.C., Bruck, H.W., Sapin, B., eds., Foreign Policy Decision-making, (New York: The Free Press of Glencoe, 1962), p. 65.

concept of "national interests". The major difficulty with "national interests" is that, though there may be some immutable national interests such as self-preservation, it is much too vague. Snyder's definition of "foreign policy objectives" eliminates this shortcoming.²

Foreign policy objectives are, in effect, the abstract and long-range goals of decision-makers. As such, objectives are general in nature, and are composed of much more specific and/or time-limited components. Thus, for example, a foreign policy objective which entails the improvement of relations with a second nation may include political, military, diplomatic and economic components and may stress one of these components for a given period of time. The point that objectives have components will be an implicit assumption throughout this thesis.

Closely connected to the question of defining the concept of foreign policy objectives is that of the classification of such objectives. Snyder et al foresaw this when they wrote that a systematic classification of foreign policy objectives with clearly stated and easily applicable criteria was needed.³ Several early attempts were made to form such classifications. Two classification schemes were those of

2. Holsti, K.J., International Politics: A Framework for Analysis, (Englewood Cliffs, N.J.: Prentice-Hall Inc., 1972), p. 130-31.

3. Snyder, R.C., op. cit., p. 94-95.

Arnold Wolfers and Wolfram Hanrieder. Of these two classification attempts H. Von Riekhoff writes:

Wolfers distinguishes between possession goals, which are analogous to zero-sum situations where nations seek to enhance their territory and power at the expense of other actors, and milieu goals, which resemble a non-zero-sum game in which nations try to shape the conditions of the international environment, e.g. by creating rules of international law, for the general benefit of the international community. Hanrieder distinguishes between foreign policy goals which have their roots in the actor's internal value system and those goals which are determined by external conditions.

The present thesis will adopt a classification scheme to analyze Canadian foreign policy objectives. This scheme divides Canadian foreign policy objectives into three categories: "global", "national", and "global-national". The global and national categories correspond to Wolfer's classification of milieu and possession goals respectively, but with one key difference. National objectives, unlike Wolfer's possession objectives, are not considered to be zero-sum goals. It is debatable whether Wolfer's argument that possession objectives are necessarily zero-sum goals is true even for major states such as the United States and the Soviet Union. It is clearly inapplicable in the case of Canada. As K.J. Holsti writes, Canada, along with nations

4. Von Riekhoff, H., An Analysis of Canadian Foreign Policy Objectives, unpublished paper, 1974, p. 6.

like Belgium and Australia, hold no territorial or imperial ambitions.⁵ Thus, national objectives refer to those foreign policy goals which are specifically intended to benefit the national unit alone; global objectives are those foreign policy goals which are aimed at a general benefitting of the entire international community.

The "global-national" category is added to accomodate A.F.K. Organski's warning that the line dividing domestic from international goals is extremely fine and that it is often difficult to make a distinction.⁶ The global-national category includes those foreign policy objectives for which the dividing line is "extremely thin".

The problem of whose objectives are to be used in the determination of foreign policy objectives now arises. It has already been noted that objectives are created from the images of decision-makers, but it has not been determined which decision-makers are involved in the formulation of foreign policy objectives. This thesis will follow both Holsti's and Organski's argument that it is the objectives of the major decision-makers which determine a nation's foreign policy objectives. Accordingly, the objectives of the chief Canadian decision-makers will be analyzed.

A second major problem also comes up. It is clear that

5. Holsti, K.J., op. cit., p. 140.

6. Organski, A.F.K., World Politics, (New York: Alfred A. Knopf, 1973), p. 62.

neither the hierarchy nor the nature of certain foreign policy objectives remain static. That is, over a period of time such as is under consideration (6½ years) the objectives of decision-makers are not constant; rather they are dynamic. Nevertheless, for purposes of analysis, the classification scheme which this thesis will utilize is such that both the hierarchy and presence of objectives, because of their broad nature, is constant. This approach may be criticized on the grounds that foreign policy objectives do not remain constant through a given period of time. On the other hand, it can be defended to a certain degree by the realization that Canada's decision-makers remained basically the same throughout the entire 6½ year period. This fact helped ensure that Canada's foreign policy objectives would change very little. Further, as Rosecrance writes, it is becoming increasingly difficult for decision-makers to rearrange foreign policy objectives once they have been established.⁷ It is the foreign policy objectives, as determined by a nation's decision-makers, which form the "ideal state of affairs" frame of reference in which the foreign policy decision-making process takes place.

REGION

The concept of "region" is very difficult to define

7. Rosecrance, R., International Relations, (New York: McGraw-Hill Inc., 1973), p. 14-15.

because of the ambiguity of the term which makes an universally acceptable definition almost impossible to attain. R. J. Yalem illustrates this dilemma when he points out that the lack of agreement on a definition has resulted in justifying the term "region" as a geographical area; a cultural entity; an economic unit; a political subdivision; or a combination of all these elements.⁸

But, notwithstanding the difficulties in defining exactly what criteria constitute a region, it is becoming increasingly clear that the study of regions is gaining prominence in international affairs literature. In this vein, B.M. Russett states that the regional actor perspective is relevant to international relations in two senses: the regional actor as participant in global politics; and the region as a relatively autonomous political subdivision.⁹ This regional actor perspective, in the former sense, will be used in the present thesis.

Another definitional problem arises at this point. Much recent literature has dealt with international regions as subordinate systems of the global international system. But not all regions are necessarily subordinate systems and certainly subordinate systems vary among themselves in

8. Yalem, R.J., Regionalism and World Order, (Washington, D.C.: Public Affairs Press, 1965), p. 14-15.

9. Russett, B.M., Power and Community in World Politics, (San Francisco: W.H. Freeman and Co., 1974), p. 67.

term of criteria. Russett makes the point that no region or aggregate of national units can, in the strict sense of boundary congruence, be identified as a subdivision of the international region.¹⁰ A further complication arises from the term "system". Again, there is no universally accepted definition of "system" by international affairs theorists. Therefore, the present thesis will use the major insights provided by the exponents of subordinate systems theory but will continue to utilize the term "region" for subordinate system.

An acceptable delineation of the Middle East region can now be formulated. The Middle East region has been defined in a variety of ways but the definitions nevertheless do seem to have a common basis. R.H. Davison finds that a survey of definitions reveals the most common core to be Turkey, Iran, Israel, Egypt, and the Arab states of Asia.¹¹

Leonard Binder defines the "Middle East proper" as stretching from Libya to Iran and including a core area consisting of the Arab states and Israel. Cantori and Spiegel include the same states in their definition of the Middle East.¹² But they find Israel in the periphery sector of the

10. Russett, B.M., International Regions and the International System, (Chicago: Rand McNally and Co., 1967), p. 168.

11. Davison, R.H., "Where is the Middle East?", Nolte, R.H., ed., The Modern Middle East, (New York: Atherton Press, 1963), p. 28.

12. Cantori, L.J., Spiegel, S.L., "International relations: a comparative approach to five subordinate systems", International Studies Quarterly, Vol. 13, #4, December, 1969.

Middle East region whereas Binder includes it in the core area. The present author proposes to delineate the boundaries of the Middle East in the same way as Binder and Cantori and Spiegel. But the region will not be divided into core and periphery sectors. Instead, for the purposes of this thesis, the Middle East will be looked at as a single unit.

THE APPROACH

The present thesis will incorporate both concepts (foreign policy objectives and region) analyzed above. Chapter III will be a general analysis of Canadian foreign policy, including Canadian foreign policy objectives, under Prime Minister Trudeau.

Chapters IV to VI will form the major part of this thesis. Each chapter will analyze the relationship between Canadian government reactions to the major events of each of three current Middle Eastern issues (superpower rivalry, the Arab-Israeli conflict, and the politics of oil) and

- (a) Canadian global foreign policy objectives
- (b) Canadian national foreign policy objectives
- (c) Canadian global-national foreign policy objectives.

The analysis in these three chapters will progress with such questions in mind: Which of the three categories of foreign policy objectives are chiefly affected by Middle Eastern events?; Which objectives are chiefly affected by

Middle Eastern events?; Are Canadian foreign policy objectives a visible factor in Canadian government reactions to Middle Eastern events?; Are Canadian government reactions to Middle Eastern events consistent with Canadian foreign policy objectives?

In addition to analyzing the relationship between Canadian reactions to Middle Eastern events and Canadian foreign policy objectives, these three chapters will also attempt to answer such secondary questions as: What are the domestic implications for Canada of Middle Eastern events?; Are domestic pressure groups influential in determining Canadian Middle Eastern policy?; Which decision-makers are chiefly responsible for formulating Canadian Middle Eastern policy?; Did major Canadian foreign policy decisions external to the Middle East influence Canadian Middle Eastern policy? More specific questions to be asked will be discussed in Chapter III.

Chapter VII will form the concluding chapter and will analyze the existence or non-existence of a pattern to Canadian foreign policy reactions to Middle Eastern events.

CHAPTER III: CANADIAN FOREIGN POLICY, APRIL 1968 - DECEMBER 1974

The Canadian foreign policy which Pierre Elliott Trudeau inherited in April, 1968 was, as one author¹ puts it, remarkably consistent in its orientations, goals, and underlying philosophy between 1948 and 1968. This foreign policy entailed support for the United Nations, NATO, and NORAD, an internationalist approach based on the argument that peace and security must be the most important goal of Canada's foreign policy, "quiet diplomacy" in dealing with Canada's allies, and the belief that the United States and Western Europe were Canada's best and most natural friends.

From the outset, Trudeau was determined to undertake a complete reassessment of Canadian foreign policy. This was made clear in Trudeau's policy statement of May 29, 1968 when he stated that his government would seek a new role for Canada and a new foreign policy based on a reappraisal of changing world conditions and on a realistic appraisal of Canada's potential.²

The foreign policy review promised by Trudeau was completed in June, 1970 with the appearance of the Department of External Affairs publication, Foreign Policy for Canadians.

1. Thordarson, B., Trudeau and Foreign Policy, (Toronto: Oxford University Press, 1972), p. 4.

2. Canada, Department of External Affairs, Statements and Speeches, #68/17, May 29, 1968, p. 7.

In addition to a general statement, it included booklets on Latin America, the Pacific, Europe, United Nations, and International Development. The review provides a basis for analyzing Canadian foreign policy objectives under the Trudeau government.

SECTION I: PRINCIPLES OF CANADIAN FOREIGN POLICY UNDER TRUDEAU

The basic principles of Canadian foreign policy under Trudeau are found in two publications: Foreign Policy for Canadians and Defence in the 70's.³ Foreign Policy for Canadians identifies the national aims which the government has set. These encompass three basic ideas: that Canada continue as an independent political entity; that Canada and all Canadians enjoy increasing prosperity; and that all Canadians see that they have made a worthwhile contribution, in identity and purpose, to humanity.⁴ The aims are very vague and are, in fact, broad generalizations. They are the ultimate goals of virtually every nation-state and thus say very little of Canada in particular.

To achieve these aims the policy paper states that Canada's national policy encompasses six themes: foster economic growth; safeguard sovereignty and independence;

3. Canada, Department of National Defence, White Paper, Defence in the 70's, Ottawa, Queen's Printer, 1971.

4. Canada, Department of External Affairs, Foreign Policy for Canadians, Queen's Printer, 1970, p. 10.

work for peace and security; promote social justice; enhance the quality of life; and ensure a harmonious natural environment. The policy paper then relates these national policy themes to foreign policy. The six themes⁵ of national policy also form the broad framework for foreign policy and illustrate the view that foreign policy is simply the extension abroad of national policy. That is, the shape of foreign policy is determined by the pattern of emphasis which the government gives to the six policy themes.⁵ Nevertheless, the significance of these policy themes is undermined by the recognition that they are in effect what K.J. Holsti terms "national interests"⁶ and are therefore very broad and very vague in nature. As such, these themes are of little help in understanding Canadian foreign policy under Trudeau.

The policy-makers also outlined what they considered to be the most important themes to be stressed. They stated that the foreign policy pattern for the 1970's should give highest priorities to the Economic Growth, Social Justice, and Quality of Life themes. The other themes would not be totally neglected; they would simply be put in a new pattern of emphasis.⁷

5. Ibid., p. 14.

6. Holsti, K.J., op. cit., p. 130.

7. Canada, Department of External Affairs, Foreign Policy for Canadians, op. cit., p. 32.

Two salient points stand out from this ranking of themes and subsequent government behaviour. First is the high ranking given to economic growth. Thordarson argues that there is little doubt that extra emphasis was placed on economic growth and reiterates Mitchell Sharp's statement that economic growth takes precedence.⁸ The second point is the "new pattern of emphasis" given to the two themes of Peace and Security and Sovereignty and Independence. The de-emphasis on Peace and Security is especially crucial since it implied a significant de-emphasis (though this did not happen in reality) of Pearsonian diplomacy which emphasized the paramountcy of this theme. Thomson and Swanson attempt to explain the possible reasoning behind this de-emphasis. They suggest that the ranking appears to assume that peace and security will not be threatened in the 1970's or that there is an implicit avowal of Canadian powerlessness to affect Peace and Security. The foreign policy review, they argue, suggests a retrenchment of Canadian commitments to international peace and security, and an inward turn to solve internal problems, such as English-French relations.⁹ This interpretation seems to be reasonably accurate.

Foreign Policy for Canadians asserted further that a

8. Thordarson, B., op. cit., p. 183.

9. Thomson, D.C., and Swanson, R.F., Canadian Foreign Policy: Options and Perspectives, (Toronto: McGraw-Hill Ryerson Ltd., 1971), p. 151-52.

Canadian foreign policy which would be an extension abroad of national policies was required. There are two inescapable realities of all Canadian policies: the maintenance of unity at home, and living "distinct from but in harmony with the world's most powerful and dynamic nation". These factors indicate two things: a more careful and modest selection of external goals; and added emphasis on the diversification of Canada's foreign policy in order to counterbalance American influence.¹⁰

The conceptual approach in Defence in the 70's remains the same as that of Foreign Policy for Canadians. The key phrase is that which identifies the purpose of defence policies. This states that the first concern of defence policy is the national aim of ensuring that Canada continue as an independent political entity and that this objective is basic to the attainment of the other two national aims. The Canadian forces have a major part both in the search for peace and security and in safeguarding sovereignty and independence. But defence policy can, and should, be relevant to the other policy themes.¹¹

The priorities later given to Canadian defence policy, moreover, also point to a further de-emphasis of Pearson's internationalist diplomacy. These priorities include: the surveillance of Canadian territory and coastlines, i.e. the

10. Ibid., p. 6.

11. Canada, Department of National Defence, Defence in the 70's, op. cit., p. 4.

protection of Canadian sovereignty; the defence of North America in cooperation with U.S. forces; the fulfillment of agreed NATO commitments; and the performance of any international peacekeeping roles assumed by Canada.¹²

As can be seen, Pearson's two foremost occupations of NATO and peacekeeping were relegated to an inferior role.

Though the policy themes identified in the two policy papers are a help in understanding the motivations of Canadian decision-makers towards foreign policy, they are not foreign policy objectives as such. They can be considered, as previously noted, more like "national interests".¹³ Nevertheless, these policy themes are very important in determining foreign policy objectives because they form a basis for the determination of objectives. The Canadian foreign policy objectives identified in the present thesis are drawn from these policy themes.

SECTION 2: CANADIAN FOREIGN POLICY OBJECTIVES

The only study on Canadian foreign policy objectives under Trudeau has been done by H. Von Riekhoff. He finds sixteen such objectives and ranks them into three categories: Of Key Importance; Highly Important; and Important.¹⁴ Von

12. Ibid., p. 16.

13. Von Riekhoff, H., An Analysis of Canadian Foreign Policy Objectives, unpublished paper, 1974, p. 2-3.

14. For Von Riekhoff's listing and ranking of objectives see his unpublished paper (footnote #13).

Riekhoff combines three methodological approaches to determine these objectives: content analysis, a panel of experts, and a systematic analysis of foreign policy documents.

In terms of the present thesis, two major difficulties exist with the application of Von Riekhoff's approach. First, his findings refer simply to those objectives as present in a finite period of time (mid-1974) while this thesis is concerned with the period from April, 1968 to December, 1974. The question thus becomes: does the above listing and ranking hold for the entire time period? The answer, like Von Riekhoff's ranking scheme, is open to interpretation. All the objectives listed by Von Riekhoff were present throughout the entire time period under study, but some objectives, such as Rebuilding World Food Reserves, were not as important in 1968 as they became in 1974. Nevertheless, his ranking of objectives in the two categories of Highly Important and Important is very representative of the entire 1968-1974 period. One possible explanation for this consistency is that Canada's decision-makers remained virtually the same during this period. Another important factor for this consistency is that the operational environment relevant to these objectives was relatively stable.

Only in the "Of Key Importance" category is it considered necessary to change the ranking so as to be more appropriate for the 1968-1974 time period. Canadian decision-makers perceived the objectives in this category to undergo significant

long-term shifts in importance as major changes in the operational environment occurred. Thus, for example, the objective of repairing the international economic order and rebuilding world food reserves were more important from 1972 to 1974 than from 1968 to 1972.

With this consideration in mind, the ranking has been changed so as to reflect the prominence given to the objectives by decision-makers during the entire period. Again, this ranking is subjective. The ranking in the category. "Of Key Importance" has become:

OF KEY IMPORTANCE

- (1) Improve Canadian-U.S. relations.
- (2) Repair the international economic order.
- (3) Develop the law of the sea.
- (4) Redesign immigration policy.
- (5) Rebuild world food reserves.
- (6) Strengthen international nuclear safeguards.

In contrast, Von Riekhoff's ranking is: repair the international economic order; develop the law of the sea; rebuild world food reserves; strengthen international nuclear safeguards; strengthen Canadian-U.S. relations; redesign immigration policy.

The second major difficulty is that Von Riekhoff does not separate Canadian foreign policy objectives into national, global and global-national categories.¹⁵ This division is

15. Von Riekhoff prefers to depict national and global interests as being part of the same spectrum rather than being juxtaposed.

necessary, in terms of this thesis, to distinguish objectives which are intended to benefit Canada alone and those which are aimed either at improving the general welfare of the international community or which are a combination of the two. The division can be done with little difficulty by putting each of the objectives in the relevant category, again determined subjectively. Maintaining Von Riekhoff's ranking in the Highly Important and Important categories and the revised ranking in the Of Key Importance category, Canadian foreign policy objectives can be divided into national, global, and global-national objectives as follows:

NATIONAL

Category 1: Of Key Importance

- (1) Improve Canadian-U.S. relations.

Category 2: Highly Important

- (2) Strengthen relations with the European Economic Community and with Japan.
- (3) Improve cooperation with the provinces on foreign policy matters.
- (4) Assure adequate energy and resource supplies; develop arctic resources; protect arctic sovereignty.
- (5) Upgrade material exports.

GLOBAL

Category 1: Of Key Importance

- (1) Rebuild world food reserves.

- (2) Strengthen international nuclear safeguards.

Category 3: Important

- (3) Aid trade relations with the third world.
- (4) Promote security and detente in Europe.
- (5) Enhance U.N. capacity to control conflict and promote peaceful change.
- (6) Promote a Middle Eastern settlement.
- (7) Aid international humanitarian causes.

GLOBAL-NATIONAL

Category 1: Of Key Importance

- (1) Repair international economic order.
- (2) Develop the law of the sea.
- (3) Redesign immigration policy.

Category 3: Highly Important

- (4) Influence the conduct of multinational enterprises.

These sixteen Canadian foreign policy objectives, as they are ranked and divided into national, global, and national-global objectives formed the "ideal state of affairs" frame of reference in which Canadian foreign policy decision-making operated. It is to these foreign policy objectives (and, implicitly, to the foreign policy themes contained in Foreign Policy for Canadians) that Canadian government reactions to Middle Eastern events will be related. The aim is to determine

which objectives, and which type of objectives, if any, are most important in the formulation of Canadian Middle Eastern policy.

SECTION 3: CANADIAN FOREIGN POLICY DECISION-MAKING

The most important member of the Canadian foreign policy decision-making elite was Prime Minister Trudeau himself. In this regard Bruce Thordarson writes:

The fact that definite changes were made in both the articulation and content of Canadian foreign policy, and that none of the other possible sources of policy made such changes inevitable, suggests that it was the influence of Trudeau, more than any other factor, that determined the course of the foreign policy review....In short, the questions raised by the advent of the new administration in 1968 did not remain unanswered for long. Prime Minister Trudeau was soon identified for all to see as a leader with definite ideas and a strong determination to put them in effect.¹⁶

This generalization can also be said to hold from 1972 to 1974.

Minister of External Affairs Mitchell Sharp was the second most important man in Canadian foreign policy decision-making. His views were basically the same as that of Prime Minister Trudeau and for this reason there appeared to be few disagreements between the two men. After the July 8, 1974 election Allan MacEachen became Minister of External Affairs.

16. Thordarson, B., op. cit., p. 48, 97.

But the change of ministers did not entail a shift in Canadian foreign policy.

Other members of the Canadian Cabinet, notably the various Ministers of National Defence and Industry, Trade and Commerce became part of the foreign policy elite whenever the issue at hand involved their departments. But seldom, as far as public records indicate, did the whole Cabinet participate. The major reason for this non-involvement is that most ministers were chiefly concerned with domestic matters and were often ill-informed about foreign policy matters unless foreign policy intruded into their specific sphere of influence.

Several members of the PMO (Prime Minister's Office) also formed part of the decision-making elite. Trudeau did not entirely trust, and was suspicious of, the bureaucracy in the Department of External Affairs.¹⁷ This was exemplified in Trudeau's downplaying of the Department's role in both the foreign policy review and the NATO review. Trudeau's distrust led him to turn to the PMO for advice and the most influential man in the PMO to deal with foreign policy was Ivan Head, Trudeau's legislative assistant. This influence was best exemplified in the Canadian decision to curtail Canadian forces in NATO when Trudeau asked for, and accepted, Ivan Head's report on the proposed number of troop reductions.¹⁸

17. Dobell, P.C., Canada's Search for New Role: Foreign Policy in the Trudeau Era, (Toronto: Oxford University Press, 1972), p. 20.

18. Thomson, B., op. cit., p. 158.

The most important institutional interest group to have inputs into Canadian foreign policy is the Department of External Affairs. It is not, however, the only bureaucracy with foreign policy inputs. The Department of Industry, Trade and Commerce, for example, has a specialized foreign service section and often deals with international economic negotiations in place of the Department of External Affairs. Other departments, notably Finance and Energy, Mines and Resources also deal with specialized economic issues and help formulate foreign policy decisions either independently of, or in conjunction with, External Affairs.

The Canadian political structure also played a role in determining the manner in which Canadian foreign policy decision-making occurred. In this respect, the two essential features of the Canadian political structure were the parliamentary form of government and the federal system. The Canadian Prime Minister, at least in theory, is only the "first among equals" and the Cabinet, not simply the Prime Minister, is collectively responsible to the Parliament. Trudeau, however, was a Prime Minister who exerted strong control over the decisions of the Cabinet. This was evident in his ability to prevent leaks from the Cabinet as often occurred under both Pearson and Diefenbaker. The high degree of control over Cabinet assured Trudeau of greater freedom of movement in formulating many foreign policy decisions than might otherwise have been possible.

The role of Parliament in the foreign policy process had traditionally been limited, and became even more so under Trudeau. Few major foreign policy decisions were made by Parliament and the Parliamentary role evolved into that of being a rubber stamp for foreign policy decisions already taken. The House of Commons was simply an arena in which foreign policy decisions were discussed and questioned. On this score, Mitchell Sharp is credited with saying that one of his main achievements during his tenure as Minister of External Affairs was that only one general debate on foreign affairs occurred in the House.¹⁹

The Canadian federal system further affects the formulation of Canadian foreign policy. The Canadian federal system allows the provincial governments complete jurisdiction over certain fields, such as education, and partial jurisdiction over others, such as resources. Some provinces even carry out negotiations and sign agreements with foreign countries on their own. Many provinces, for example, especially Québec and Ontario, send their own representatives abroad to promote provincial interests. In formulating foreign policy decisions, the federal government must ensure that such decisions do not fall within provincial jurisdiction, lest a constitutional battle over provincial and federal rights might ensue.

19. Seminar in the School of International Affairs, 1974.

Two interest groups with foreign policy inputs are business organizations and ethnic groupings. Canadian business corporations like Massey-Ferguson and Northern Electric which have American and other subsidiaries are important. But even more decisive in Canadian foreign policy are Canadian subsidiaries of American-based multinationals such as EXXON and IPM which often press the interests of their parent companies.

The heterogeneous nature of Canadian demography also gives some ethnic groupings, for example, the German, Italian, and East European communities, some input into foreign policy. This is especially so when issues relate to their native countries. Nevertheless, the only, albeit often decisive, major ethnic grouping to affect foreign policy is the Quebec French.

SECTION 4: CANADIAN FOREIGN POLICY IN PRACTICE

The decision-makers', especially Trudeau's, perception of Canada's external and internal environments played a vital role in determining Canadian foreign policy after 1968. As Michael Brecher et al wrote, the manner in which decision-makers perceive reality is the decisive determining element in the actions of decision-makers.²⁰

20. Brecher, M., Steinberg, B., Stein, J., "A framework for research on foreign policy behaviour", Journal of Conflict Resolution, Vol. 13, 1969, p. 86.

The greatest external influence on Canadian foreign policy was the existence of the United States as Canada's neighbor. American-Canadian relations under Trudeau revealed a major discrepancy between Canadian foreign policy principles and objectives on the one hand and Canadian foreign policy practice on the other. Foreign Policy for Canadians stated that one of the inescapable realities for Canada was to live "distinct from but in harmony with" the United States and one of Canada's key foreign policy objectives was to improve Canadian-American relations. Trudeau himself viewed the United States as Canada's best friend and ally.²¹ Yet relations between Canada and the United States grew progressively less cordial during the years from 1968 to 1974. It appears as if the Canadian government was determined to stress Canada's "distinctiveness from" more than "living in harmony with" the United States. Thus, Canadian foreign policy exhibited a conscious attempt to pursue a foreign policy which would accentuate Canada's independence from the United States. An example of this attempt was the continuation of friendly Canadian-Cuban relations in a time when the United States maintained her boycott of Cuba. The Canadian pursuit of a distinct foreign policy from the United States was one of the factors in the more frequent disagreements between Canada and the United States.

The Canadian government's attempt to live "distinct from"

21. Thordarson, B., op. cit., p. 69.

the United States was also exemplified in the formulation of the "third option" by Mitchell Sharp in 1972. This was specifically designed as a rationale to lessen Canada's economic dependence on the United States. Nevertheless, the idea contained in the "third option" of diversifying Canadian relations in order to lessen Canada's dependence on the United States soon extended to the political, cultural, and social spheres. By the end of 1974, the "third option" stood as the symbol of Canada's attempt to assert her independence from the United States.

Another important reason for declining relations between the two countries was the Canadian disenchantment with American global foreign policy, notably the war in Vietnam, but this issue was defused with the American withdrawal from Vietnam. A much more significant cause for deteriorating Canadian-American relations was Canadian fear of American domination. Bruce Thordarson writes that cultural as well as economic nationalism, chiefly directed at the United States, was growing in Canada. Groups advocating greater government intervention to halt the "Americanization" of Canada developed. Canadian anti-Americanism was further accelerated with the development of the energy crisis from 1972 to 1974 as Canadians increasingly feared American takeover of Canadian natural resources. Despite this apparent growth in anti-Americanism, the Canadian government could not overlook the adverse effect (politically, economically and militarily) that would occur

if a foreign policy which was completely contrary to vital American interests was adopted.

Thus, the Canadian government's stated intention to seek a strengthening of Canadian-American relations did not materialize. Nevertheless, the deterioration in Canadian-American relations should not be overestimated. Much of this decline was due not to government policies of either country, but to criticisms voiced by non-governmental officials. It was the statements of officials of northern American states, for example, which intensified Canadian anti-Americanism during the 1973-74 energy crisis. Relations between the Canadian and American federal governments appear to have been more cordial than outward appearances indicated. Trudeau himself was a major factor in keeping friction between the two countries to a relatively low level and Canadian-American relations may have become much worse except for his moderating influence.

Canada's membership in NATO (North Atlantic Treaty Organization) also influenced Canadian foreign policy. Pressure by Canada's European allies could be exerted (as occurred, for example, during the NATO review process in 1969) to force greater Canadian participation in European defence than Canada wants to give.

Another major feature of Canada's external environment from April, 1968 to December, 1974 was the general movement towards detente between the two superpowers: the United

States and the Soviet Union. Detente also developed between the United States and China and, although there was little evidence of detente between the Soviet Union and China, there was little open conflict between the two. Detente further extended to Europe where the general easing of tensions was evident in the convening of the MBFR (Mutual and Balanced Force Reduction) talks, the CSCE (Conference on Security and Cooperation in Europe), and West Germany's policy of Ostpolitik with the East European countries. This general movement towards detente created a situation in which differences between the major powers could be worked out in an atmosphere of negotiation rather than confrontation.

Canada's role in the movement towards detente was minimal. She was in accord with, and supported, detente. This reflected Trudeau's view that it is doubtful whether the Soviet Union holds any aggressive intentions towards the West.²² But, being neither a superpower nor even a major power militarily, Canada played only a minor role. The Canadian recognition of Communist China in 1970, which possibly helped overcome the Western countries' reluctance to recognize China, was the only area of detente in which Canada played a significant part. But this incident may have been due more to a personal desire by Trudeau to recognize China rather than an overt move designed to advance

22. Thordarson, B., op. cit., p. 69.

detente. Trudeau had for years argued that Canada should recognize China and, as Prime Minister he could now attain this aim.

Another important development which occurred in the global system was a redistribution of the world's wealth from the Western developed nations to the oil-rich OPEC nations. This process had begun in 1970 when Libya became the first OPEC nation to negotiate a rise in revenue from oil production. But the peak was reached in the last few months of 1973 when oil prices rose by 400 percent. This dramatically altered the balance of payments situation between the industrialized nations and OPEC in favour of the latter. This, in turn, led to a restructuring of the world's monetary system to reflect the changed economic realities.

The redistribution of the world's wealth saw Canada in a peculiar situation. She was both an oil-importing and oil-exporting nation and actually exported more than she imported. Because of this, Canada was not as dramatically affected by the balance of payments problems as other Western industrialized nations. Nevertheless Canada, as a major industrialized trading nation, was apprehensive over the shift in economic power and supported the lead of the United States in attempts to stabilize the world economic situation.

Several features of Canada's internal environment also helped determine Canadian foreign policy after 1968. One was the low level of Canada's military capability. This

was due neither to a low level of technology nor to a lack of sophisticated weaponry as Canada was both technologically advanced and able to obtain sophisticated weaponry from NATO and NORAD. The crucial military indices in which Canada was very low were her geographical location, military manpower, and financial resources allocated for defence. Geographically, Canada's position vis-a-vis the United States made her military capability insignificant, as was her position in military manpower. Such is also the case for defence expenditures. The 1971 White Paper on Defence noted that even with an increase in defence expenditures, the Defence Department's budget remained within 1% of the (then) present ceiling. Also, during the fiscal year 1972/73, the reduction of military manpower was to reach a level fixed at 83,000.²³ This low level of Canadian military capability suggests that Canada's military strength could not be used to achieve Canadian foreign policy objectives.

Canada's economic capability was much higher than her military capability. In terms of Gross National Product, per capita income, and levels of exports Canada is one of the world's strongest economic powers. She is, in fact, the world's fourth largest exporter after the EEC, the United States, and Japan. Some (Canadian) analysts use this high economic capability to argue that Canada is a major world

23. Canada, Department of National Defence, Defence in the 70's, op. cit., p. 41.

power. But Canada's high economic capability is qualified by one essential factor. This is Canada's heavy dependence on capital and trade with her much more powerful neighbor, the United States. This factor restricted Canada's room for independent economic manoeuvre and may have decreased the clout which Canada's high economic capability would otherwise have had in world economic affairs.

As mentioned previously, it was the Canadian decision-makers' perceptions of the external and internal environments which were the decisive elements in the formulation of Canadian foreign policy decisions. As such, it was the conviction of Canadian decision-makers, especially Trudeau, that important changes in the operational environment made a foreign policy review imperative which set off the review. This review lasted over two years and was meant to encompass a complete reappraisal of existing Canadian foreign policy. In the end, it was Trudeau who was the greatest single influence on the outcome of the review.²⁴

The results of the foreign policy review were published on June 25, 1970 under the title Foreign Policy for Canadians. The booklets, however, stated very little that was new. Thordarson points out that both the basis of the conceptual theme and the policies contained in the five sector papers had already been announced in Trudeau's May, 1968 speech.

24. Thordarson, B., op. cit., p. 213.

The House of Commons Committee on External Affairs and National Defence observed that the policies were decisions taken either before or during the review process and were not a result of the review.²⁵ Thus, the publication of Foreign Policy for Canadians turned out to be an anti-climax for those people who had expected a major foreign policy shift by the Trudeau government.

Foreign Policy for Canadians also contained several important decisions on specific foreign policy issues. One such decision related to international development. The document stated that Canada was to expand and progressively increase aid to underdeveloped nations and expressed the view that Development is a long-term commitment that requires steadily increasing resources. Accordingly, the Canadian government would attempt to increase the percentage of national income allocated to development assistance each year. In the fiscal year 1971-72 development assistance allocation was to increase by \$60 million from \$364 million in 1970-71.²⁶

The most important specific decision in Foreign Policy for Canadians was that on the question of Canada's role in the world. This question had been one of the major reasons for the foreign policy review because many Canadians argued

25. Ibid., p. 168-69.

26. Canada, Department of External Affairs, Foreign Policy for Canadians, (International Development), p. 14.

that Canada's world role as the "helpful fixer" was outdated. In fact, it was Trudeau himself who had originally called Canada's world role into question during the May 29, 1968 speech. Foreign Policy for Canadians stated that previous Canadian foreign policy had over-stressed role and influence. But, this foreign policy no longer corresponded with international realities. Thus, Canada could no longer play the role of helpful fixer. This was the view of the Canadian government.²⁷

The Trudeau government also made a number of key foreign policy decisions outside the framework of the foreign policy review. The decision on NATO was the most important. Prime Minister Trudeau himself led the attack against continued Canadian support of NATO and this issue became the centre of attention in 1968 and 1969. The decision on NATO was finally made on April 3, 1969. It was hard fought and the final decision reflected the major differences of opinion. But it was Trudeau who, although he made a few concessions, won out. The NATO decision called for the reduction of Canadian forces in Europe. Further, the government made it clear that the decision to reduce Canada's forces was not negotiable; only the size of the reduction would be a matter for discussion.²⁸ Thus, for example, it was decided to cut

27. Canada, Department of External Affairs, Foreign Policy for Canadians, op. cit., p. 8.

28. Thordarson, B., op. cit., p. 141.

the force only by half instead of more. The implementation of the NATO decision was later outlined in the 1971 Department of Defence publication, Defence in the 70's.

Closely related to the NATO issue was the question of Canadian participation in the North American security system NORAD (North American Air Defence). But NORAD was not of as much concern as NATO because the NORAD agreement had been signed in March, 1968 and the question of renewal did not come up until 1973. On the latter date NORAD was again renewed but this time only for two years. There was little opposition to this renewal but the government had decided that the extension of NORAD for only two years was an appropriate compromise solution.

Another major Canadian foreign policy decision was the conscious attempt to diversify Canada's economic relations by lessening her dependence on the United States and rapidly increasing trade relations with other nations, notably Japan and the EEC countries. This had been part of Foreign Policy for Canadians but it was not until the publication of Sharp's article on Canadian-U.S. relations in International Perspectives (Autumn 1972) that Canada's policy became clear. Sharp noted that Canada had three options with regard to the United States:

- (a) that we seek to maintain more or less our present relationship with the United States with a minimum of policy adjustments;

- (b) we can move deliberately toward closer integration with the United States;
- (c) we can pursue a comprehensive, long-term strategy to develop and strengthen the Canadian economy and other aspects of our national life and in the process to reduce the present Canadian vulnerability.²⁹

The third option, predictably, was chosen and Canada intensified the search for alternate markets.

Three other important Canadian foreign policy decisions included the recognition of Communist China, the establishment of closer bilateral relations with the Soviet Union, and the rapid expansion of Canadian ties with francophone nations around the world. The first two reflected the government's desire to expand relations with the Communist world. The third decision was an attempt to pre-empt Quebec's moves in the international field and the success was such that Peter Dobell could write that Canadians headed the main cooperative structures in both the Agence de Cooperation culturelle et technique and the Commonwealth.³⁰

This analysis shows that despite the extensive publicity, including the elaboration of a well thought out conceptual scheme, with which Trudeau undertook the foreign policy review, he did not reorient Canadian foreign policy to any great degree. Both NATO and NORAD remained the bulwark of Canadian

29. Sharp, M., "Canada-U.S. relations: options for the future", International Perspectives, (Autumn 1972, Special Issue), p. 13.

30. Dobell, P.C., op. cit., p. 45.

defence policy, although the former was downgraded. Canada recognized Communist China and established closer bilateral relations with the Soviet Union. But these decisions, in an era of detente, were not inconsistent with the realities of world politics. The decision to recognize Communist China, for example, had its roots under L.B. Pearson's Prime Ministership.

In development, the government stated its intent to increase its developmental aid to third world countries. The increase, however, has not been as dramatic as many observers had anticipated. Canada greatly expanded relations with the francophone world but this, like the recognition of Communist China, had its roots under L.B. Pearson. Only in the question of Canada's world role did Trudeau's review display any distinct novelty. The decision that Canada was no longer to play the role of the "helpful fixer" was a clear break with Pearsonian foreign policy.

The Trudeau government did not attain its stated goal of strengthening Canadian-American relations. This was due to a variety of reasons including the Canadian attempt to live "distinct from" the United States; the growing American influence in all facets of Canadian society which caused a Canadian backlash; and the general global energy situation which evoked a Canadian attempt to protect her natural resources against American intrusion. The Trudeau government actively sought to lessen American economic influence in

Canada by means of Mitchell Sharp's "third option" but to date there has been no noticeable shift in the pattern of Canadian foreign trade. Nevertheless, the "third option" was a clear indication that Canada was attempting to decrease her dependence on the United States. By the end of 1974, American-Canadian relations were somewhat less cordial than they had been in April, 1968.

This brief analysis of Canadian foreign policy under Trudeau raises some of the key secondary questions to be asked in the following analysis on Canada and the Middle East. Such questions include: What was the impact of Canada's internal and external environments on Canadian Middle Eastern policy?; Was Prime Minister Trudeau, Minister of External Affairs Mitchell Sharp, or some other Minister, most prominent in Canadian Middle Eastern policy?; What was the impact of the Canadian foreign policy review (and other foreign policy decisions) on Canadian Middle Eastern policy?

CHAPTER IV: CANADA AND SUPERPOWER RIVALRY IN THE MIDDLE EASTSECTION 1: SUPERPOWER RIVALRY IN THE MIDDLE EAST

Between April, 1968 and December, 1974 the two pre-eminent external powers in the Middle East region were the Soviet Union and the United States. The most important characteristic of this superpower presence was the rivalry to gain political influence. The rivalry is all the more significant when it is realized that these same years, in global terms, were generally characterized by a period of detente. The Middle East was second only to Vietnam as a region in which this detente was replaced by an all-out superpower rivalry.

Soviet policies in the Middle East are based on two elements: Soviet national interests and Communist ideological concepts. Of these two, the former played a greater part.

Between April, 1968 and December, 1974 the Soviet Union pursued a number of objectives in the Middle East. One was the securing of bases and naval facilities. The Middle East region's importance to the Soviet Union's maritime strategy was best illustrated by her desire to reopen the Suez Canal. Since the Middle East embraces the shortest way between Europe and Asia, the reopening would shorten the route from Black Sea ports to India and North Vietnam as well as

facilitate Soviet access to the Persian Gulf and the Indian Ocean.

The Middle East was especially crucial in the Soviet Union's most important maritime objective - an increased presence in the Mediterranean Sea to counter the American Sixth Fleet. Another Soviet objective was to undermine the position of the Western allies in the Middle East. Besides being an important strategic centre for Western defence, the Middle East also supplied the bulk of Western Europe's military oil needs.

Oil was yet another Soviet objective. Though it is possible, if it is assumed that the Soviet Union is relatively self sufficient in oil, that considerations of national security do not enter Soviet interests in Middle Eastern oil, several other reasons can help account for this Soviet interest. These include: the cheapness of Middle Eastern oil; the political desire to draw the Arab states away from Western Europe; the Soviet desire to control the flow of oil to Western Europe¹, and the protection of existing Soviet investments.

American interests in the Middle East did not emerge until after World War I. The first American interest, as the Congressional Record notes, was oil.² A second major

1. McLane, C.B., Soviet-Middle East Relations, (London: Central Asian Research Centre, 1973), p. 10.

2. Congressional Quarterly, The Middle East, (Washington: Congressional Quarterly, 1974), p. 10.

American interest emerged after World War II - strategic.

William Polk writes that

it was because of its determination to 'contain' the Soviet Union, then, that America first undertook direct and large-scale responsibility for events in the Middle East....A touchstone of American policy has remained its desire to keep the Soviet Union out of the Middle East.³

The promotion of a peaceful solution to the Arab-Israeli conflict, with Israel's right to exist as the keystone, became a third American objective. But this objective was not as crucial as the other two since the conflict challenged no vital American interest.

Throughout the 1960's American policy continued to emphasize these three objectives and by 1968 they had become paramount considerations to the United States. American Middle Eastern oil imports became increasingly important as domestic oil production declined. By 1974, American dependence on Middle Eastern oil was crucial. The even higher dependence of Western Europe and Japan on Middle Eastern oil was also significant since any adverse Middle Eastern oil development would have a negative effect on the Western alliance.

American strategic interest was made crucial by 1968 with the successful Soviet penetration into such key countries as Egypt, Syria, and Iraq. American policy after 1968 was no longer meant to exclude Soviet influence, which had become

3. Polk, W., The United States and the Arab World, (Cambridge: Howard University Press, 1975), p. 366.

impossible; it was now designed to maintain Western primacy. The American objective of achieving a settlement of the Arab-Israeli conflict also came to the fore after 1968. Its importance was a result of the fact that a solution to the conflict had become a key to the achievement of the other two goals.

These two sets of incompatible objectives explain much of the superpower rivalry after 1968. The Soviet Union was determined to dislodge Western primacy in the Middle East while the United States was determined to maintain it. One objective common to both superpowers, however, did work to diminish the intensity of the rivalry somewhat. This objective entailed the determination to avoid a direct, possibly nuclear, confrontation as neither side considered the Middle East important enough to provoke such a confrontation.

The major arena of superpower conflict was the relationship between the Arab states and Israel. The results of the June 1967 war had given the Soviet Union a seemingly excellent opportunity to wrest American influence from the Arab states when, as a consequence of American support for Israel, all Arab states except Jordan severed diplomatic relations with the United States.

But the American decline and Soviet rise in the Arab Middle East was more apparent than real for two main reasons. Firstly, the United States was the only superpower which could influence Israel to make concessions to the Arab states.

The Soviet Union had no influence of any kind on Israel and the Arab states soon realized that no favourable political solution could be attained by complete reliance on the Soviet Union. The second reason was that the Arab states were to grow progressively fearful of Soviet political penetration into their own societies. As the Soviet Union gained in influence, the Arab states were forced to turn to the United States as a counterbalance to Soviet penetration. Thus, Soviet success, by causing negative reactions in the Arab states, contained within it the seeds of its own decline.

However, the false nature of the American decline and Soviet rise was not immediately visible after the June 1967 war and the Soviet Union was quick to exploit the American decline by giving complete diplomatic support to the Arab states. The resultant rise in Soviet influence was especially rapid in Egypt, Syria, Iraq and the Sudan.

In 1968, the United States began its own diplomatic offensive when William Scranton was sent to the Middle East and declared that a more "even-handed" policy was needed. In April, 1969, the United States agreed to the two-power talks with the Soviet Union (later becoming the Four-power talks with the inclusion of Britain and France). This American decision was made despite strong Israeli protests that such talks endangered the achievement of peace.

But American involvement was still very limited. Henry Kissinger, for example, was skeptical that the United States

could help resolve the conflict and his role continued to be minimal right up to the October, 1973 war.

The "Rogers Plan" was the next major American attempt to bring about a diplomatic breakthrough. It was publicly announced on December 9, 1969 and clearly demonstrated an American shift towards the Arabs. The plan came close to adopting the Arab interpretation of Resolution #242 by which Israel was to withdraw from all territories occupied during the 1967 war.⁴ However, Israel, the Arabs and the Soviet Union all rejected this American initiative.

This failure coincided with the stationing of Soviet troops in Egypt and the intensification of the war of attrition between Egypt and Israel. On June 19, 1970 the United States undertook another diplomatic initiative which eventually resulted in the ceasefire of August 7-8, 1970. But this diplomatic initiative was different from the Rogers plan in that it was not aimed at gaining Arab favour. The introduction of Soviet troops into Egypt had convinced the United States that Israel was a stabilizing factor since she alone prevented further Soviet penetration into the Middle East.⁵

In mid-1971 the United States made a major diplomatic attempt at achieving an "interim settlement" between Israel

4. Slonim, S., "U.S.-Israel relations, 1967-1973: a study in the convergence and divergence of interests", Jerusalem Papers on Peace Problems, #8, July, 1974, p. 29

5. Ibid., p. 30.

and Egypt. Egypt was to reopen the Suez Canal in return for a partial Israeli withdrawal from the Sinai. The failure of this peace proposal virtually ended American diplomatic attempts at solving the Arab-Israeli conflict right up to the October, 1973 Yom Kippur war.

At the same time the Soviet Union's diplomatic and political successes proved to be very brittle. The first country to demonstrate the Soviet Union's precarious position was the Sudan when, after the abortive Communist-inspired coup of July, 1971, Sudanese-Soviet diplomatic relations became strained. But the greatest setback to the Soviet Union was the break with her key Middle East ally, Egypt. Though giving Egypt political and diplomatic support the Soviet Union was unwilling to support Egypt's demand for a full-scale war against Israel. Accordingly, Egyptian President Sadat abruptly ousted his Russian advisors in July, 1972.

These Soviet setbacks showed that the Soviet position in the Middle East was not entirely stable. But the United States did not yet achieve full advantage from the Soviet setbacks. Though Sadat's expulsion of the Soviets was clearly meant as a signal that Egypt would welcome an American diplomatic initiative, the Americans failed to respond. This American inaction was a major reason for the quick, though partial, Soviet-Egyptian rapprochement. But the rapprochement contained one very dangerous element.

The Soviets had given in to Egypt's demands with the result that Moscow was now ready to give full public support to Arab maximum demands.⁶

The Yom Kippur war had a profound effect on Soviet-American rivalry in the Middle East. At first it appeared as if the Soviet Union would re-emerge as the pre-eminent force in the Arab world. However, the Americans, evidently disturbed by the dangers to their Middle Eastern objectives created by the war, quickly took the diplomatic initiative. William Quandt notes that it was the Yom Kippur war which convinced Henry Kissinger of the need for agreement between the combatants.⁷

This American diplomatic offensive showed the fallacy of the argument after June, 1967 that the American position had been irrevocably diminished. Led by Kissinger, the Americans sought to achieve disengagement treaties between Israel and her Arab neighbors. The obvious shift toward a more pro-Arab stance impressed Arab leaders, especially Sadat. They realized that, if the American shift was genuine, Israel would be forced to make concessions. Further, Egypt seized the opportunity to use American influence to counterbalance her dependence on the Soviet Union.

6. Kohler, F.D., The Soviet Union and the October 1973 Middle East War, (Miami: Centre for Advanced International Studies, 1974), p. 54.

7. Quandt, W.B., "Kissinger and the disengagement agreements", Journal of International Affairs, Vol. 29, #1, Spring, 1975, p. 36

The American diplomatic offensive led to a disengagement treaty not only between Israel and Egypt but also between Israel and Syria. These two treaties underscored the rise in American influence and by mid-1974, it was clear that the American diplomatic offensive had paid dividends. Though the Soviet Union remained paramount in such radical states as Iraq and Syria, its position in these countries was undermined. In Egypt it was greatly diminished. Further, Kissinger's "step by step" diplomacy continued to be in the fore throughout 1974 and the Soviet-favoured Geneva peace conference was indefinitely postponed. By December 1974 American diplomatic and political influence was paramount in the Arab world and Israel.

The Soviet-American diplomatic and political rivalry was accompanied by an intensive economic rivalry. By 1970 Middle Eastern countries were receiving 40% of the Soviet economic aid to developing countries.⁸ Egypt was by far the most important target of Soviet economic penetration. This Soviet aid was so massive that Egypt became a virtual client-state of the Soviet Union and even the expulsion of Soviet advisors in July 1972 could not totally destroy the Soviet hold on the Egyptian economy. Syria and Iraq were two other Arab states which received massive amounts of

8. Klieman, A., Soviet Russia and the Middle East, (Baltimore: Johns Hopkins Press, 1970), p. 69.

Soviet economic aids and credits. Elsewhere in the Arab Middle East, however, Soviet economic penetration was limited.

American economic aid to the Arab states and Israel was also very high. Israel received the highest American economic aid after 1968. American aid to Arab states which received a large amount of Soviet aid was minimal. But it is interesting that in the same year that the Soviets were expelled from Egypt, American aid to Egypt rose from \$0 to \$209.2 million.⁹ This indicates that the United States is more than willing to give at least a limited amount of aid to Arab nations in hopes of decreasing Soviet influence in the Middle East. The same situation occurred in the Sudan. Here, the year after the abortive Communist coup (1971) American economic aid rose rapidly.

Several American agreements in mid-1974 indicated a possible shift in American economic policy. One was the June 9, 1974 American-Saudi Arabian agreement which provided for more American support in the industrialization of Saudi Arabia. This reflected the growing importance of oil-rich Saudi Arabia to American policy.

Even more significant was the declaration of friendship and cooperation made between the United States and Egypt on

9. Congressional Quarterly, op. cit., p. 10.

June 14, 1974. Negotiations for an agreement on cooperation in nuclear energy under which Egypt would receive nuclear reactors was also announced and a provisional agreement for the supply of uranium was signed on June 26. The same basic agreement was also signed between the United States and Israel but the agreement with Egypt was by far the most important. It indicated that the United States was making a clear attempt to oust Soviet influence in Egypt by economic means.

The most intense and de-stabilizing element of superpower rivalry in the Arab states and Israel was the arms race. By 1968 the United States and the Soviet Union were the chief arms suppliers to the Middle East combatants. The Soviet-American arms race in the Arab-Israeli conflict had intensified almost immediately after the June, 1967 war. In an effort to prevent further Arab losses and repair her tarnished image in the Arab world, the Soviet Union initiated a huge military resupply program. By mid-1968 almost all Egyptian and Syrian losses during the June war had been replaced. With the initiation of artillery barrages between Egypt and Israel in 1968 a new Soviet-Egyptian military assistance agreement was concluded in August, 1968. In turn, the United States signed an agreement with Israel for 50 phantoms and 25 skyhawks in November, 1968.

But the major catalyst for the intensification of the arms race was the war of attrition launched by Nasser on March 6, 1969. Heavy Egyptian losses forced Egyptian

President Nasser to ask the Soviet Union to establish a comprehensive air defence system. By early 1970, the Soviet Union began massive new shipments of the most sophisticated and modern defensive weapons into Egypt. The intensification of the arms race by the Soviet Union was accompanied by the stationing of Soviet troops in Egypt and by early 1970 about 20,000 Soviet troops were in Egypt. This direct Soviet military penetration into Egypt led the United States to ensure Israeli superiority by replacing all Israeli losses.

The August, 1970 ceasefire did not stem the arms race. Not only did the Soviet Union and Egypt violate the ceasefire by continuing to construct SAM missile sites, but Soviet arms deliveries also continued. In response, the United States announced an agreement in October by which Israel was to receive \$500 million in military equipment. A further American-Israeli arms deal was concluded in December, 1971.

In early 1971, the Soviet Union further improved the Egyptian air defense system and by May, 1971 Egypt had a comprehensive air defense system. The Soviet Union now faced a dilemma as Egypt demanded offensive weapons with which to launch a military attack against Israel. These, the Soviet Union was reluctant to supply.

At first it appeared as if the Soviet expulsion from Egypt would de-escalate the arms race, but this was not to

be the case. Though Soviet-Egyptian relations were strained Soviet arms deliveries to Egypt continued. In early 1973 the Soviet Union escalated the arms race by the delivery of offensive weapons to Egypt. The Soviet Union had apparently "concurred with Cairo that any political settlement must be the product of the battlefield"¹⁰ Soviet arms aid now included advanced weapons not previously supplied to any nation outside of the WARSAW pact.¹¹ In June 1973 the United States agreed to sell 36 Skyhawk fighter bombers to Israel in an attempt to counterbalance Soviet arms deliveries.

The Soviet-American arms race centered on Egypt and Israel. But the Soviet Union also sent large arms deliveries to Syria and Iraq. These deliveries, in turn, played a part in determining the amount of military aid sent to Israel by the United States.

The Yom Kippur war witnessed a further intensification of the superpower arms race as massive shipments of both American and Soviet arms to their respective Middle Eastern allies continued throughout the war. But superpower arms rivalry was brought to a climatic point on October 24 when, after the breakdown of the October 22 ceasefire, Sadat invited both superpowers to send peacekeeping forces. The Soviet

10. Whetten, L.L., The Canal War: Four Power Conflict in the Middle East, (Cambridge, Mass.: The MIT Press, 1974), p. 233.

11. Kohler, F.D., op. cit., p. 39.

Union accepted and, in a note to Nixon, Brezhnev is reported to have said that the Soviet Union would intervene unilaterally if necessary.¹²

The United States responded to this threat, which was backed by Soviet troop movements, by placing its armed forces on alert on October 25, 1973. The United States and the Soviet Union were as close to nuclear confrontation as they had been since the Cuban missile crisis and it was several weeks before the crisis completely died down.

The Soviet-American arms rivalry underwent a rapid de-escalation after the Yom Kippur war. American arms supplies to Israel continued unabated in a clear attempt to secure Israeli approval for the disengagement treaties. But a very significant change occurred in the shipment of Soviet arms to Egypt. As the Egyptian-American rapprochement developed, the Soviets were reluctant to resupply Egyptian arms. This Soviet reluctance culminated in Sadat's announcement of April 18, 1974 that Egypt would seek arms from sources other than the Soviet Union. Though major Soviet-Iraqi and Soviet-Syrian arms deals were concluded, the reduced shipment of Soviet arms to Egypt has de-escalated superpower rivalry.

Though superpower rivalry was centred on the Arab states

12. Ibid., p. 64-65.

and Israel, it was also significant in the two Northern Tier states of Turkey and Iran and in the Persian Gulf.

The two Northern Tier states continued to be of the most direct concern to the Soviet Union. Both states have borders with the Soviet Union and the latter had long dreamed of controlling them. Both countries, however, were allied with the United States. After 1968 the Soviet Union continued its policy of wooing Turkey and Iran away from the United States by diplomatic rather than direct subversive and military means. As a result, relations between the Soviet Union and the Northern Tier became much closer. The Soviet diplomatic offensive has blunted, though not eliminated, both Turkey and Iran's traditional fear of their northern neighbor.

The United States was thus unable to contain the Soviet diplomatic offensive in the Northern Tier. However, the American position was not seriously undermined. No matter how close ties developed with the Soviet Union, neither Turkey nor Iran could ignore the potentiality of Soviet military presence. Even when Turkish-American relations, for example, reached a low point over Cyprus, Turkey was careful to leave the door open for reconciliation.

The Persian Gulf has also become increasingly important to both the United States and the Soviet Union after 1968. The Soviet Union was in a dilemma concerning her diplomatic and political manoeuvring with the Persian Gulf countries. She

was willing to support Iran's claim that the latter replace Britain as the pre-eminent power in the Gulf after Britain withdrew in 1971. But the Soviet Union had to reconcile this support with the fact that all the Persian Gulf Arab states including her chief Arab ally, Iraq, was in direct conflict with Iran over hegemony in the Persian Gulf. Thus, the Soviet Union had to tread very carefully in the Persian Gulf.

The Soviet Union was successful in the Gulf to the extent that she has not been seriously condemned by either Iraq or Iran for her policies. But the existence of the Arab-Iranian conflict over the Persian Gulf and the Soviet attempt to support both sides has decreased her ability to oust American influence.

The United States operated under much the same handicaps as the Soviet Union. Iran was seen as the chief stabilizing force and most important Western ally in the Persian Gulf after the British withdrawal. Thus, the United States was more than willing to support Iran's claims in the Persian Gulf. But the other major American Persian Gulf ally, Saudi Arabia, as well as all the other Arab states, was opposed to Iran's claims. Like the Soviet Union, the United States was forced to choose a middle course between Arab and Iranian claims.

Despite these similar dilemmas for both superpowers, the United States remained the dominant superpower in the Persian

Gulf. With the sole exception of Iraq, the Soviet Union was unable to undermine Western influence in the Persian Gulf.

But the most de-stabilizing aspect of superpower rivalry in the Persian Gulf was the arms race. The Persian Gulf experienced an arms race almost as intense as that in the Arab-Israeli conflict. This rivalry centres on Iran's attempt to establish hegemonial power in the Persian Gulf and expand into the Indian Ocean. The Persian Gulf states are determined to prevent this from occurring.

The American concurrence with the Iranian attempt to become the dominant power in the Persian Gulf was reflected in the fact that the United States was, by far, the largest arms supplier to Iran. But American arms agreements with Iran have placed the United States in a difficult position. These agreements greatly angered the pro-Western oil-rich Arab Gulf states, notably Saudi Arabia and Kuwait. In an attempt to preclude any possible Soviet advance, the United States, and other Western nations, have concluded major new arms agreements with them as well.

Iraq has been the only Persian Gulf state to receive major arms supplies from the Soviet Union. By 1971 the Iraqi armed forces were largely dependent on Soviet weapons and in mid-1972 Soviet arms shipments were intensified. In 1973, a \$1 billion Soviet-Iraqi arms agreement was signed.

The main significance of the Soviet arms shipments to Iraq derives from the fact that Iraq and Iran, despite the

recent rapprochement, remain rivals. A future Iraqi-Iranian clash, especially if it evolved into an Arab-Iranian test of strength over control of the Persian Gulf, could conceivably involve the two superpowers in a confrontation as serious as that occurring on October 25, 1973 in the Arab-Israeli conflict.

SECTION 2: CANADIAN REACTIONS TO SUPERPOWER RIVALRY IN THE MIDDLE EAST

Canada was not directly involved in the Middle Eastern superpower rivalry, but the rivalry did have serious consequences for some of the Canadian foreign policy objectives. Since Canada was not directly involved, there were relatively few Canadian reactions to this Middle Eastern issue. However, Canadian reactions do indicate that Canadian foreign policy was centred almost exclusively on superpower conflict in the Arab-Israeli conflict.

Both before and after 1968 Canada was basically in accord with American objectives in the Middle East. As J.H. Sigler writes, Canadian orientations on the Middle East are very similar to those of the United States.¹³ This accord was especially evident in the Canadian military which, in strategic matters concerning NATO and NORAD, were much more pro-American

13. Sigler, J.H., The Impact of the Arab-Israeli Conflict on North America, unpublished paper, 1974, p. 1.

than civilian leaders. This led to the Canadian military's concurrence with the Americans that the Middle East, and especially the Northern Tier states of Turkey and Iran, were vital to the defence of Western Europe.¹⁴ This concurrence was basically a function of the close economic, military, and other ties which Canada has with the United States.

But Canadian decision-makers had never considered the Middle East to be as vital to either national or Western interests as the United States did. Canada's basic concern with the intervention of major powers in the Middle East up to 1967 was to prevent discord between her allies - the United States, Britain and France - who often had opposing views on the Arab-Israeli conflict. Accordingly, the significance of Soviet penetration into the Middle East was either grossly underestimated or significantly downplayed by Canadian leaders. There is little evidence that Canadian leaders saw Soviet penetration as detrimental to Canadian interests. This was equally true of the period after 1968 during which Canadian leaders, as evidenced by Trudeau's rapprochement with the Soviet Union, appeared to be more confident of Soviet peaceful intentions towards detente than were either their predecessors or their American counterparts. The only mention of superpower Middle Eastern rivalry in Foreign

14. Interview with an official of the Department of Defence.

Policy for Canadians was the warning that the Middle East situation "shows no promise of early solution, and could even deteriorate"¹⁵, thereby, by implication, involving the superpowers.

The Canadian rapprochement with the Soviet Union (a result of the general process of detente) and the lack of very many Canadian reactions to superpower rivalry up to the Yom Kippur war appear to indicate that Canadian leaders did not consider American primacy or superiority in the Middle East to be absolutely necessary. They were more concerned with the overall stabilization of superpower relations in the Middle East to avoid any chance of a nuclear holocaust. Any superpower military confrontation in the Middle East could spill over into North America and destroy Canada. The Trudeau government appeared to see stability in the Middle East with more Soviet influence to be preferable to a situation of unstable American superiority since the former situation seemed to better guarantee the avoidance of nuclear war and thus increase Canadian security.¹⁶ This may have been a major reason for continued Canadian support for United Nations peace

15. Canada, Department of External Affairs, Foreign Policy for Canadians, op. cit., p. 22.

16. Discussed during an interview with an official of the Department of Defence.

attempts in the Middle East rather than all-out Canadian support for American peace efforts.

Canada generally supported superpower diplomatic efforts to end the Arab-Israeli conflict as a means of achieving a settlement of the Middle East situation. But Canada saw these diplomatic efforts as simply a means by which to induce Israel and the Arab states to achieve a settlement in accordance with the United Nations Resolution #242. The Canadian position was that though superpower intervention was helpful, it could not in itself solve the Arab-Israeli conflict. That is, no settlement imposed on the belligerents would work since any such settlement would only be, at most, a temporary solution.

Thus, in a reply to Opposition Leader Robert Stanfield's question concerning Canada's position on an imposed settlement, Mitchell Sharp simply restated Canada's position of support for the United Nations-sponsored Jarring peace mission.¹⁷ This coincided with Canada's foreign policy objective of enhancing the United Nations capacity to control conflict and promote peaceful change. The United Nations remained an essential element in Canadian Middle Eastern policy and any superpower peace proposals were to be coordinated with the United Nations efforts.

In January, 1969 Sharp reiterated Canadian support for

17. Canada, House of Commons, Debates, July 9, 1969, p. 11019.

the Jarring mission and the Canadian position that a settlement ultimately depended on the combatants themselves. The only role which could be played by the superpowers was to give assistance to break the deadlock in talks.¹⁸

Canada also supported the Big-Four talks as a means of helping to solve the conflict. Mitchell Sharp first stated this Canadian support on February 19, 1969. But, on September 8, he restated the Canadian position that the talks would be helpful only

...if they were conducted on the premise that the influence of the countries involved would be used to try to bring closer together the Arab and Israeli sides on the basis of the principles set out in the United Nations Resolution.¹⁹

That is, a peace settlement could be achieved only by the parties themselves and through United Nations mediation. On February 5, 1970, Mitchell Sharp stated his "hope" that the Big-Four would help Ambassador Jarring resume his peace mission.²⁰ The United Nations peace efforts were again placed above superpower peace initiatives.

There were no official Canadian reactions to either American or Soviet diplomatic efforts to end the Arab-Israeli conflict from early 1970 to the outbreak of the October war.

18. Ibid., January 29, 1969, p. 4880.

19. Canada, Department of External Affairs, Communique, September 8, 1969, p. 1.

20. Canada, House of Commons, Debates, February 5, 1970, p. 3238.

It can be safely assumed from this silence that Canada continued to oppose an imposed superpower settlement and to support United Nations efforts to solve the conflict. This interpretation is given further support by Sharp's statement on October 16, 1973 that peace can only come from a settlement negotiated by all the Middle East combatants. The outbreak of hostilities simply proved that the superpowers cannot impose a settlement.²¹

What might be interpreted as a possible shift in Canadian foreign policy occurred after the Yom Kippur war. Canada gave complete support to the American initiatives soon after the war. This suggests that Canada was not adverse to a more active role by one of the superpowers - the United States - in settling the Arab-Israeli conflict. The reason for this seems to be that the intensity of the crisis convinced Canadian leaders that some kind of superpower intervention was necessary to prevent future flare-ups in the Middle East. It may also be that Soviet actions during the war, i.e. the rapid Soviet arms supply to the Arab states, convinced Canadian leaders that a further increase in Soviet influence would not necessarily lead to a stabilization of the Middle East situation. American superiority in the Middle East, especially in lieu of Arab rapprochement with

21. Ibid., October 16, 1973, p. 6925.

the United States, might provide greater stability than an increase in Soviet influence. Hence, Canada became willing to support American peace efforts in the Middle East even though this might decrease the United Nations role. This willingness was further enhanced by the relative ineffectiveness, to this point in time, of the United Nations efforts to end the Arab-Israeli conflict.

The Canadian support for American peace efforts increased as it became clear that Henry Kissinger might be able to achieve a breakthrough in the Middle East. Mitchell Sharp stated that

The governments of Egypt and of Israel displayed wisdom in accepting these arrangements [disengagement treaty] and I am sure I speak for all the House when I say that the United States Secretary of State, Mr. Kissinger, deserves high recommendation for the effectiveness of his good offices.²²

This Canadian support for the American peace initiatives continued throughout 1974 and was reinforced with the achievement of the Israeli-Syrian disengagement treaty of May 29, 1974.

The interpretation that Canada may have undergone a shift in attitude concerning superpower involvement in the Arab-Israeli dispute was reinforced during an interview with an official of the Department of External Affairs.

22. Ibid., November 14, 1973, p. 7800.

The official first stated that Canada's policy can best be summed up by the Pearsonian idea that the Middle East conflict is up to the Middle Eastern combatants to settle for themselves. But the official conceded that the Canadian government now sees that the superpowers may have to settle the conflict.²³ Though no definite answer can yet be given, it appears that the Yom Kippur war may have convinced Canadian decision-makers that a more direct role by the superpowers, especially the United States, was necessary and that United Nations efforts need necessarily play a secondary role. This apparent lessening of Canadian government support for the United Nations role in achieving an overall peace settlement also reflected the general decline of Canadian public support for the United Nations. For example, in November 1973 only 36% of Canadians believed that the United Nations was doing a good job, compared to 42% after the 1967 six-day war and 54% in 1961.²⁴ This indicates that there was a general decline of public support for the United Nations under Prime Minister Trudeau.

The American decision to sign agreements for the sale of nuclear reactors to both Israel and Egypt elicited a response from Canada. Canadian decision-makers were very disturbed by the American decision to sell nuclear reactors

23. Interview with an official of the Department of External Affairs.

24. Sigler, J.H., op. cit., p. 8.

to the two main protagonists in the Arab-Israeli conflict. Canada had for years refused to sell nuclear reactors to the Middle East combatants without fail-proof assurances that they would not be used for military purposes. In late 1973 and early 1974 Canada did begin negotiations with Middle Eastern states, including Egypt and Israel, for sale of her CANDU reactors. However, the negotiations floundered on the question of safeguards. Thus, Canada was concerned that the American sale of nuclear reactors, without sufficient safeguards, in the unstable Middle East situation would increase the danger of nuclear proliferation. The apparent quiet dropping of both nuclear agreements (reactivated again in 1975) by the Americans relieved Canadian anxiety.²⁵ It can be expected, nevertheless, that domestic economic pressure groups with interests in the sale of CANDU, such as companies which sell uranium, will try to obtain the sale of CANDU reactors to Middle Eastern countries. The argument generally advanced by these groups is that Canada should sell her advanced technology to underdeveloped nations since the United States and other advanced countries are already doing so. The same type of argument has already been advanced in the controversy over the sale of CANDU reactors to such politically unstable nations as Argentina and South Korea.

The Canadian government also indicated great concern

25. Interview with an official of the Department of Defence.

over the superpower arms rivalry. Canadian reactions to the superpower Middle Eastern arms race reflected the government's concern that two foreign policy objectives were affected: the settlement of Middle East conflict and the enhancement of the United Nations capacity to control conflict and promote peaceful change. In a reply to Robert Stanfield, Secretary of External Affairs Mitchell Sharp reiterated Canada's refusal to sell arms to the belligerents and endorsed the Secretary-General's call for restraint.

As the hon. gentleman knows, Mr. Speaker, Canada is not supplying arms to either side. We have expressed ourselves as opposed to this. I do not think we can exercise any more influence than by publicly supporting those pleas that are being made by the Secretary-General and by others for a cessation of the arms shipments.²⁶

An interesting point concerning the Canadian arms embargo on the Middle East combatants was made during the interview with the official of the Department of External Affairs. The official stated that the weapons sent to the United States through the Canadian-American defence-sharing agreement can only be used by American soldiers. This illustrates a key difference with the Vietnam situation. In Vietnam American soldiers were used and Canadian arms turned up. But there were no American soldiers in the Middle East and, to date, there has been no evidence of

26. Canada, House of Commons, Debates, July 9, 1969, p. 11019.

Canadian arms being used in the Middle East.²⁷ Though the official's contention that no Canadian arms are being used in the Middle East is open to dispute*, the difference noted between the Middle Eastern and Vietnam situations does indicate that few Canadian arms were being used. But, it can also be concluded that if American troops do become involved in the Middle East (a possibility not to be entirely excluded) Canadian arms, through the defence-sharing agreement, will be extensively utilized by American troops and American allies.

On January 28, 1970 Sharp reiterated Canada's position of not supplying arms to either side and again called for the cessation of all arms shipments.²⁸ On February 5, 1970 he stressed the cessation of arms shipments as one of the three conditions necessary to ease the Arab-Israeli conflict.²⁹

But an apparent contradiction appeared in Mitchell Sharp's statement of June 12, 1970. He stated:

I made no comment whatever in Rome concerning a possible sale of military aircraft to Israel [by the U.S.]. I expressed no opposition and I do not do so now to the possible sale of military aircraft to Israel...³⁰

27. Interview with an official of the Department of External Affairs.

28. Canada, House of Commons, Debates, January 28, 1970, p. 2930.

29. Ibid., February 5, 1970, p. 3239.

30. Ibid., June 12, 1970, p. 8047.

*For example, a CBC (Canadian Broadcasting Corporation) broadcast in late 1975 (exact date unknown) declared that a number of advanced Canadian weapons were being used in the Middle East.

This statement, as Heath McQuarrie pointed out, seemed to represent a change of government policy of opposing the sale of arms to both sides. This, however, was denied by Sharp. Nevertheless, Sharp's statement does indicate that the Canadian government's support for Israel's existence did include the continuation of Israeli military superiority - through American arms supplies, if necessary. There is little doubt that the Canadian government would support American arms shipments to Israel should Israel's survival be endangered.

On the question of Soviet military involvement in Egypt, Sharp reiterated the government position that outside intervention in the Arab-Israeli conflict should be curtailed. He expressed concern about the Soviet involvement and hoped that the involvement would be minimized and that everyone would work to de-escalate the conflict.³¹ This was the first indication that the Canadian government was apprehensive about the rapid extension of Soviet influence in the Middle East.

Canadian reaction to the Soviet-American arms rivalry during the Yom Kippur war was to urge a halt to the shipment of arms as a means of containing the conflict. As early as October 8, Mitchell Sharp indicated the Canadian concern

31. Canada, House of Commons, Debates, May 19, 1970, p. 7067.

over the role of the superpowers when he said:

The U.N. has the machinery that can be used to restore the ceasefire and we are appealing to everyone concerned to make use of it. We are making this appeal to Israel and the Arab countries as well as to the great powers.³²

This appeal also indicates the Canadian government's attempt to promote the Canadian foreign policy objective of reliance on the United Nations to control conflict and promote peaceful change.

Almost every participant in the October 16 House of Commons debate on the Middle East referred to the necessity of halting the superpower arms race. In his speech, Mitchell Sharp stressed that the superpowers could moderate the conflict by the cessation of arms supplies. He placed the blame for lack of agreement to date on the Soviet Union's failure to respond favourably to Henry Kissinger's call for moderation. This Soviet failure led to the situation in which the United States was compelled to continue arms shipments.³³ Thus, Sharp's statement clearly based the blame for the arms race on the Soviet Union and indicated the apparent shift to greater Canadian support for American peace efforts. Sharp went on to reiterate Canada's embargo on arms shipments to

32. Canada, Department of External Affairs, Statements, October 6 and 8, 1973, p. 1.

33. Canada, Department of External Affairs, Statements, October 16, 1973, p. 3.

Middle East combattants.

In this same speech, Sharp illustrated Canada's concern that superpower rivalry in the Arab-Israeli conflict could have implications for the world at large and may even endanger the whole process of detente. Detente was something with which Canada was very concerned.³⁴ This illustrates that Canadian decision-makers were worried that one favourable aspect of Canada's external environment - the process of detente - was endangered by superpower rivalry in the Arab-Israeli conflict. Sharp also urged the superpowers, as the main suppliers of arms, to exert their influence towards solving the Arab-Israeli conflict in his statement of October 22.

Of all the events of superpower rivalry in the Middle East, the October 25 Middle East military confrontation between the United States and the Soviet Union in which the former put its military forces on alert had the most dangerous and direct bearing on Canadian security. The alert included American forces in NORAD and the question was inevitably raised as to whether or not Canadian forces were also so affected. In a response to Robert Stanfield, Mitchell Sharp stated that Canadian forces were not affected. The Minister of National Defence, James Richardson, reiterated the same

34. Ibid., p. 1.

view when he said that it had not been necessary in the circumstances for the Canadian government to put Canadian forces on alert.³⁵

But this does not seem to be the complete answer. Canada, despite official refutations, was directly involved by the military alert and thus became a target for possible Soviet military attack. The government, however, was not told of this crisis situation until the following day by Chief-of-Staff Dextraze.³⁶ Melvin Conant points out the incompleteness of Richardson's answer:

The Canadian statement on the 1973 alert (by James Richardson, the Minister of National Defence)...was an incomplete explanation for those mindful of the implications for Canada of a prospective United States use of strategic forces.³⁷

Conant states further that the lack of information from Washington as well as the absence of prior consultation could have produced a sharp political reaction in Canada and that it did not do so was a matter of luck. One indication that the Canadian government was at least aware of these considerations is the decision that Canada will not automatically go on alert again. In future, the Cabinet will decide if Canada is to go on alert after the Chief-of-Staff has notified it.³⁸

35. Canada, House of Commons, Debates, October 25, 1973, p. 7208.

36. Interview with an official of the Department of Defence.

37. Conant, M.A., "A perspective on defence: the Canadian-United States compact", Behind the Headlines, September, 1974, p. 34.

38. Interview with an official of the Department of Defence.

Thus, the October 25 superpower confrontation, by calling into question Canada's NORAD role, adversely affected military relations between Canada and the United States. The confrontation also had the potential of adversely affecting Canadian-American political relations and that it did not do so, as Conant writes, was luck. The Canadian government was successful in its attempt to downplay the significance of the American alert on Canadian security. But it is likely that any recurrence of an American alert of NORAD will elicit a much greater Canadian reaction against Canadian participation in that defence system. At minimum, such a future incident will lead to greater Canadian demands for a bigger choice in NORAD decisions which directly affect Canadian security.

The American alert could have, and should have, also evoked Canadian government responses with regard to the Canadian role in NATO. The American failure to consult her NATO allies about the imposition of the alert caused great strain within the NATO alliance. European governments reacted with great alarm to unilateral American actions which could have involved them in a war with the Soviet Union to which they neither had imput nor desired. But the Canadian government said nothing. There is no clear and excusable reason for this government inaction. General E.L.M. Burns does, however, give a plausible answer for this inaction.

The alert should have caused equal alarm to the Canadian Government, but the rapid defusing of the crisis, through the diplomatic exchange between Nixon and Brezhnev, seems to have obviated serious assessment of the danger through which Canada had passed.³⁹

Canada has shown virtually no interest in superpower rivalry in either the Northern Tier states of Iran and Turkey or in the Persian Gulf. The Canadian government apparently concluded that superpower rivalry in these areas was unimportant and/or did not affect any Canadian foreign policy objectives. In the one aspect of superpower rivalry in the Persian Gulf to which there was any Canadian reaction - the arms rivalry - the Canadian government in fact acted opposite to its policy in the Arab-Israeli conflict.

Canada has not indicated any official opposition to the superpower arms race in the Persian Gulf. One possible explanation for this is the official Canadian policy that Iran is not included in Canada's arms embargo because Iran is not a party to the Arab-Israeli conflict. Iran is classified in that group of countries which requires the signatures of the Ministers of Defence and External Affairs for purchases of offensive and non-offensive weapons valued over \$100,000. Only trade department approval is required for dual-purpose purchases (i.e. weapons which can be used either offensively

39. Burns, General E.L.M., "The third world war: must Canada join in", Current Comment, #8, December, 1975, p. 7.

or defensively).⁴⁰ When Heath McQuarrie demanded a Canadian arms embargo on Iran as well as Iraq (already embargoed) as a result of Iranian-Iraqi border clashes, Sharp refused. He argued that Iran and Iraq were not on the verge of war and Iran, being a non-combattant in the Arab-Israeli war, therefore qualified for continued arms shipments.⁴¹ This statement suggests that Sharp (and the Canadian government) is not aware of the full potentialities of the superpower arms race in the Persian Gulf. This rivalry, by making superpower intervention in any future Arab-Iranian war more likely, could have as great an impact on Canadian security as that occurring on October 25, 1973.

The lack of Canadian concern over the unstable Persian Gulf situation also suggests that the Department of External Affairs either has not understood or has underestimated the dangers of the Persian Gulf military situation or, if the Department is aware of the dangers, that the government has not taken Department reports seriously enough. The interviews and research conducted in this study actually suggest that the Department of External Affairs, as well as other government departments, is not fully cognisant of the dangers of superpower rivalry in the Persian Gulf.

Thus, Canadian reactions to superpower rivalry in the

40. Toronto Daily Star, May 8, 1974, p. B3.

41. Ibid.

Middle East were largely confined to the Arab-Israeli conflict. In its reactions, the Canadian government attempted to achieve a settlement of the Arab-Israeli conflict and to enhance the United Nations capacity to control conflict and promote peaceful change. But the latter foreign policy objective was somewhat downplayed after the Yom Kippur war when the Canadian government began to support American rather than United Nations peace efforts. In its response to the proposed American sale of nuclear reactors to Egypt and Israel, the Canadian government expressed concern that the sales would endanger the strengthening of international nuclear safeguards. The October 25 superpower military confrontation, which directly affected Canadian-American military and, potentially, political relations found the Canadian government attempting to downplay the impact of the event on Canadian-American relations.

It also appears that Canadian foreign policy objectives were consciously pursued in Canadian reactions to Middle Eastern events. External Affairs Minister Mitchell Sharp, for example, explicitly stated several times that the Canadian Middle Eastern objectives were to end the Arab-Israeli conflict and to promote United Nations peace efforts in the Middle East. It is further significant that the Canadian government consciously attempted to downplay the implications of the October 25 superpower confrontation on Canadian-American relations. This indicates that the Canadian government was

at least partially aware of the potentialities of Middle Eastern superpower rivalry on Canadian-American relations. But it is also clear that several Canadian responses were inconsistent with Canadian foreign policy objectives. One was the apparent decision after the Yom Kippur war to promote American rather than U.N. peace efforts. More important was the Canadian policy of not only refusing to condemn the superpower arms race in the Persian Gulf but to actually continue selling advanced weaponry to Iran. This was entirely inconsistent with the Canadian foreign policy objective of promoting detente.

The analysis also suggests that External Affairs Minister Mitchell Sharp and the Department of External Affairs were the only foreign policy decision-maker and government department which were active in Canadian reactions to the Middle Eastern superpower rivalry. Only during the October 25, 1973 superpower confrontation, when Defence Minister James Richardson denied that Canadian forces were on alert, did another decision-maker and government department become involved. Further, the same confrontation was the only event of superpower rivalry which had domestic implications in Canada by calling into question Canada's NORAD arrangements with the United States and it was this fact which elicited the statement by James Richardson. There was also no element of either Canada's internal or external environments which played an important role in Canadian reactions, though it is likely that the presence of the United States was an implicit factor in Canadian reactions.

CHAPTER V: CANADA AND THE ARAB-ISRAELI CONFLICTSECTION 1: THE ARAB-ISRAELI CONFLICT

The history of the Arab-Israeli conflict in the period 1968-1974 can be clearly divided into two phases. The years 1968 to October, 1973 saw a diplomatic stalemate resulting from the inability to reconcile the fundamental Arab and Israeli positions. The stalemate was accompanied by partial warfare that reached its zenith in the 1969-70 war of attrition. This situation was radically altered when Egypt and Syria, after intense and secret negotiations, decided to launch the October, 1973 war in an effort to break the stalemate and force Israel to accept a settlement desirable to them. The following analysis of the development of each major Arab-Israeli conflict issue will help illustrate the reasons for the failure of diplomatic peace efforts and the inevitable progression towards the October, 1973 war.

The Arab-Israeli conflict is essentially a clash between two nationalist movements: Zionism and the Arab nationalist movement. Until 1948 this clash was basically one between the Arab and Jewish communities of British-mandated Palestine. However, with the establishment of the state of Israel in May, 1948 the conflict became a dispute between Israel and the Arab world.

The establishment of the state of Israel and the resultant

Arab-Israeli war of 1948-49 created a number of issues which were to perpetuate the Arab-Israeli conflict. The key overall issue concerned the existence of the state of Israel in the Middle East. The core of the conflict is, in effect, a fundamental disagreement between Arabs and Israelis over the same territorial unit. The Arab states refuse to recognize the legitimacy of the Israeli state.

Failure to resolve the key issue of the right of the Israeli state to exist prolonged several other Arab-Israeli conflict issues. The most important of these was the Palestinian refugee issue.

The 1948-49 war had resulted in a mass exodus of over half a million Palestinian Arabs to the surrounding Arab countries. The Arab states demanded that the refugees be allowed to return to their former homes. Israel rejected this solution arguing that repatriation of the Arab refugees was impossible given its security risk to Israel. Israel argued that the only solution was the resettlement of the refugees in Arab states.

The status of Jerusalem and the question of Israeli right of navigation through the Suez Canal and the Gulf of Aqaba were two other important issues to arise from the 1948 war. The former issue revolved around the de facto partition of Jerusalem between Israel and Jordan and the question of the city's reunification; the latter involved the Arab refusal to recognize Israeli right of passage through

the two waterways. Other issues which helped perpetuate the Arab-Israeli conflict were the military build-up undertaken by Israel and the Arab states, especially after the 1955 Egyptian-Soviet arms deal, border clashes between Israel and her Arab neighbors and the Arab boycott of Israel, which included the boycott of international firms dealing with Israel.

The Arab-Israeli war of June, 1967 completely transformed these conflict issues. The swift Israeli victory resulted in the Israeli occupation of vast tracts of Arab land belonging to Egypt, Jordan and Syria. This conquered territory included the Sinai Peninsula, the Gaza Strip, the West Bank, the Arab sector of Jerusalem and the Golan Heights.

The June 1967 Arab defeat transformed the Palestinian refugee issue into one of Palestinian nationalism. The war did add to the refugee problem by the exodus of another large group (about 400,000) of Arabs from the Israeli-occupied territories into the Arab states. Another major consequence of the war was to convince the Palestinians of the need to carry out the war against Israel independently of the Arab states.

The Jerusalem issue was also transformed after the June war when Israel took control of the Jordanian-held sector of Jerusalem and reunited the city. The Arab states completely rejected this Israeli annexation of Jerusalem.

The 1967 war further changed the nature of the navigation

issue as the political question of Israeli right of passage through the Suez Canal was made less urgent by the Israeli capture of Sinai. Not only Israel's ships but ships of all nations were unable to use the canal. In the Gulf of Aqaba, the war left Israel in complete control of Sharm-al Sheikh.

But the paramount issue in the Arab-Israeli conflict continued to be the question of Israel's right to exist. The 1967 war had seemingly put Israel in a highly favourable position to attain acceptance by the Arabs. For the first time, Israel was able to offer the Arabs something concrete (namely, concessions on the four issues of Israeli withdrawal from occupied lands; Palestinian nationalism; Jerusalem; and navigation) in return for the Arab acceptance of Israel as a Middle Eastern state. Thus, between April, 1968 and December, 1974 the conflict revolved around the question of what Israeli concessions would be forthcoming in return for an Arab acceptance of the Israeli state. However, the possibility of a political solution to the conflict had already been jeopardized at the Khartoum Conference of August, 1967 where the Arab states adopted the slogan of "no peace, no recognition, and no negotiations". The Arab states did not appear ready to accept Israel. In the same vein, Israel's readiness to give up territories captured in 1967 diminished with time.

The issue of Israel's withdrawal from Arab lands occupied during the June, 1967 war was at the core of all peace

attempts after April, 1968. The settlement of the territorial issue, it was hoped, would be a step to the solution of other issues.

The basis for withdrawal was Security Council Resolution #242. This resolution emphasized the inadmissibility of the acquisition of territory by war and declared that the following was needed for a Middle East settlement:

- (1) Withdrawal of Israeli armed forces from territories occupied in the recent conflict;
- (2) Termination of all claims or states of belligerency and respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every state in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force.

The conscious omission of the word "the" in front of territories was specifically designed to keep open the question of whether Israel was to withdraw from all the territories occupied in 1967.

Not all Arab states accepted Resolution #242. Of these, Syria was the most important. But differences in interpretation between those Arab states accepting Resolution #242 and Israel soon came to the fore. The ambiguity of the resolution contributed to this dual interpretation. This ambiguity revolved around the absence of the word "the" in front of

1. Dodd, C.H., and Sales, M.E., Israel and the Arab World, (London: Routledge and Kegan Paul, 1970), p. 183.

territories. The Arabs argued that the Security Council resolution called for Israeli withdrawal from all the occupied territories; Israel argued that she was to withdraw only to secure, recognized and agreed boundaries. Moreover, the Arabs refused to negotiate directly or to sign a compromise peace treaty with Israel while the latter demanded direct talks following an initial stage of indirect negotiations.²

With their stance of refusing direct talks or a comprehensive peace treaty with Israel, the Arab states maintained their long-standing determination not to recognize the legitimacy of, or accept, the state of Israel. Israel was just as determined to use the lever of concessions on the withdrawal issue to force her Arab neighbors to recognize once and for all the legitimacy of the state and thus called for direct talks. Furthermore, Israel was determined not to withdraw from all Arab territories and return to the pre-June 1967 status quo. Although Israel never did spell out precisely the territorial changes she wanted, the retention of the Israeli Golan Heights and Sharm-al Sheikh, besides Jerusalem, was often mentioned as being "non-negotiable".

As Gunnar Jarring began his mission to implement the

2. Laqueur, W., Confrontation, (New York: Bantam Books, 1974), p. 27.

provisions of Resolution #242, the Arab and Israeli positions on the withdrawal issue remained steadfast. By 1969 the Jarring mission had failed. The next major attempt at settling the withdrawal issue was contained in the "Rogers Peace Plan" of December 9, 1969. Rogers stated that any territorial changes should be insubstantial and that Israel should withdraw to the international border between Israel and Egypt. A later addition to the plan envisaged few changes in the Israeli-Jordanian border and Israel was to withdraw from the entire West Bank. Clearly, the Rogers plan came close to adopting the Arab stance on the withdrawal issue.³

Israel vehemently rejected the Rogers plan. The major reason is that the plan downplayed the need for direct negotiations. L.L. Whetten notes that the main Israeli complaint was that the plan neither forced the Arabs to explicitly recognize the sovereignty of Israel nor urged the need to frame recognized boundaries by free negotiations between the parties.⁴

Egypt, however, also rejected the Rogers plan even though it appeared very favourable. The main reason was possibly the Egyptian realization that they would have to negotiate

3. Slonim, S., op. cit., p. 16-17.

4. Whetten, L.L., op. cit., p. 81.

from a position of military weakness.⁵

By May, 1970 it did appear that Israel and Egypt were lowering their respective stands on the withdrawal issue. Nothing came of this change in attitude. The "Rogers initiative" of June 19, 1970, which led to the ceasefire of August 8, did refer to the settlement of the withdrawal issue. However, it simply said that talks between Israel and the Arab states were to commence under the auspices of Gunnar Jarring for the implementation of Resolution #242. The parties themselves were to solve the withdrawal issue.

The idea of a partial Israeli withdrawal was first advanced by Egyptian President Sadat on February 4, 1971. He stated that Egypt would reopen the canal if Israel made a partial withdrawal from the East Bank. It was to be an interim withdrawal, leaving Gaza and Sharm-al Sheikh temporarily in Israeli hands to be followed by a total withdrawal. Mrs Meir said that Israel was ready to negotiate the reopening of the canal but that Israel would not withdraw until a final settlement was reached; that is, until the Arabs accepted the state of Israel.

Israeli Defence Minister Moshe Dayan made a new proposal which envisaged an Israeli withdrawal of about 20 miles from the canal in June, 1971. But this too came to nought. An American-sponsored proposal which called for a two-stage

5. Ibid., p. 78.

2 3

OF/DE

withdrawal of Israeli forces from the Suez Canal also failed. Talks continued through 1971 but by the end of that year there had been no concrete progress on the question of Israeli withdrawal even from the Sinai Peninsula.

The major attempts to secure a settlement of the withdrawal issue involved Israel and Egypt. There were also attempts, including direct talks, to settle the question of the West Bank between Jordan and Israel. These attempts, however, were doomed as Jordan was not strong enough by herself to secure a peace treaty and survive inevitable Arab hostility. Israel too was reluctant to sign any peace treaty with Jordan for two reasons: first, there was strong opposition within Israel to surrendering any part of the West Bank; and second, there were no guarantees that the West Bank would not eventually be ruled by Al Fatah.⁶

As the prospects for a solution to the withdrawal issue dimmed, the Israeli hold on the occupied territories strengthened enormously. The absence of any further major attempts at settling the withdrawal issue until after the Yom Kippur war also added to Israel's control of the occupied territories by giving her time to consolidate herself in the territories. In the absence of an Arab commitment to recognize the state of Israel, the latter was determined to establish uncontested control over the territories. The degree to which the Israeli

6. Laqueur, W., op. cit., p. 33.

government believed itself strengthened was illustrated by the 1973 Galilee Document. The Document was a clear departure from the previous policy of not changing the status of the occupied territories and the "facts" of Israeli presence were to be created rapidly. The new policy was, in effect, "creeping annexation". This openly-displayed Israeli policy had a direct bearing on the Arab decision to go to war in October, 1973.

The emergence of the Palestinian guerrilla movement had, by April, 1968, become a major element in the Arab-Israeli conflict and began to overshadow even the withdrawal issue. Israel totally rejected the Palestinian guerrilla movement because the Palestinian demands for a "secular Palestinian state" could be achieved only through the destruction of Israel.

Although there was a large proliferation of Palestinian groups, the Palestine National Liberation Movement (FATAH) emerged as the strongest and most important guerrilla organization. FATAH was led by Yassir Arafat. By February, 1969 FATAH had gained primacy in, though not control of, the PLO (Palestinian Liberation Organization). Other powerful guerrilla groups, however, challenged FATAH. Foremost among these was the extremist Popular Front for the Liberation of Palestine (PFLP) led by George Habash. This division led to a deep split within guerrilla ranks. Nevertheless, the political demands of the Palestinians were coherently expressed

in the Palestinian National Covenant of July, 1968. It was in this Covenant that the Palestinians officially called for the destruction of Israel and the establishment of a democratic secular Palestinian state in its place. As such, Israel refused to make any concessions towards the creation of a Palestinian state.

The Palestinians were supported in their aim, to varying degrees, by the Arab states. The more moderate states, notably Egypt, Saudi Arabia and Jordan, indicated that they would be satisfied with less than the total destruction of Israel and left open the possibility of the acceptance of Israel. The radical states, particularly Iran and Syria, on the other hand, demanded the full implementation of the Palestinian Covenant. Israel, from the start, refused to discuss even the existence of a Palestinian state. Israel would conduct negotiations only with Jordan as the representative of the Palestinians.

To achieve their aim, the Palestinian guerrillas themselves at first attempted to exploit the existence of over a million Arabs under direct Israeli military control. This seemed to offer the Palestinian guerrillas fertile ground for subversive and terrorist activities. But effective Israeli countermeasures prevented the guerrillas from gaining a foothold in the occupied territories. Because the Palestinian guerrillas were defeated by Israeli forces, the former decided to establish "secure bases" outside Israeli-held

territory, i.e. in the Arab states. The Arab countries affected were Jordan, Syria, and Lebanon.

The rising power of the Palestinian guerrillas in the Arab states soon came to threaten the very existence of several Arab regimes. In Lebanon the guerrillas (supported by many Muslim Lebanese) had by November, 1969, extracted the "Cairo agreement" from Lebanon which formally recognized the guerrillas' autonomous presence in Lebanon and their right to attack Israel from Lebanese territory. The guerrillas also tried to establish bases in Syria but were prevented from doing so by the Syrian government.

The most successful guerrilla power base by 1970, however, was established in Jordan. The rapid rise of the Palestinian guerrillas' influence after the June, 1967 Arab defeat at first forced Jordan to allow Palestinian operations from Jordan into Israel and by 1970 the guerrilla position was firmly established in Jordan. But the possibility of an open clash between guerrilla and Jordanian forces drew closer as the guerrilla position threatened the existence of the Hussein government.

The Palestinian guerrillas' inability to establish themselves in Israeli-held territory also led to another development: the guerrilla attempt to focus world attention on its claims by the hijacking of airliners. The first hijacking was that of an El Al airliner in 1968.

The Egyptian, and subsequently, Jordanian acceptance of

the Rogers initiative in June, 1970 set the stage for the Jordanian civil war between Palestinian and Jordanian forces. Virtually all the Palestinian guerrilla groups were determined to oppose any solution to the Arab-Israeli conflict which failed to satisfy their maximum demand - the destruction of Israel. The Palestinians consequently were determined to sabotage the ceasefire and some guerrillas openly advocated Hussein's overthrow.

The Jordanian civil war began on September 15 and lasted until September 25. The war proved to be the beginning of a rapid decline by the Palestinian guerrillas because it ended in a clear victory for Jordanian forces. But, the Jordanian civil war also had another effect. The ferocity of Jordan's attacks against the guerrillas had virtually isolated Jordan in the Arab world. This isolation was to diminish prior to the Yom Kippur war but would not disappear fully. The outcome of the civil war effected the Palestinian decline not only in Jordan but everywhere in the Arab world. By 1972 the Palestinian guerrilla offensive to destroy Israel independently of the Arab states collapsed and this general decline continued through to the Yom Kippur war. One side effect of the Palestinian decline in the Arab states was the rise of extremist Palestinian terrorist groups and the intensification of international Palestinian terrorist attacks. The terrorist phase of the Palestinian movement was to remain predominant right up to the Yom Kippur war.

Although the Palestinian guerrilla movement experienced a general decline after the Jordanian civil war, it had achieved one important goal. This was to ensure that any future peace settlement would be forced to take the Palestinian national movement into account, and was to prove very important.

The Jerusalem issue also remained one of the most difficult conflict issues after April, 1968. After the reunification of the city, Israel had declared the status of Jerusalem to be non-negotiable; it was to remain the capital of Israel and Israel would not withdraw.

The Arab states, however, could not and did not accept the Israeli annexation of East Jerusalem. The Arabs declared that the Arab sovereign right to East Jerusalem was unquestioned despite any Israeli actions. As time went on the Jerusalem issue remained unresolved. A number of possible solutions to the impasse were set out. These included:

- (1) Israeli sovereignty over the entire city;
- (2) the return of East Jerusalem to Jordanian or Arab control;
- (3) a joint administration of the city;
- (4) partial or full internationalization;
- (5) an open city with functional religions given jurisdiction over sacred sites.

None of these solutions, however, were agreed upon by Israel and the Arab states. In the meantime Israel consolidated its hold on Jerusalem.

7. Alexander, Y., "What future Jerusalem?", International Problems, September, 1974, p. 56.

The right of navigation issue also remained important after April, 1968 and all the major peace proposals included the attempt to settle this issue in accordance with Security Council Resolution #242. This called for the guaranteeing of navigation through international waterways in the area. But no concrete development occurred in the navigation issue until after the October, 1973 war.

It is clear from the above analysis that by the outbreak of the October, 1973 war, diplomatic efforts had achieved little in the way of achieving a settlement of the major issues in the Arab-Israeli conflict. Most important, the paramount issue of the Arab acceptance of the state of Israel continued as the Arab states remained steadfast in their determination not to accept Israel. This, in turn, reinforced Israel's refusal to make even minimum concessions on the other conflict issues.

It was this failure of all diplomatic peace efforts to attain any significant progress in the settlement of the Arab-Israeli conflict which led to prolonged warfare (becoming, in effect, a military stalemate) between Israel and the surrounding Arab states. It was this same failure which convinced Arab leaders of the need to initiate a major military attack against Israel. Thus, by prolonging the state of warfare between Israel and the Arab states and by prodding the Arab leaders to attack, the failure of the diplomatic peace efforts to solve the conflict was a major reason for the October, 1973

Arab-Israeli war.

By April, 1968 the Egyptian military forces had largely regained the strength which they had prior to the June, 1967 war. But the Egyptian military preparedness was insufficient to launch an offensive against Israel and except for sporadic shelling, there was little fighting along the Suez Canal until mid-1968. Fighting, however, escalated in July, 1968 and continued sporadically right into early 1969. The Israeli borders with Syria and Lebanon were generally quiet in this period. Clashes between Israeli and guerrilla forces did occur on both sides of the Israel-Jordan borders, but Jordanian forces were seldom involved.

In early March, 1969 Egypt launched massive artillery attacks against the recently completed Israeli Bar-Lev defence line. Egyptian President Nasser officially launched the "war of attrition" by which he hoped to destroy Israel on March 27 and on April 1 he declared the ceasefire of June 9, 1967 to be null and void.

Between March and mid-July, 1969 the Egyptian attacks were exacting a very heavy toll from Israel. To counteract the adverse situation, Israel launched the first heavy air attack against Egyptian artillery positions on July 20. This was the beginning of a new aerial combat phase in which Israel, by the end of 1969, attained unquestioned air supremacy against Egyptian positions.

A further escalation of the war of attrition began with

the launching of massive Israeli strategic air attacks against military targets deep within Egypt. The Israeli offensive was very successful as Israel was able to knock out the greater part of the Egyptian early warning system and gave Israeli pilots complete freedom of Egyptian air defence.⁸

But the very success of the Israeli offensive altered the nature of the war of attrition. Egypt's total vulnerability to Israeli air attacks forced Nasser to ask the Soviet Union for protection. This resulted in the direct involvement of Soviet military forces in Egypt and a virtual Soviet takeover of Egyptian air defences. The effectiveness of this new air defence was such that by June Israeli air attacks were neutralized. This deadlock continued up to the signing of the August 7-8 ceasefire accord. Thus, a complete military stalemate was again achieved.

Israeli clashes with Jordan, Lebanon and Syria also continued in this period. Israeli attacks against Jordan and Lebanon were mainly in retaliation for guerrilla raids while Israeli-Syrian clashes up to June, 1970 involved aerial battles.

Almost immediately after the ceasefire went into effect, Egypt, with the backing of the Soviet Union, began moving SAM's and other weapons towards the Suez Canal. This was in direct violation of the ceasefire agreement. Israel, and

8. O'ballance, E., The Electronic War in the Middle East, 1968-1970, (London: Faber and Faber Ltd., 1974), p. 102.

subsequently the United States, protested against these violations, but Egypt did not move back its defences. The advantage gained by these violations, however, were offset somewhat by the American decision to resume military supplies to Israel.

Despite these violations, the ceasefire between Egypt and Israel held. There were incidents which could have led to renewed warfare but they were defused. President Sadat's decision to renew the ceasefire up to March 7, 1971, despite threats not to do so, was instrumental in keeping warfare to a minimum. Sadat did, however, refuse to extend the ceasefire after that date and tensions increased.

Although there were several clashes, major warfare between Egypt and Israel did not break out again until the Yom Kippur war. But the prelude to the October, 1973 war was signified by the rapid intensification of both open and secret Egyptian preparation for war after March, 1971. It was at that point, as evidenced by Sadat's refusal to renew the ceasefire, that Egypt apparently decided that diplomatic attempts to achieve Arab aims were bound to fail. Thus, a military attack against Israel was seen as necessary both to break the military stalemate and to assure that the political status quo, which favoured Israel, be broken. Arab war preparation increased even more rapidly after the Soviet-Egyptian rapprochement of late 1972. Arab solidarity for war was symbolized by the lifting of the Arab isolation of Jordan

and resumption of relations and in early 1973 the Egyptian war minister became commander of the Egyptian-Syrian-Libyan-Jordanian military forces. Arab war preparations became complete in August, 1973 when King Faisal of Saudi Arabia agreed to give financial backing to the war effort.

The Israeli-Jordanian border was quiet after the August 8 ceasefire. Israel, however, continued to attack suspected guerrilla strongholds in southern Lebanon. There were also a relatively small number of Israeli-Syrian clashes after the ceasefire. But they appeared to intensify after the Israeli air force attacked Palestinian bases in Syria on January 24, 1972. Further clashes occurred in October and November, 1972 and Syria called this the start of a new "war of attrition". Clashes also continued through 1973 and the air battle of September 13 was the biggest since the June, 1967 war. Throughout this period, Syria also continued to prepare for the October war by coordinating her armed forces with Egypt.

The Yom Kippur war erupted on October 6, 1973 with the simultaneous launching of Arab attacks from the Suez Canal and the Golan Heights fronts.

The controversy over Israeli foreknowledge of, and preparation for, the impending Arab offensive has been very heated since the war. Nevertheless, it is certain that Israel could have known of the attack. Although Egypt and Syria kept their preparations for war well-concealed, there

were necessary military operations which were clear indicators of war. The major reason for the Israeli failure to mobilize appears to have been political constraints and misevaluation of intelligence. Defence Minister Moshe Dayan reinforced this interpretation when he stated on October 7 that Israel decided against a pre-emptive strike "to have the political advantage...of being the side that is attacked."⁹ This failure to mobilize was a key factor in the early Arab successes.

The first days of the war witnessed rapid advances by Arab forces on both the Sinai and Golan Heights fronts. On the Sinai front Egypt was in control of the entire east bank of the Suez Canal after nine days of fighting. The ground battle was then stalemated. On the Golan Heights front, Syria achieved several important victories in the first two days of the war and had advanced over twenty miles. Israel, however, gave first priority to halting the Syrian advance and with her counter-offensive, Israel recovered the 1967 ceasefire line and began a thrust beyond the line. A general Israeli offensive was launched on October 11th and was not halted until the 14th after Israel captured several important hills overlooking Damascus. The stalemate remained stable through the rest of the war.

The successful Israeli counterattack allowed Israel to

9. Sobel, L.A., Israel and the Arabs, (New York: Facts on File Inc., 1974), p. 90.

redeploy her forces against Egypt and Israel eventually crossed to the West Bank of the Suez Canal on October 16th. By October 20 Israel had 300 tanks and 10,000 men on the West Bank and by October 22 had cut off the Cairo-Suez city road.

Both Israel and Egypt agreed to the October 22 United Nations ceasefire resolution #338. But the ceasefire broke down almost immediately. The breakdown gave Israel the opportunity to encircle the Egyptian Third Army Corps on the West Bank and despite several attempts, the Egyptian army was unable to break through. Other clashes also occurred after the ceasefire.

Hostilities between Egypt and Israel were finally halted after issuance of two further United Nations ceasefire resolutions on October 23 and October 25. Syria also accepted the ceasefire and Syrian-Israeli hostilities ceased.

The Yom Kippur war was essentially a confrontation between Egyptian and Syrian forces on one side and Israel on the other. But, by the time the war had ended, virtually every Arab state had sent troops and/or equipment against Israel. These outside Arab forces did contribute to the Syrian and Egyptian offensives. The contributions were not very significant, however, because they did not materially affect the outcome of the war to any great extent.¹⁰

10. Whetten, L.L., op. cit., p. 271.

The Yom Kippur war ended in a military victory for Israel, a victory which may have been even more decisive had the superpowers not intervened. But the war also ended in a psychological and political victory for the Arab states. The stunning early Arab victories restored much of the Arab prestige and humiliation suffered as a result of the June, 1967 disaster. It also proved that the Arab states could match Israeli military power in any future contest and that time was not necessarily on Israel's side. This, in turn, forced a change in Israeli thinking. The war forced Israelis to reexamine political and military assumptions that they had regarded as axiomatic.¹¹

Truce violations on both the Sinai and Syrian fronts occurred after October 25. In the Suez front the trapped Egyptian Third Army continued to attempt a breakthrough but was driven back. Other Israeli-Egyptian exchanges occurred and on October 31, Egyptian President Sadat threatened to renew the war. Fighting continued into January, 1974. The period after October was, in effect, a mini "war of attrition" and tensions were high on both sides.

As the fighting continued, however, various moves towards peace were having results. Israel (under American pressure) allowed the resupply of food and water to the trapped Third Army and on October 30 Israeli-Egyptian agree-

11. Gillan, D., "Israel: an indecisive mandate", Middle East International, February, 1974, p. 13-14.

ment on the exchange of POWs was reached. Peace moves were greatly enhanced by the signing of the Egyptian-Israeli truce accord of November 9-10. This led directly to the Israeli and Egyptian disengagement treaty of January 18, 1974.

The troop withdrawals got formally under way on January 25 and were completed on March 4. UNEF II peacekeeping forces moved into the buffer zone between the two countries and hostilities virtually ceased.

Truce violations along the Syrian front also continued after October 25, culminating in the heaviest artillery exchanges since the Yom Kippur war on March 19, 1974. Nevertheless, Syria was finally pressured by both the United States and the Soviet Union to negotiate with Israel. On May 29, 1974 Kissinger finally achieved a disengagement treaty between the two countries and in early June, Israel began its withdrawal from Syrian territory occupied during the Yom Kippur war. Glashes then diminished. Thus, by the end of 1974, the Arab-Israeli battlefield was relatively quiescent.

The Yom Kippur war, by illustrating the immediate need for some kind of breakthrough in order to avert a future conflagration also gave some impetus to the Arab-Israeli conflict issues. Thus, after a series of negotiations in which Israeli and Arab military commanders met face-to-face, an Egyptian-Israeli Disengagement treaty was signed. The treaty provided for the first time, a timetable by which Israel withdrew from part of the Sinai. Israel's forces were to withdraw from

the Suez Canal to positions west of the Mitla and Gidi passes and an Egyptian zone of eight to twelve kilometers was established in the east bank. A buffer zone with UNEF II forces was established in between the two armies. The May, 1974 Syrian-Israeli Disengagement Treaty also provided for a minimum withdrawal of Israeli forces in the Golan Heights. But neither agreement was explicitly linked to the question of the Arab acceptance of Israel. Israel had committed itself to a partial withdrawal without obtaining Arab recognition.

The fortunes of the Palestinian guerrilla movement experienced a dramatic upswing after the Yom Kippur war and the PLO was recognized as the sole representative of the Palestinian people at the Arab Summit Conference of November, 1973. This recognition, despite Jordan's opposition, and Israel's declaration that she would never negotiate with the PLO, immediately raised the stature of the PLO.

The PLO, under the leadership of Arafat, immediately set out to modify its demands to consolidate any political gains which could be made from her new status. Despite bitter infighting between the guerrillas, Arafat succeeded in securing a PLO programme which included agreement to participate in the Geneva negotiations while stating that any settlement reached would not end the struggle against Israel.¹² This implied that the PLO was ready to accept

12. Laqueur, W., op. cit., p. 280.

a settlement which provided for a Palestinian state in only part of mandated Palestine, notably the West Bank and Gaza. But the Palestinians were still determined not to accept the state of Israel and the latter continued its policy of refusing to negotiate with the PLO.

At the Rabat Summit Conference of October 26-29, the PLO was elevated further in stature when the Arab states unanimously adopted a resolution which asserted the rights of the Palestinians, under the leadership of the PLO, to establish national authority over any Palestinian territory that is liberated. Even Jordan, after enormous pressure was put on her, acceded formally to this resolution. The PLO was given the mandate by the Arab states to represent the Palestinian people at the Geneva Conference. Israel, however, completely rejected the PLO's right to represent the Palestinian people and unequivocally reiterated its stance of never negotiating with the PLO. Israel would negotiate only with Jordan. Thus, the question of PLO representation at Geneva remained unresolved.

Another major triumph for the PLO came in November, 1974 at the United Nations General Assembly debate on Palestine in which Yassir Arafat participated. The PLO was then given permanent observer status at the United Nations.

Despite the apparent growth of political responsibility by the PLO as a means of gaining world support, the Palestinian guerrilla groups, including FATAH, continued terrorist

attacks against Israel. Israel, in turn, launched reprisal raids. The Palestinian guerrillas were still very active at the end of 1974 and the Palestinian issue remained unresolved.

The Yom Kippur war also brought the Jerusalem issue back into the limelight. Arab leaders, particularly King Faisal of Saudi Arabia, hardened their demands that East Jerusalem be returned to Arab control. In response, Israel reiterated its determination to hold Jerusalem while respecting the rights of other religious groups. Neither side was willing to make any concessions on the issue of Jerusalem.

With regard to the navigation issue, the Egyptian-Israeli disengagement treaty provided for Egypt to begin operations for the reopening of the Canal without making any concessions on Israel's right of passage.¹³ This breakthrough was a key step leading to the reopening of the Suez Canal in mid-1975.

Thus, the October, 1973 war broke the diplomatic stalemate and created a situation in which concrete, albeit small, steps to a solution of the Arab-Israeli conflict could be undertaken.

SECTION 2: CANADIAN REACTIONS TO THE ARAB-ISRAELI CONFLICT

Canadian policy with regard to the Arab-Israeli conflict

13. Whetten, L.L., op. cit., p. 299.

after April, 1968 continued to be based on the premise that Israel had the right to exist. Canadian reactions to the Arab-Israeli conflict issues were all subordinated to this basic premise.

The presence of the United States was a major element of Canada's external environment that could have played a vital part in Canadian policy. However, the fact that Canadian and American orientations towards the Arab-Israeli conflict were virtually the same ensured that Canadian and American policy would be relatively harmonious. The existence in Canada of approximately 275,000 Jews and 40,000 Arabs (1968 figure) may have been an implicit influence on Canadian Middle Eastern policy. Nevertheless, there is no clear evidence that these two ethnic groupings played any role in determining Canadian policy in the years from April, 1968 to December, 1974.

Canadian decision-makers in this period generally seemed to recognize the volatile nature of the military confrontation between Israel and the Arab states. Canadian reactions clearly indicated a desire to end the fighting and find a comprehensive solution to the conflict. But this desire for a comprehensive solution, based on the total acceptance of Resolution #242, made Canadian policy appear very inflexible. It was not until the outbreak of the October, 1973 war proved the ineffectiveness of the immediate full implementation of Resolution #242 by diplomatic means did Canadian policy appear,

if only slightly, to shift towards acceptance of a more gradual approach to resolving the conflict. Canadian reactions to the October war also illustrated the Canadian concern that the Arab-Israeli war could expand into a global conflict. For this reason the Canadian government decided to participate in UNEF II (United Nations Emergency Force II). This, in turn, has given Canada a more direct interest and influential role in the Middle East. The following analysis of Canadian reactions to the development of each conflict issue will help illustrate both the rigidity of Canadian policy and the apparent shift in policy after the October war.

The Canadian position on the issue of Israeli withdrawal was based on Resolution #242. The Canadian position as stated by a Canadian representative at the United Nations, Mr. Beaulieu, on July 14, 1967 remained the same after April, 1968. Beaulieu stated:

Canada has made it clear that it regards withdrawal of forces as one of the vital elements in any enduring settlement in the Middle East....The Secretary of State for External Affairs also stressed, however, that withdrawal of forces could not be considered in isolation and would have to be related to other basic issues involved.¹⁴

This position logically followed from Canada's basic premise concerning the Arab-Israeli conflict: Israel has the right to exist behind "secure and recognized borders".

¹⁴. Ismael, T., op. cit., p. 19.

The Canadian government believed that these conditions were embodied in Resolution #242. Canada was in favour of full withdrawal but related the settlement of this issue to the solution of a comprehensive Middle East peace treaty. In the sense that Canada did not envisage the withdrawal of Israeli forces as a prior condition to the settlement of other issues, Canada was more in accord with Israel than the Arab states. The total Canadian support for Resolution #242 was also consistent with Canada's foreign policy objective of enhancing the United Nations capacity to control conflict and promote peaceful change.

During the American diplomatic attempt to gain acceptance of the Rogers Peace Plan (supported by Canada) Canadian Minister of External Affairs, Mitchell Sharp, was well aware of the deadlock in the withdrawal issue. He also realized that the failure to resolve the issue would prolong the Arab-Israeli conflict. On November 19, 1969 he said:

Israel is preoccupied with the security of her boundaries and the insistence upon direct negotiations with her neighbors. The United Arab Republic is preoccupied with the withdrawal of Israel to its pre-1967 boundaries and the fate of the Arab refugees. I can see no immediate resolution of this confrontation.¹⁵

Sharp was clearly concerned that the conflict could easily escalate.

15. Canada, House of Commons, Debates, November 19, 1969, p. 983.

In October, 1970 a vote on the question of Israeli withdrawal from occupied territories came up at the United Nations. Canada abstained on the grounds that the resolution appeared to give the concept of Israeli withdrawal undue priority over the concept of sovereignty, territorial and political integrity of all states in the area. That is, the resolution failed to ensure that the Arab states would recognize the legitimacy and existence of the state of Israel. The Canadian delegation argued that this would compromise the integrity of Resolution #242.¹⁶ This Canadian position was entirely in accord with the premise that Israel has the right to exist.

On September 8, 1971 Mitchell Sharp was asked whether Canada continued to support Resolution #242 and if Canada supported the present borders of Israel. To the first question he answered yes. To the second he said:

The Canadian government regards the delineation of recognized borders as an essential element in the formulation of the just and lasting peace settlement envisaged by Security Council Resolution 242, the achievement of which remains the objective of continuing efforts by the U.N. Secretary-General's special representative as provided for by that resolution.¹⁷

Once again, the withdrawal issue was related to the achievement of a comprehensive solution to the Arab-Israeli conflict with Resolution #242 as the basis.

The continued Israeli occupation of Arab lands led to

16. Canada, Department of External Affairs, Review of the United Nations Twenty-Fifth General Assembly, p. 38.

17. Canada, House of Commons, Debates, September 8, 1971, p. 7617.

the establishment in 1970 of a special U.N. committee to investigate Israeli practices in the occupied territories. Israel refused the entry of this committee into the occupied territories arguing that it was biased. But the committee nevertheless reported on a yearly basis starting in 1970 and each time condemned Israel. Canada annually voted against the report. The Canadian delegation argued that Canada could take no position on conditions in the occupied territories because the information was neither complete nor balanced. Further, because the reports only asked Israel to implement its findings, the reports were unbalanced. Canada was also concerned that the reports, because they dealt with only the territorial issue, threatened the integrity of Resolution #242 and, by implication, Israel's right to exist.

On June 19, 1973 a question was asked in the House of Commons concerning the Canadian government's policy with regard to the acquisition of territories by force. Sharp answered that it continued to be the policy of the Canadian government that Israel's forces should withdraw to secure and recognized boundaries.¹⁸ Sharp thus again called for the withdrawal of Israeli forces but with the provision that this need not be necessarily a total withdrawal but only to "secure and recognized boundaries" These boundaries were to be determined in accordance with Resolution #242.

18. Ibid., June 19, 1973, p. 4890.

With regard to the Palestinian issue, the Canadian government consistently refused to recognize Palestinian demands for the creation of a Palestinian state because this would inevitably involve the destruction of the state of Israel. Many Canadian reactions to the Palestinian issue dealt with United Nations resolutions. In 1968, the Canadian delegation to the United Nations gave full support to the Secretary-General's appeals that the Arab refugees from the 1967 war be allowed to return to their homes and camps. However, in the same year, she opposed a resolution which requested a trustee to protect and administer the property and birthright of Arabs in Israel. No reason was given for this opposition. It may be that the Canadian government feared that such a resolution would undermine Israel's sovereignty within its territory.

Canada also opposed a 1969 resolution which stated that the Palestinian problem was due to the fact that their inalienable rights were denied them. Canada explained her negative vote by arguing that the rights of the Palestinians should not prejudice in any way the rights of Israel. These Canadian votes were in line with Canada's basic premise that Israel had the right to exist and the Canadian position that the Arab-Israeli conflict could be solved on the basis of Resolution #242.

In these two years Canada gave total support to all United Nations resolutions dealing with increased funds and other

kinds of aid to UNRWA (United Nations Relief and Works Agency). This is in accordance with Canada's foreign policy objective of giving aid to humanitarian causes. The Canadian delegation argued that the Palestinian problem could be solved only through a global settlement of the Arab-Israeli conflict but that the United Nations should improve the serious financial situation of UNRWA.

The Canadian government's reactions to aerial hijackings by the Palestinian guerrillas was one of strong condemnation. In response to the first hijacking of an American airliner in 1969 Mitchell Sharp said:

Another example of the kind of thing which is prevalent in this whole situation was the hijacking of an American airliner.... The Canadian government strongly condemns this act of piracy and sabotage against an international airliner.¹⁹

Canada followed this condemnation with the ratification of the Instrument of Ratification of the Tokyo Convention on Offenses committed on board aircraft. Further, Canada participated actively in efforts within the United Nations and the ICAO to deal with hijacking.

The continuation of aerial hijacking by Palestinian guerrillas drew urgent calls from Canada for a stronger stance against hijackers. In September, 1970 Canada strongly urged the calling of a special meeting of the ICAO due to a

19. Canada, Department of External Affairs, Communique, September 8, 1969, p. 5.

wave of hijackings. Further, the Canadian government was to forward specific proposals for action by the Security Council regarding sanctions against countries that do not act against hijackers.²⁰ In December, 1970 Canada signed the Hague Conference on Hijacking and claimed credit for the securing of a strong prosecution provision.

The Canadian reaction to hijacking was so strong that Janice Stein terms hijacking as the only sphere of the Arab-Israeli conflict in which Canada took a major policy initiative. The major reason for this was the Canadian government's concern about the possible effects of international terrorism on terrorist activity within Canada.²¹ Another reason was the Canadian fear that continued Palestinian hijackings could have an escalating effect on the Arab-Israeli conflict.

Canada's reaction to the Jordanian civil war was very limited. On September 25, 1970 \$25,000 was given to the Canadian Red Cross for emergency relief to the victims of the Jordanian civil war. Then, on September 30, 1970 Sharp announced a special supplementary grant of \$150,000 to UNRWA for the purposes of aiding the victims in Jordan. The small amount of aid given seems to indicate that the government was little concerned with the Jordanian war. Though this

20. Canada, Department of External Affairs, Communique, September 17, 1970, p. 2.

21. Stein, J., op. cit., p. 5.

Canadian aid was in accordance with Canada's objective of aiding humanitarian causes, there is no clear indication that the Canadian government consciously invoked the humanitarian objective when it gave the aid. It appeared to be more a spontaneous attempt to make a token gesture. The Canadian government also did not openly state any need to end the war, although this was more than likely a desire of the Canadian government. In general, however, the Canadian government displayed little concern over the war.

In contrast to Canada's passive role in the Jordanian war, the Palestinian terrorist activities after the Jordanian civil war received strong condemnation from the Canadian government. The government was clearly concerned with the possibility that these attacks might contribute to another Arab-Israeli war. For example, in reaction to a shooting incident at Tel Aviv airport, Mitchell Sharp stated:

This tragic episode is another instance of acts of violence by extremist groups which are unfortunately becoming all too common in various parts of the world. Such acts are particularly dangerous in the Middle East, and I hope that this one will not lead to an escalation of violence there.²²

In the United Nations General Assembly from 1970 to 1973, Canadian voting on questions dealing with the Palestinian issue were not fully consistent. Canada supported resolutions which called for the extension of more financial and other

22. Canada, Department of External Affairs, Statements, June 5, 1972, p. 30.

types of aid to UNRWA. She also expressed the view in 1970 that although UNRWA was important, the refugee problem was soluble only as part of an 'overall' solution to the Arab-Israeli conflict.

Canada voted against resolutions which concerned the inalienable rights of Palestinians and which declared that the Palestinian people were entitled to "equal rights and self-determination". She argued that these types of resolutions, by isolating one part of the problem would contradict Resolution #242. Further, while Canada did not question the equal rights of Palestinians, such resolutions called the existence of Israel into question and this Canada opposed. This was consistent with Canada's basic premise that Israel had the right to exist.

Canada also voted in favour of resolutions which called on Israel to allow the return of refugees from the 1967 war. However, Canada continued to vote against the special committee to investigate Israeli practices in the occupied territories with the same argument that the report was invalid.

On four occasions Canada abstained from votes dealing with the Palestinian issue. The first concerned a General Assembly resolution in 1972 which denounced Israeli practices in Gaza. The only reasons which Canada gave for this abstention was that the return of the refugees to the camps was impractical and that the Israeli reasons for demolition were good.²³

23. Canada, Department of External Affairs, Review of the United Nations Twenty-seventh Assembly, p. 92.

The other abstentions were in 1973. One dealt with the Palestinian right to return and deplored Israeli practices in the occupied territories. A related resolution on which Canada also abstained was a resolution dealing with the rights of the Palestinian people to self-determination and to return to their homes. No reasons were given for the abstentions. The fourth expressed concern about Israeli practices in the occupied territories. Canada abstained from the latter because one paragraph (paragraph 8) could be interpreted as an appeal for sanctions against Israel. But the major point is that, in these resolutions, Canada did not vote either against the condemnation of Israeli practices in the occupied territories or the Palestinian right to self-determination. In retrospect, this may have been an early indication that the Canadian stance against Palestinian participation in Middle East peace talks, because of fear that it would jeopardize Resolution #242, may have begun to shift.

Canada also responded to events concerning the Jerusalem issue with the perspective that an overall solution to the Arab-Israeli conflict on the basis of Resolution #242 was needed. Canada abstained on the United Nations Security Council resolution of May, 1968 which called for Israel to withdraw from Jerusalem. The reasons, as given by the Canadian representative at the United Nations, Mr. Ignatieff, were reported by the Toronto Star:

...The Toronto Star of 22 May quoted Mr. Ignatieff as saying that it was wrong to consider Jerusalem by itself and not in the context of the whole complex problem. The resolution, the Ambassador said, would disturb 'the equitable balance of obligations incumbent upon both parties to the dispute'.²⁴

As Israel continued to consolidate its hold on Jerusalem in the absence of an overall peace agreement, Canadian External Affairs Minister Mitchell Sharp was asked several questions concerning the Canadian position on the Jerusalem issue. On September 30, 1968 John Diefenbaker asked whether the Canadian embassy would be transferred from Tel Aviv to Jerusalem.

Sharp answered:

...the Canadian government has not taken this step because the question of the future of Jerusalem has become a highly controversial one. The Canadian government did not feel it would contribute to the solution of that problem by moving its embassy now.²⁵

Sharp reiterated the Canadian government's stance on the embassy location on December 18, 1969. On November 16, 1970 External Affairs Minister Mitchell Sharp was asked whether Canada would protest against Israel's refusal to accept the United Nations recommendation of making Jerusalem a separate entity. Sharp replied that Canada's purpose was to settle the Arab-Israeli dispute and thus supported the implementation

24. Saywell, J., ed., Canadian Annual Review, (Toronto: University of Toronto Press, 1969), p. 251.

25. Canada, House of Commons, Debates, September 30, 1968, p. 563.

of Resolution #242 which included the question of Jerusalem.²⁶ Again, the solution of the Jerusalem issue was linked to a comprehensive Middle East peace settlement with Resolution #242 as the basis.

Canada has not had any official reaction to the right of navigation issue. Canada's total support for Security Council Resolution #242 as the basis for solving the Arab-Israeli conflict is the only indication of Canada's interest in the issue. In his sole mention of the Suez Canal, Sharp referred to this resolution:

The so-called Rogers Plan in 1970 provided for partial implementation of Resolution 242, by a simultaneous reopening of the Suez Canal to navigation and a withdrawal by Israeli forces from the east bank of the canal.²⁷

Canada had supported the Rogers peace plan as well as Resolution #242.

This lack of Canadian response to the navigation issue reflected Canada's limited use of the Suez Canal. Canada had never been a major user ^{of} the Canal and the decision-makers did not see the question of its reopening affecting any Canadian foreign policy objectives. However, the manner by which the right of navigation issue is finally settled could adversely affect the Canadian objective concerning the law of the sea by setting an unfavourable precedent which could

26. Ibid., November 16, 1970, p. 1184.

27. Ibid., October 31, 1973, p. 7809.

be used against Canadian claims over territorial waters. More Canadian reaction concerning this issue could have been expected.

Canada's general reaction to the unabating warfare between Israel and the Arab states was to warn of the threat to peace not only in the Middle East but also in global terms. This was exemplified in a 1968 address to the United Nations by Mitchell Sharp:

In the Middle East, continuing tension and sporadic fighting between Israel and its neighbors sow the seeds of future conflict. There is danger that the escalation of violence in the Middle East could involve outside powers and thus constitute a grave threat to world peace.²⁸

Canada also condemned the Iraqi government's public execution of fourteen Iraqi nationals, nine of whom were Jewish. Sharp condemned the incident not only on humanitarian grounds but also for the fact that such incidents tend to diminish the achievement of a lasting settlement between Israel and the Arab states.²⁹

Canadian reaction to the escalation of the war of attrition was one of deep distress over the situation. On September 8, 1969 Mitchell Sharp said that the acts of violence and threats of war should stop. After his return from a Middle East visit he saw little prospect of peace.

28. Canada, Department of External Affairs, Statements and Speeches, #68/15, October 9, 1968, p. 4.

29. Canada, Department of External Affairs, Communique, January 28, 1969, p. 2.

I left the Middle East with a profound sense of disquiet. Effective negotiation is not an immediate prospect. Escalation of the conflict is an immediate danger. In these circumstances, perhaps the best role for Canada to play in the foreseeable future is that of an understanding, compassionate and objective observer, ready to assist if and when there is a specific task for us to undertake at the instance of both sides.³⁰

In the same speech, he referred to Canada's special standing "as a peace-seeking and peace-making nation". He seemed to imply that Canada would be ready to take on another peace-keeping role in the Middle East in addition to the Canadians already serving on the Syrian sector of UNTSO (United Nations Truce Supervisory Organization). This was the first such indication since the expulsion of UNEF in 1967 and foreshadowed Canada's participation in UNEF II after the October, 1973 war.

Canada continued to speak against the dangers inherent in the escalation of the war of attrition. While on a visit to Rumania, Sharp reiterated his concern that the moderation needed in the Arab-Israeli conflict had not materialized and that a very dangerous level of tension had been reached. During the same visit, Sharp also made the first public statement since the June, 1967 war that Canada would consider a peacekeeping role in the Middle East. Asked about this, he said:

30. Canada, Department of External Affairs, Statements and Speeches, #69/20, November 19, 1969, p. 2.

...when I was in eastern Europe I was asked whether, if there were a peace plan or a ceasefire that involved peace-keeping forces, Canada would be willing to participate. I said yes, in principle.³¹

With this statement, the Canadian willingness to participate in a second UNEF was put on public record. However, Sharp qualified this with the statement that it would be some time before Canada would be called upon to play such a role.

Sharp was very pleased with the achievement of the ceasefire of August 7-8, 1970 which ended the war of attrition. He also expressed satisfaction with the role of the United Nations in implementing the ceasefire and gave full support to Gunnar Jarring's renewed peace mission.

Canada was also in accord with the extensions of the ceasefire between Israel and Egypt. She was disappointed with the failure to renew the ceasefire after March 7, 1971, but expressed hope that peace could be attained. In the House of Commons, Sharp expressed concern that the breakdown of the ceasefire on March 7 underlied the risk that hostilities might be renewed unless the current peace initiatives was maintained. However, he stressed that there were encouraging possibilities for progress towards peace and he hoped that the parties would exploit these possibilities.³²

Minister of National Defence Donald Macdonald, on January

31. Canada, House of Commons, Debates, June 8, 1970, p. 7840.

32. Canada, Department of External Affairs, Statements and Speeches, #71/13, April 1, 1971, p. 1.

28, 1971, again indicated that Canada would be ready to serve on any future peacekeeping force. Concerning a speech in the Senate he said it

...was an indication that...we assume as a task continued peacekeeping operations. This responsibility will only arise once there has been a political settlement.³³

Canada reacted to the Israeli downing of the Libyan airliner over the Suez Canal on February 21, 1973, by expressing grave disappointment. Sharp also agreed that there should be an impartial inquiry into the tragedy but argued that Canada could not initiate such an inquiry since it happened in another country. He also expressed the hope that the Israeli government would ensure that the inquiry be impartial.³⁴ Sharp appeared very reluctant to condemn Israel's action.

The October, 1973 Arab-Israeli war completely caught the Canadian government off-guard. But the Canadian government's first reaction to the outbreak of the war was to urge the combattants to agree to an immediate ceasefire and submit their differences to the United Nations. Sharp stated that such fighting would damage the efforts to achieve peace and argued that the renewal of the conflict underscored the need for the parties to reach a settlement within the framework of Resolution #242.³⁵ Thus, by urging the combattants to

33. Canada, House of Commons, Debates, January 28, 1971, p. 2848.

34. Ibid., February 22, 1973, p. 1545.

35. Canada, Department of External Affairs, Statements, October 6 and 8, 1973, p. 30.

accept United Nations mediation, the Canadian government again pursued its foreign policy objective of enhancing the United Nations capacity to control conflict and promote peaceful change.

On October 8, Sharp repeated the United Nations report that initial attacks had come from the Egyptian and Syrian sides. But he argued that this was now irrelevant. What was now needed was to end the fighting. He urged both sides to restore the ceasefire as soon as possible under United Nations auspices. Sharp also eased Canadian concern by assuring that all Canadian members of UNTSO were unharmed and accounted for.

The next Canadian government statement on the war came during the House of Commons debate of October 16 on the Middle East war. Sharp expressed concern that the war might have wider repercussions. He went on to say that a ceasefire should only be the first step leading to a final settlement of the Arab-Israeli conflict with Resolution #242 as the basis. He also stressed that the Canadian position began from the premise that Israel had the right to exist behind secure and recognized borders and that the first to recognize these boundaries must be Israel's neighbors. Thus, Sharp again reiterated the Canadian policy that a comprehensive peace treaty was needed to solve the Arab-Israeli conflict. In the same speech, Sharp reiterated Canada's willingness to participate in any future peacekeeping force. But he added

the qualification that the force must be under United Nations control and that

...the parties to the conflict would first have to agree on the basis of a settlement and terms of reference for such a force for Canada to accept participation in peacekeeping. That is a lesson that our experience, particularly in Indo-China, has taught us.³⁶

Sharp also envisaged no Canadian initiative at that time and mentioned the Canadian humanitarian concern for the victims of war.

On October 22, Sharp welcomed the United Nations ceasefire and again suggested that the United Nations machinery be used for its implementation. He re-stated the Canadian view that the ceasefire be linked with immediate negotiations. Canadian willingness to increase the number of Canadian officers in UNTSO as well as to consider Canadian participation in a possible United Nations peacekeeping force was also mentioned.

Mitchell Sharp announced, on October 29, that the Secretary-General had officially requested Canada to provide a contingent for service with the United Nations Emergency Force. The request stated that

...this contingent should be organized to provide the logistic component of the force including in particular air support, transport, communications and related logistic facilities.³⁷

36. Canada, Department of External Affairs, Communique, October 16, 1973, #102, p. 4.

37. Canada, Department of External Affairs, Communique, October 28, 1973, #102, p. 1.

Sharp agreed to give this request his urgent consideration. A team of officials from the Department of National Defence and External Affairs was sent to the United Nations for consultation. A final decision on Canadian participation would be made after these consultations.

But a problem beyond Canadian control delayed the Canadian decision. Egypt objected to Canadian participation in UNEF II, arguing that Canada was pro-Israel. Egypt finally dropped this opposition after the Secretary-General appealed to Egypt that Canadian participation was necessary to provide logistic support for the force. Egypt agreed to Canadian participation only in the less sensitive area of logistics. Further, because of Soviet objection that a WARSAW Pact nation must be included to counterbalance the presence of a NATO country (Canada), Poland was to share the logistics role with Canada.

It appears that the United States was most active in obtaining Canadian participation in UNEF II. The United States, for example, negotiated very hard with the Soviet Union to obtain Canadian participation in UNEF II. This indicates that Canadian participation was generally in accord with American policy. The Americans, as one official noted, may actually have pressed for Canadian participation in the hope that Canada would report any suspicious Soviet moves to NATO members.³⁸

38. Interview with an official of the Department of Defence.

On November 9, Mitchell Sharp announced that Canada had decided to participate in UNEF II. Agreement had already been reached on the first phase of the deployment of the Canadian contingent. A signals unit was to leave within a few days. He also proposed to bring the resolution for approval of the government's decision forward in the House of Commons on November 12. The decision to participate was a culmination of various Canadian government statements after April, 1968 that Canada would be willing to participate in a peace-keeping force.

The Canadian decision to participate in UNEF II was also generally in line with Canadian public opinion. A Gallop poll in early November, for example, showed that 55% of Canadians supported participation in UNEF II while 29% disapproved and 16% were unsure.³⁹ This zeal for peacekeeping, however, was not to last and the downing in August, 1974 of a U.N. plane over Syria with nine Canadians aboard rapidly eroded public support. By the end of 1974, Canadians in general did not display much enthusiasm for continued participation in UNEF II. The Halifax Chronicle-Herald, for example, reported that an increasing number of Canadians were fast becoming disillusioned with Canadian peacekeeping.⁴⁰

A parliamentary debate on UNEF II took place on November

39. Toronto Daily Star, December 19, 1973, p. B5.

40. Halifax Chronicle-Herald, November 9, 1974, p. 7.

14. In his speech, Sharp declared that all the major conditions necessary for Canadian approval of a peacekeeping force had been met. That is, there was a threat to international peace and security; there was reasonable expectations that the parties would negotiate a settlement; UNEF II was responsible to the United Nations; and Canadian participation was acceptable to all the parties concerned.⁴¹

There was no opposition to the Canadian government decision to participate in UNEF II from any political party in Parliament. The only criticism concerned the government's handling of the situation. Some opposition members argued that Parliament should have been consulted before, not after, the decision was made; others argued that Sharp had been too eager in seeking Canadian participation in UNEF II and thus hurt Canada's image. There was also criticism of Canada's willingness to share the logistics role with Poland. This made Canada appear as a representative of the United States in the East-West cold war. Nevertheless, the Canadian decision to participate in UNEF II was a clear indication that Canada's resolve for participation in peacekeeping roles had not diminished. This was in direct contradiction with the decision in Foreign Policy for Canadians that Canada would no longer play the role of the "helpful fixer". The decision for participation was, in effect, a return to Lester

41. Canada, Department of External Affairs, #72/23, Statements and Speeches, November 14, 1973, p. 2.

B. Pearson's argument that Canada's world role was that of peacekeeper.

No specific reaction was forthcoming from Canada concerning the various Arab-Israeli clashes after the war. Nor was there any immediate reaction to the Egyptian-Israeli Disengagement Treaty. But on May 1, 1974, Sharp did express satisfaction with the Disengagement Treaty. Sharp was also very encouraged with the signing of the Israeli-Syrian Disengagement Treaty. In a May 30, 1974 statement he said:

I am sure all Canadians share the Government's gratification at the achievement of a disengagement agreement between Israel and Syria. This development will not only bring an end to the fighting in the Middle East but should also open the way for meaningful negotiations on a peace⁴² settlement in that long troubled region.

He also stated Canada's willingness to participate in any peacekeeping force on the Syrian front. Sharp was clearly going all-out to assure the world that Canada would participate in any Middle Eastern peacekeeping force.

The Canadian forces in UNEF II continued to expand rapidly after the initial decision to participate. The air movement of 481 troops began on November 10. After the November 23 agreement the second group of Canadian forces were airlifted to Egypt. Canada was to

...provide a supply company, a maintenance

42. Canada; Department of External Affairs, Statements, May 30, 1974, p. 1.

company, a postal detachment, a military police detachment, a movement control unit, and an air transport unit. Poland would provide, in addition to the engineer unit, a road⁴³ transport company and a field hospital.

By December 6, 1973 the Canadian contingent reached its full strength of over 1000 men. At the same time Canada continued to provide 20 officers for UNTSO. This is the largest single contribution to UNEF II.

On February 21, 1974 Mitchell Sharp reiterated his argument that the criteria for considering peacekeeping operations had been met in the new UNEF. UNEF II, he also argued, has been instrumental in easing Middle East tensions.

Canada further augmented its peacekeeping forces in June, 1974 by supplying a third Buffalo aircraft to its air transport unit. In July and August, 1974 UNEF headquarters, including those of Canada, moved from Cairo to Ismailia on the Suez Canal. By the end of 1974 the Canadian contingent numbered 900.⁴⁴

After the Syrian-Israeli Disengagement Treaty, Canadian peacekeeping forces also served on the United Nations Disengagement Observer Force (UNDOF) separating Syria and Israel. Logistical support was provided by transferring some Canadian and Polish units from Egypt to the Israeli and Syrian sides,

43. Canada, Department of National Defence, Defence 1973, p. 70.

44. Canada, Department of National Defence, Defence 1974, p. 59.

respectively. Canada provided 130 personnel from UNEF and six from UNTSO. Thus, in UNEF II and UNDOF combined there were 1036 Canadian troops. On December 12, 1974 Sharp announced the Canadian decision to continue Canadian participation in both UNEF and UNDOF for a further six months.

With regard to the Arab-Israeli conflict issues, Canadian responses to events after the October, 1973 war suggested that the Canadian position on the need for a comprehensive peace treaty has been moderated. Canada, for example, did not say anything about the specific territorial provisions of either the Egyptian-Israeli or the Syrian-Israeli Disengagement treaties of January 18, 1974 and May 30, 1974, respectively. She did, however, praise the achievement of the treaties as a first step to an overall solution of the Arab-Israeli conflict. It is this immediate Canadian acceptance of Kissinger's post-October, 1973 "step-by-step" diplomacy of pursuing piecemeal solutions to the Arab-Israeli conflict which perhaps indicated that the Canadian government is no longer firm in its argument for a comprehensive peace treaty between Israel and the Arab states.

However, the most important shift in Canadian Middle Eastern policy occurred in relation to the Palestinian issue. The Canadian reaction to the resurgence of the PLO after the Yom Kippur war indicated that Canada was convinced of the inevitability of Palestinian participation in Middle Eastern peace talks. The Canadian government appeared to modify its

stance and argued that the Palestinians must, at minimum, have a say in any Middle Eastern peace settlement. Janice Stein notes that Canada abstained both on the question of PLO observer status at the Law of the Sea Conference in July, 1974 and the United Nations resolution to allow PLO participation in the Palestinian debate. Though there were four previous Canadian abstentions on the Palestinian question these were the first two times that Canada had abstained on such a key aspect of the Palestinian issue as the right of representation. This was the first clear indication that Canada was willing to consider the settlement of the Palestinian issue as a first and separate step to the achievement of an overall Arab-Israeli solution beyond the confines of Resolution #242 and was reiterated in External Affairs Minister Allan MacEachen's United Nations speech of November 20, 1974. MacEachen had become the new Canadian External Affairs Minister after the July, 1974 general election.

In his statement MacEachen first stressed that recent developments had once again brought the Palestinian issue to the fore. He then said:

Canada has firmly resisted giving advice on what form Palestinian representation should take in future negotiations. The claim of the PLO to represent the Palestinians is thus one that...is not for Canada to decide. It is a question that remains to be resolved by the parties directly involved in the course of their continuing efforts to work towards peace

and Israel, in our view, is an essential party in deciding the question.⁴⁵

MacEachen thus argued that Israel must have a part in deciding the form of Palestinian representation. But the key point is that MacEachen had declared that there should be Palestinian representation; only the form is to be decided on. Further, the form of Palestinian representation should be settled prior to "future negotiations", i.e. before the convening of the Geneva Conference and negotiations on other aspects of the Arab-Israeli conflict. The major importance of MacEachen's statement is that by conceding that the question of Palestinian representation should be settled prior to other issues, it seemed to alter Canada's stated policy of seeking a comprehensive peace settlement on the basis of Resolution #242.

The apparent change in the Canadian position on the Palestinian issue is the only aspect of the Arab-Israeli conflict in which Canada and the United States are in disagreement and this disagreement is not vitally important. American policy, because the United States has a more vital interest in the Middle East, is more opposed to PLO participation in Middle Eastern peace talks and thus more openly pro-Israel than Canada's. But both countries still have as their basic premise that Israel has the right to exist and no major Canadian-American dispute has come from the differences over the PLO issue. It was also this apparent shift in Canadian policy, manifested in the

45. Canada, Department of External Affairs, Statements and Speeches, #74/16, November 29, 1974, p. 2.

Canadian abstention, rather than opposition, to allow PLO participation in the Palestinian debate at the United Nations, which elicited fears from pro-Israeli groups that Canadian policy had changed. As a result, these groups took more active steps to mobilize public opinion against any Canadian decision to recognize the PLO. In turn, the much smaller pro-Arab groups began to mobilize public support in favour of the PLO.

In an address to the Canadian Jewish Congress on June 16, 1974 Prime Minister Trudeau, for the first time, made a major statement on Canadian policy towards the Arab-Israeli conflict. He took pains to assure his audience that Canadian policy towards the conflict, especially concerning the fundamental right of Israel to exist, had not changed either as a result of the oil embargo or any other reason.⁴⁶ The fact that Trudeau himself made such an important statement suggests that Canadian policy was, in fact, shifting towards a less pro-Israel stance and Trudeau was trying to soften the impact of this shift.

The continuing Palestinian terrorist attacks and the Israeli reprisal raids after the October war also continued to receive strong Canadian condemnation. In reaction to the Arab terrorist Maalot massacre and the Israeli reprisal raid, for example, Mitchell Sharp said:

46. "Notes for the Prime Minister's remarks to the Canadian Jewish Congress", Toronto, June 16, 1974, p. 10.

There is no possible excuse for sheer terrorism which results in the cold-blooded murder of innocent children. Nor can we condone massive reprisals which strike indiscriminately against civilian populations....These bloody events threaten to engulf again the Middle East in the terrible cycle of terrorism and reprisals.⁴⁷

Again, Sharp was concerned that such incidents would lead to an escalation of the Arab-Israeli conflict.

Canadian reactions to the Arab-Israeli conflict thus suggest that no major Canadian foreign policy objectives were involved in the formulation of Canadian policy. Canadian decision-makers responded to the conflict with essentially two objectives in mind: the settlement of the Arab-Israeli conflict and the enhancement of the United Nations capacity to promote peaceful change and control conflict. It further appears that these two foreign policy objectives were consciously and visibly pursued by Canadian decision-makers. Mitchell Sharp, for example, explicitly stated on a number of occasions that they were objectives of Canadian Middle Eastern policy. The Canadian objective of giving aid to humanitarian causes, namely the Palestinian refugees, was also apparent in Canadian reactions. But the few times that Canada did give humanitarian aid, it appeared more of a spontaneous attempt to soothe the Canadian conscience with regard to the refugees than a conscious, thought-

47. Canada, Department of External Affairs, Statements, May 17, 1974, p. 30.

out attempt to pursue a Canadian foreign policy objective. Canadian responses were also generally in line with Canadian foreign policy objectives. The only exception is that the Canadian recognition of the need for Palestinian representation in peace talks might prove to be inconsistent with the Canadian premise that an overall solution to the Arab-Israeli conflict must include Israel's right to exist.

Other than stimulating pro-Israeli and pro-Arab factions to press their respective demands on Canadian politicians, the Arab-Israeli conflict did not have any important domestic effects in Canada. Nor did either of the pressure groups exert much pressure on the Canadian government in this period. The situation did seem to change in late 1974, however, with the resurgence of the PLO and the apparent shift in Canadian policy that the Palestinians should be represented in Middle Eastern talks. Both pro-Israel and pro-Arab groups began to mobilize public opinion in support of their respective positions and by mid-1975 the government was forced to take these two pressure groups into account.

The Canadian House of Commons had two major debates on the Arab-Israeli war: one on the war itself on October 16, 1973 and one on the question of Canadian participation in UNEF II on November 14. In both cases, as in Canadian foreign policy generally, Parliament had virtually no influence in the final policy adopted. In the case of the debate on Canadian participation in UNEF II, the decision to participate

had been made before the debate took place and the Members of Parliament were left to simply argue over the procedural aspect of the decision. Nevertheless, the Parliamentarians were almost unanimously in accord with Canadian policy.

The United States was the only major external influence on Canadian Middle Eastern policy. But, as previously noted, the fact that Canadian orientations on the Middle East were virtually the same ensured that no important policy differences between the two countries would develop. The only difference of any significance related to the PLO issue and both nations continued to support Israel's right to exist.

As in the case of superpower rivalry, Canadian government reactions to the Arab-Israeli conflict were almost entirely made by External Affairs Minister Mitchell Sharp (later Allan McEachen). The realization that only once did another decision-maker (Prime Minister Trudeau) make a policy statement again suggests that the Arab-Israeli conflict was not very important in Canadian global foreign policy.

CHAPTER VI: CANADA AND MIDDLE EASTERN OILSECTION I: MIDDLE EASTERN OIL DEVELOPMENTS

Between April, 1968 and December, 1974 the world witnessed a developing crisis in both the supply and price of oil which culminated in the energy crisis of 1973-74. The political and economic actions of the major oil-producing countries in the Middle East, which by 1968 had become the world's most important oil-producing region, played the dominant part in initiating the energy crisis.

However, the magnitude of the potential global energy crisis and the Western countries' dependence on Middle Eastern oil supplies did not become evident until mid-1970 when Libya initiated a deliberate slowdown in oil production and succeeded in obtaining higher oil revenues from the multinational oil companies. The realization that the Western nations were completely dependent on their oil spurred all Middle Eastern oil producers to demand higher prices, greater participation in the oil industry, and control over oil production. Simultaneously, this same recognition demonstrated to the Arab states that the threat and, if necessary actual implementation, of production cuts of needed oil supplies to Western nations could be used as a weapon to gain Western support against Israel. This finally culminated in the quadrupling of oil prices in the

last months of 1973 and the Arab oil boycott against supporters of Israel in October, 1973. These events, along with the international oil companies' apparent attempt to gain higher oil profits by creating an artificial oil shortage, were the major causes of the 1973-74 global energy crisis. Canada, like the other industrialized states, was directly affected by this crisis.

There were few major oil events in the Middle East from April, 1968 to the Tripoli Agreement of September, 1970. One important development, however, was the determination of Libyan oil companies to rapidly increase production of Libyan oil. This was a direct consequence of the closure of the Suez Canal after the June, 1967 war. By 1970 Libya accounted for about 30% of European requirements.

A second, very important event was the OPEC (Organization of Petroleum Exporting Countries) declaration of Petroleum Policy in June, 1968. This statement was an indication of OPEC's future policy. In effect, OPEC demanded oil company abandonment of oil concessions in its member countries, an oil price to be determined by the OPEC governments, and a more active and direct role in world oil trade.¹ It was a direct attack on the multinational oil companies.

By 1970 the world oil supply situation had begun to deteriorate. Whereas there had been a glut of oil in the

1. Levy, W.J., "Oil power", Foreign Affairs, Vol. 49, #4, 1970-71, p. 657.

world market before 1970, a strong sellers' market developed in the course of 1970.²

At the same time as the world oil supply began to decline the new revolutionary Libyan government under Colonel Qadhafi began demanding a higher share of oil profits. When the oil companies refused, Qadhafi threatened production cuts. The Libyan threat to cut production was made especially credible after the interruption of oil flow through the Syrian portion of TAPLINE. The interruption was caused by what Syria termed an "accidental" break in the Syrian portion of TAPLINE. As a result, the oil flow to the Mediterranean coast was reduced by about 500,000 barrels a day. Libya carried out its threat to halt oil production in August, 1970 and almost 800,000 barrels of oil per day were cut from production "on the grounds of protecting the fields from premature exhaustion".³

Given the depressed oil supply situation, the independents were forced to capitulate in early September and the major multinationals followed suit. Libya had won. With the Tripoli oil agreements, Libya increased its profits by an average of 27 cents a barrel.⁴ The Libyan success set off similar demands on the oil companies by all OPEC countries and the companies were forced to capitulate.

2. Campbell, J.C., and Caruso, H., The West and the Middle East, (New York: Council on Foreign Relations Inc., 1972), p. 47.

3. Mikdashi, Z., The Community of Oil Exporting Countries, (London: George Allen and Unwin Ltd., 1972), p. 147.

4. Idid., p. 149.

Thus, the oil exporting states had, for the first time, forced the oil companies to bow to their terms. The success of the Middle Eastern countries had put the international oil companies in a precarious position. But the companies now received support from the third interest group in the oil equation - the Western industrial oil-consuming nations. The major forum for these nations is the Organization for Economic Cooperation and Development (OECD). The OECD nations feared that any gains by OPEC would seriously upset their favourable terms of trade and balance of payments vis-a-vis OPEC.

On January 15, 1971 a joint group of companies was formed to negotiate with OPEC. OPEC, meanwhile, decided to negotiate on a regional basis beginning with the Persian Gulf states. The Teheran Agreement was reached on February 14, 1971. With this agreement the companies agreed with the Gulf countries' financial demands and in return the companies were guaranteed security of supply and financial stability for five years. Subsequently, the companies gave higher oil revenues to all OPEC countries. OPEC had again forced the companies to substantially raise oil revenues.

The oil agreements of 1971 did not provide the security of supply and stability of price that both the oil companies and oil-consuming nations had hoped for. The sky-rocketing world-wide demand for oil put the oil-producing nations in an immensely favourable position to achieve their twin de-

mands of higher oil revenues and the regulation of oil production.

At the end of 1971 OPEC demanded that oil prices be adjusted to take into account the August devaluation of the American dollar. With the Geneva Agreement of January, 1972 OPEC, including its Middle East members, received an average increase of 20 cents per barrel.

OPEC took up the question of planned production between member states at its July, 1971 conferences but no concrete plans for the regulation of oil production was announced. However, in 1972 Libya and Kuwait made production cuts without a comprehensive OPEC production plan. These cutbacks further accentuated the growing world oil shortage. The Libyan and Kuwait production cuts had, by early 1973, produced the first real sign of a serious energy crisis.⁵

In mid-1973 the Middle East oil-producing nations once again began to press demands against the oil companies. OPEC received a further increase in oil revenues to offset the February devaluation of the American dollar in June, 1973. But the most significant development of mid-1973 was the intensified and increasingly credible Arab threat to halt oil production if the industrialized countries, especially the United States, did not force Israel to accept Arab peace terms. In a world becoming desperately short of oil, this threat

5. Hill, P., and Vielvoye, R., Energy in Crisis, (London: Robert Yearman Ltd., 1974), p. 61.

was not to be taken lightly.

Arab threats to utilize the oil weapon were voiced in the months prior to October, 1973. But it was the rapprochement between Egypt and oil-rich Saudi Arabia which made its success more likely. Though there were great political and ideological differences between Egyptian President Sadat and Saudi Arabia's King Faisal, Sadat knew he would need Faisal's financial help in any future war. King Faisal, in turn, was willing to help Sadat for two major reasons. First, it would strengthen Saudi Arabia's political position in the Arab world. Second, Faisal was as determined as Sadat to force Israeli withdrawal from occupied Arab land, especially Jerusalem.

The first serious Saudi Arabian threat to use the oil weapon came on April 16, 1973. Saudi Arabian Petroleum Minister Sheikh Yamani stated that unless the American position in the Arab-Israeli conflict changed, Saudi Arabia would not increase its oil production for export to the United States. The threat was reiterated on April 18.

On May 15th a practical manifestation of the Arab intent to use the oil weapon took place when three Middle Eastern Arab states (Libya, Iraq, Kuwait) and Algeria temporarily cut the oil flow to the West in a symbolic protest against the existence of the Israeli state.⁶ The Arab threat to

6. Sobel, L.A., op. cit., p. 85.

curtail oil shipments to the West continued right up to the Yom Kippur war.

The oil price arrangements of 1971 came under attack in September, 1973. At its Vienna meeting of September 15-16, OPEC called for a renegotiation of the Teheran Agreement. At subsequent OPEC-company meetings the OPEC nations demanded a \$3.00 a barrel increase (100% increase) and a new inflation formula.⁷ The companies were caught unaware by the huge demands and asked for a two-week postponement.

On October 16, 1973, in the midst of the Arab-Israeli war, the Persian Gulf members of OPEC unilaterally raised the posted price of crude oil by more than 70%. This was to replace the Teheran Pact of February, 1971. With this action OPEC had, for the first time, raised prices without consultation with the oil companies. It was a dramatic demonstration of OPEC's triumph over the oil corporations. After the Persian Gulf Declaration, price increases were registered by the other OPEC states.

The fact that the Arab states were at this time posed to unleash their oil weapon against the Western nations gave the Persian Gulf states a stronger hand in, and helped assure the success of, obtaining the high increase in oil revenues. But the increases were also a logical progression from the Persian Gulf states' negotiating stance prior to the war that

⁴ 7. Hill, P., and Vielvoye, R., op. cit., p. 62.

prices be increased by 100%. It is highly likely that oil prices would have risen, though possibly not as rapidly, even without the opportunity occasioned by the October, 1973 war.

The October war did, however, have a direct bearing on the October 17th OAPEC (Organization of Arab Petroleum Exporting Countries) announcement that the Arab states would cut back oil exports to force a change in Western support of Israel. The official OAPEC resolution declared that the cuts were designed to force the Western nations, and especially the United States, to force Israel's withdrawal from occupied lands and recover "...the legitimate rights of the Palestinian people in accordance with the United Nations Resolutions."⁸

Thus, OAPEC

[d]ecided that each Arab oil exporting country should immediately cut its production by a recurrent monthly rate of no less than 5% to be initially counted on the virtual production of September and thenceforth on the last production figure.

This was to continue until Arab demands were met. Iraq, which argued that the boycott would hurt the Arab states' friends more than their enemies, was the only Arab state not to support the resolution.

The Arab states immediately began to implement the pro-

8. Stockholm International Peace Research Institute, Oil and Security, (Stockholm: SIPRI, 1974), p. 118.

9. Ibid., p. 118.

duction cuts. Saudi Arabia set the pace on October 18 by slashing oil production by 10%. The other major Arab oil states, except for Iraq, did likewise. Besides the general production cuts, the Arab states soon declared a total embargo on all oil shipments to the United States. This was initiated by Libya on October 19, and followed by Saudi Arabia and other Arab states on October 20 and 21. But the fragility of the Arab boycott was illustrated by the refusal of both Iraq and Libya to fully implement the total boycott against the United States.

In the weeks following the October 17th OAPEC announcement, other nations considered to be pro-Israeli were put on the total embargo list. OAPEC also produced a list of friendly nations which were to receive preferential treatment in oil supplies. All other nations were on the "neutral" list. Neutrals were to be given oil left over after the friendly nations received their share.

OAPEC announced a further production cut at its November 4 meeting in Kuwait. Production was to be cut by 25% (based on the September production figures). But at its November 18th meeting OAPEC eased pressure on Europe somewhat when it announced that the 5% reduction to the EEC would not apply because of the latter's favourable support of the Arab states. On December 8 OAPEC reaffirmed its position of a further 5% cut in oil production and exports in January, 1974.

Both the oil prices and OAPEC's oil boycott helped trigger the energy crisis of 1973-74. The oil companies' part in creating an artificial oil shortage by reducing needed oil investments and halting the construction of needed oil refineries also intensified the crisis. The price increases put the Western industrialized oil-importing nations in an increasingly precarious position. The previous price rises had already weakened the oil-importing nations vis-a-vis OPEC. The huge price increase of October 16th added to the already unfavourable balance of payments position of the oil-importing countries.

But the oil-importing nations were more immediately affected by the supply crisis caused by OAPEC's decision to curtail production. The slowdown was the final straw necessary to initiate the global energy crisis. The oil-importing nations were forced to take steps to curtail domestic consumption by initiating such drastic measures as curtailing Sunday driving and reducing the work week. The threat of economic collapse increased in many industrialized countries as long as the boycott continued. Western Europe and Japan, which relied heavily on Middle Eastern oil, were in an even more serious situation than the United States.

The OAPEC oil embargo began to collapse in December. On December 18 Iraq announced a production increase from 2.1 million barrels to 3.5 million barrels per day by 1975.

Further, Libyan oil was now being openly reported as being received in the United States. Great pressure was also exerted by the United States on the Arabs to end their boycott.

The first major step in easing the oil embargo came on December 25, 1973. Instead of going through with the earlier decision to curb production by a further 5%, OAPEC announced it would instead increase production in January, 1974 by 10%. Further, Japan and Belgium were added to the friendly list. But the total embargo on the United States and the Netherlands was to remain and American threats to retaliate if the Arab boycott continued intensified in early 1974. In turn, the Arab states warned that they would blow up their oil fields if attacked.

Nevertheless, by early January it was becoming clear that the embargo would be lifted. The original rationale for the oil embargo - to attain Arab demands in the October, 1973 war - was no longer present. The signing of the Israeli-Egyptian disengagement treaty in January, 1974 further diminished Arab determination to continue the boycott. Moderate Arab states, notably Saudi Arabia, argued that the boycott had served its purposes and was no longer needed. Its continuation would only be counterproductive by perpetuating a hostile Western attitude to the Arab states. Further, continuation of the boycott would force the Western nations to develop new sources of energy and this, in the long run,

might be detrimental to the Arab states. As a result, on March 18 seven of nine OAPEC members agreed to lift the oil embargo against the United States. Italy and Germany were put on the "friendly" list. But the boycott against the Netherlands and Denmark was to continue. The OAPEC decision was approved by OPEC but three Arab states - Libya, Syria and Iraq - opposed it.

Thus, the oil embargo was officially over and on March 18 Saudi Arabia pledged a production increase of one million barrels a day for the United States. Several countries (Kuwait and Libya), however, did not increase production. Further, the lifting of the embargo was set on the condition that the United States make progress towards fulfilling Arab demands in the Arab-Israeli conflict.

At the same time as the OAPEC oil embargo eased, the Persian Gulf oil states announced a second dramatic price increase. After the December 23rd Teheran meeting, these oil states announced that effective January 1, 1974 the price of a barrel of oil would double. The other OPEC oil nations followed suit almost immediately. This second price increase was a direct result of OAPEC'S oil embargo. The supply crisis had provided the rationale for the price increase. As Hill and Vielvoye write:

The curb on oil output in the Arab states had played havoc with the prices of the relatively small amounts of oil that were available on the free market. OPEC members had taken advantage of sellers' market

conditions and put participation oil up for auction....The strength of the free market was first tested by the Iranians, who placed a substantial parcel of oil on the auction lists and received bids of \$17 a barrel. Only two years earlier the asking price had been \$1.80 a barrel.¹⁰

The Persian Gulf nation which had argued most intensely for the large price increase was Iran, a non-Arab nation. Iran had consistently called for an end to the Arab boycott arguing that it was endangering the world economic system. Yet Iran, unlike most Arab states, needed vast amounts of money to finance its development plans and called for the highest oil price that the market could bear.

The price rise created havoc in the world economic system. The earlier price rises had already created a visible shift in international economic relationships. But the December 23rd price rises, when combined with restricted supplies, plunged the world into the worst economic crisis since World War II as the oil-consuming countries faced a dramatic change in their balance of payments situation. It is estimated that in 1974 the oil-consuming states could have their combined account deficits worsened by approximately \$40 billion and OPEC could add approximately \$50 billion to their foreign assets.¹¹

10. Vielvoye, R., and Hill, P., op. cit., p. 72-73.

11. Stockholm International Peace Research Institute, op. cit., p. 39-41.

The OPEC nations, including the Middle East members, were thus placed in a very advantageous economic position. Despite appeals from oil-consuming nations, pro-Western Saudi Arabia was the only Middle Eastern (and OPEC) member to press for a lower oil price after January.

There were few Middle Eastern oil events after March, 1974. After Kuwait obtained a 60% controlling share in the Kuwait Oil Company other Arab Persian Gulf states demanded, and received, similar agreements from the oil companies. In June, 1974 Saudi Arabia began negotiations for the complete ownership of ARAMCO and in November Sheikh Yamani stated that the Arab states would soon fully control their oil resources. By the end of 1974 the participation question had been virtually resolved in favour of Arab government control.

Despite the drop in consumption by the oil-importing nations, Middle Eastern oil production remained virtually the same after March. On June 2, 1974 OAPEC, with the exception of Iraq, met to consider the oil embargo and it was decided to continue oil deliveries to the United States. On June 10, 1974 the embargo against the Netherlands was lifted and that against Denmark was tacitly withdrawn. Only Kuwait cut production arguing that this was necessary to maintain the present prices.

Middle Eastern oil prices changed little after March. The oil-consuming nations, especially the United States, continually called for a drop in OPEC prices. But the OPEC

nations, despite dissention within its ranks, had proven the effectiveness of the oil cartel and were determined to maintain prices. On June 17 OPEC announced that crude oil prices would stay steady for three months and on September 13th OPEC announced another decision to continue existing prices until 1975.

The Middle Eastern states were determined not to give in to Western threats to reduce oil prices. The Shah of Iran argued several times that lower oil prices would occur only when the industrialized nations lowered the price of their exports. Only Saudi Arabia, for basically two reasons, showed any willingness to lower prices. Firstly, Saudi Arabia was the most pro-Western of the Arab states. Secondly, Saudi Arabia, unlike Iran, was sparsely populated and did not need vast sums of money for development purposes. On December 13, 1974 OPEC announced that the price of oil would be frozen for the first nine months of 1975.

Thus, by the end of 1974 the Middle Eastern oil nations had succeeded in obtaining a four-fold increase in the price of oil and control over their oil resources from the oil companies. The Arab states had also succeeded in demonstrating their ability to regulate oil production to suit their purposes.

SECTION 2: THE CANADIAN ENERGY SITUATION

The Canadian energy situation, within the framework of which Canada reacted to Middle Eastern oil events, was very complex. Until September, 1973 the production and sale of gas and oil in Canada was governed under the National Oil Policy dividing Canada into two regions: Canada West and East of the Ottawa Valley line. Canadian oil and gas was sold in the west and imported oil, including Middle Eastern oil, in the east. A second key feature of the domestic Canadian energy situation is that the question of control over natural resources is in dispute between the provincial, especially Alberta, and federal governments. The latter had to take precautions that it did not intrude in the provincial sphere. The fact that all Canadian exports went to the United States and that any cutback in these exports and/or substantial price increases could conceivably cause a deterioration in Canadian-American relations also helped shape Canadian reactions to Middle Eastern oil events. The total domination of the Canadian oil industry by multinational oil companies further influenced Canadian responses. But the most significant feature of the Canadian energy situation to affect Canadian Middle Eastern policy was that between April, 1968 and early 1973 the Canadian energy picture appeared so bright that Canadian decision-makers could not envisage the energy crisis that was to occur. It was only

in 1973, when the projections for Canadian oil and gas reserves were dramatically revised downward, that Canada realized the full extent of Middle Eastern oil developments and acted accordingly.

The Canadian energy situation from April 1968 to early 1973 had all the appearances of being very healthy as Canadian energy production rose much more rapidly than energy consumption. The Canadian energy picture looked even brighter when energy reserves were included. The Canadian Petroleum Association in December 1972 estimated that, in terms of 1972 production rates, Canada had 15 years of proven oil reserves and 25 years of proven gas reserves.¹²

Canada's potential oil and gas reserves were also estimated to be immense. The Geographical Survey of Canada (a federal government agency) made two projections of Canada's probable oil and gas reserves in 1972. The more optimistic projection estimated that potential reserves for oil and gas were 118 million barrels and 835 trillion cubic feet, respectively while the second projection dropped this estimate to 83 billion barrels and 712 trillion cubic feet respectively.¹³

Yet another reason for the optimistic energy picture

12. Laxer, J., Canada's Energy Crisis, (Toronto: James Lorimer and Co., 1975), p. 55.

13. Ibid., p. 56.

was a huge reservoir of non-conventional reserves in the form of oil sands and heavy oil. The Athabasca tar sands of Alberta hold what are probably the world's largest reserves of tar sand and the recoverable portion alone is half of the world's present proven reserves of conventional oil.¹⁴ Thus, Canada seemed to be virtually immune from any energy crisis.

The rapid rise in Canadian energy production after 1968 was accompanied by, and was also a partial result of, increasingly large volumes of energy exports to the United States. By 1970 the United States was in the throes of a developing energy crisis. In this situation, the United States was very anxious to increase imports from its most secure source - Canada. The 1970 Shultz Report on United States oil imports explicitly called for a rapid increase of Canadian energy imports and an American-Canadian continental energy deal.

The Canadian government resisted explicit acceptance of a continental energy agreement. The buoyant outlook for Canadian oil production and the immense projected estimates of energy reserves had nevertheless led the Canadian government to annually increase energy exports to the United States. The National Energy Board, however, did

14. Ibid., p. 57.

view one development with unease. This was the fact that beginning in 1970 net production of crude oil and natural gas liquids exceeded gross additions to reserves. This led to a smaller increase in natural gas exports than would probably have been the case. But by that time Canadian exports of natural gas had been enormous.¹⁵ Philip Sykes reports that

...By the end of 1972, then, Canada had sold more than one third of all the gas it had ever produced (6.9 trillion cubic feet of a total 17.2 trillion) to the United States and was committed by contract to sell one third of what was left before 1995.¹⁵

The federal government's support of two huge provincial projects to harness electrical energy (the Manitoba Churchill Diversion project and Quebec's James Bay project) and for a consortium bid to build a Mackenzie Valley pipeline further indicated Canada's willingness to consider a future continental energy agreement with the United States. The three projects could be economically feasible only if vast amounts of energy were exported to the United States.

At the same time as Canadian energy consumption, production and exports rose, so did imports into eastern Canada. The National Energy Board noted in 1971 that Canada imported about 800,000 barrels daily. This made Canada one of the

15. Sykes, P., Sellout, (Edmonton: Hurtig Publishers, 1973), p. 84.

world's largest importers of oil.¹⁶ In 1972 oil imports rose by 14% to 930,000 barrels daily.

In 1973 and 1974 the Canadian energy situation underwent a dramatic reversal. In early February, after no other means could be found to ensure Canadian supply, the National Energy Board recommended that controls be imposed on the export of crude oil and equivalent hydrocarbons. These became effective on March 1.¹⁷ For the first time, restrictions were put on crude oil exports to the United States. On June 15, 1973 export restrictions were put on diesel fuels, kerosene and heating oil. This was followed by export restrictions on propane, butanes and heavy oils.

Despite these export restrictions, the Canadian government remained optimistic about the future of Canadian energy resources. This optimism was seen in the Department of Energy, Mines and Resources publication An Energy Policy for Canadians in June, 1973. This report stated that though conventional oil production in the Western provinces would decline in the late 1970's, new sources of supply in the Canadian arctic and in the oil sands would be completely sufficient to prevent any shortfalls.¹⁸

The optimism did not last long. After a series of

16. National Energy Board, Annual Report, 1971, p. 9-10.

17. National Energy Board, Annual Report, 1973, p. 20.

18. Laxer, J., op. cit., p. 141.

meetings in April and May, 1974 the National Energy Board released a report on oil exports. The Board now declared that demand for Canadian crude oil would exceed supply in 1982. This extremely pessimistic report resulted from major downward revisions of both the estimated conventional reserves of crude oil in the prairies and of expected oil sands production in the early 1980's. Further, the NEB assumed no oil production from the Canadian arctic and assumed no frontier oil would be available by the early 1980's.¹⁹

This pessimism was in sharp contrast with the optimism of previous years. After the report was released the Canadian government announced the phasing out of crude oil exports to the United States beginning January 1, 1975. It was against this energy background that the Canadian government responded to Middle Eastern oil events.

SECTION 3: CANADIAN REACTIONS TO MIDDLE EASTERN OIL EVENTS

From April, 1968 to the Tripoli Agreement of September, 1970 there were no Canadian reactions to Middle Eastern oil events. The major reason for this appears to be simply that world attention was not yet focused on Middle Eastern oil developments. Neither the rapid increase in Libyan oil

19. Ibid., p. 145.

production nor OPEC's proclamation of future oil policy elicited any major response from world capitals or even from the international oil companies. As such, the Canadian government did not feel any Canadian foreign policy objectives to be affected by these events.

The National Energy Board, however, did begin to view Middle Eastern oil events after mid-1970 with alarm. The Board pointed out that the continued closure of the Suez Canal and the sudden production slowdown by Syrian and Libyan actions affected both the costs of imported oil and the demand for Canadian oil exports to the United States. Further, the flexibility of world oil supply could impair the ability of suppliers to meet peak Canadian winter demand. The conclusion was that

...the experience of 1970 [i.e. Syrian and Libyan actions] served to re-emphasize that Canadian oil has never been isolated from events in the mainstreams of international oil supply and that, while the eastern Canadian market has enjoyed the lower costs of foreign oil, its supply and price remain dependent upon circumstances over which Canada can exert little or no control.²⁰

The Board also emphasized that the situation was different from previous disruptions of Middle Eastern supplies or supply routes. In 1970, neither the United States nor Venezuela had the excess production capability to be an

20. National Energy Board, Annual Report, 1970, p. 21-22.

alternate for imported Canadian oil.

In its 1971 report, the National Energy Board again referred to the sharp increases in the cost of overseas oil. Then, the Board explicitly expressed the possibility of a supply threat to Canada because of the tense political situation in the Middle East. This lent weight to the Board's review of the security of this supply.²¹ The Board also stated that oil import prices were being monitored in order to establish the circumstances governing prevailing levels of price and freight. As a result of the changed circumstances of Middle Eastern oil, the Board began a comprehensive survey of eastern Canadian oil supply and demand over the next few years.²²

Despite these Energy Board warnings of the possible consequences of Middle Eastern oil developments, there was no official Canadian reaction to these developments. In large part this appears to have been due to the optimistic estimates of the Canadian energy situation. Government officials did not seem to consider that Middle Eastern oil events could affect the Canadian energy situation. Thus, despite the suggestion that the federal government is no longer expected to downgrade the issues of security of supply or to take it for granted²³, this is precisely what the

21. National Energy Board, Annual Report, 1971, p. 10.

22. Ibid., p. 11.

23. Solomon, H., "World oil struggle shakes policy here", Financial Post, February 27, 1971, p. 4.

government did. The argument that the Canadian government, even if did recognize the changing world conditions, did not act with undue haste in protecting national interests²⁴, is fundamentally correct.

Two other considerations, moreover, may have played a part in the Canadian government's inaction. One was the opposition of the oil-producing provinces, notably Alberta and Saskatchewan, to any federal controls which might hurt their exports to the United States; the other was that the price of Canadian oil had been raised in 1970 for the first time since 1962. The price increase was approximately 25 cents per barrel. The government may actually have been happy with the OPEC price increases.²⁵

There is yet another possible explanation for the government's inaction despite explicit NEB warnings of the dangers of Middle Eastern oil developments. This is that there may have been insufficient consultations and/or inter-communications between the NEB, whose primary function is to advise the government, and relevant government officials. That is, had government officials been more concerned with the findings and work of the NEB, they may have discovered the need to take precautions against any adverse oil developments. What-

24. Smith, J., "How Canada created its very own oil crisis", Saturday Night, Vol. 84, #1, January, 1974, p. 17.

25. Interview with an official of the Department of Energy, Mines and Resources.

ever the reason, it is unmistakably clear that government inaction in these years had a direct bearing on the magnitude of the 1973-74 Canadian energy crisis.

Canadian government reactions to Middle Eastern oil developments from the 1971 agreements to the end of 1972 indicated a growing Canadian concern over the rising oil prices and supply situation. But there was no overt sign that the government considered any Canadian foreign policy interests or objectives to be immediately affected. The 1971 National Energy Board report referred to the OPEC-oil companies negotiations over the devaluation of the American dollar. The 1972 report stated that the prices of imported oil and survey of the oil industry supply planning were being monitored. But nothing else was said. The price of Canadian oil generally followed world oil prices through 1971 and 1972, rising about 30 cents per barrel in 1972.

On September 11, 1972 the Minister of Energy, Mines and Resources Donald Macdonald indicated that he was aware of a possible future supply crisis caused by international, i.e. Middle Eastern oil developments, but he went on to say that though there was an energy crisis in the United States, there was none in Canada yet. This, however, might change in future.²⁶ Macdonald appears to have completely underestimated the

26. "Notes for an address by Hon. D.S. Macdonald to the 29th Annual Conference of Provincial Mines Ministers", September 11, 1972, p. 10.

potential effects of Middle Eastern oil developments on Canada.

The Kuwait and Libyan cutbacks of early 1973 affected Canada both directly and indirectly. Canada was directly affected by the slowdown of imported oil into eastern Canada, but at first this was little noticed. The indirect effect was much more dramatic. As the Middle East cutbacks deepened the American energy crisis, the United States turned to Canada for its energy needs. American shortages of domestic oil and gas and rising oil prices caused renewed calls from both American legislators and administration officials for a continental energy deal. The rising American demand for Canadian oil was such that by early February Canadian oil exports to the United States increased by 20% from December, 1972. This threatened the supply situation in Canada.²⁷

The Canadian government acted quickly. On February 15 Macdonald announced that oil exports to the United States were to be restricted. This was followed by further restrictions on other types of energy exports: diesel fuels, kerosene and heating oil in June; propane, butanes and heavy oils in October.

That the energy export restrictions was due to the supply cutbacks in the Middle East can be deduced from Macdonald's speech of May 28, 1973. He said that the deteriorating oil

27. National Energy Board, Annual Report, 1973, p. 20.

imports situation into Eastern Canada was such that with or without export controls Canada would feel an attenuation of the supply of refined products to Canada. For example, almost no motor vehicle oil had been imported into Canada recently.²⁸

But Macdonald remained optimistic. He stated his belief that although imports were decreasing, there was no serious supply shortage in Canada. The supply situation was made more secure by the restriction of exports. Further, the tight international oil supply situation was due not to lack of oil but rather to "shortcomings in the producing system and the transportation system"²⁹ The implication was that the supply crisis would not last.

In the same speech, Macdonald referred to the inflationary effect that the rise in OPEC oil prices since 1970 had had on Canada. The NEB estimated that between 1970 and February, 1973 the average cost of imported crude increased by at least 85 cents a barrel (30%).³⁰ One effect of this increased cost of imported oil was the creation of new refinery capacity, notably at Port Tupper, Nova Scotia, St. Romuald, Quebec, and Come-by-Chance, Newfoundland. This had decreased imports of refined oil products into Canada. Middle

28. Canada, House of Commons, Debates, May 28, 1973, p. 4170.

29. Ibid., p. 4172.

30. Ibid.

Eastern oil developments were clearly having an impact on the Canadian energy situation.

External Affairs Minister Mitchell Sharp had also expressed concern over Middle Eastern oil developments. On April 13, he stated that

(a)part from the renewed and regrettable escalation of violence, the most striking development in the Middle East is the growing importance of that region's oil reserves to a world increasingly pre-occupied by the prospect of energy shortages and associated balance-of-payments questions.³¹

Thus, by May 1973 the Canadian government was aware of the oil price and supply crisis caused by Middle Eastern developments and their possible consequences on Canadian objectives. These developments forced Canada to reduce exports to the United States. This adversely affected the economic and political aspects of the Canadian-American relationship. That is, the reduction of exports was beginning to injure the United States, especially the northern states, economically and would soon elicit calls from American officials for economic retaliation (such as cutbacks of coal exports into Ontario) against Canada. In turn, this caused a deterioration in political relations between the two countries as the Americans unsuccessfully tried to force a change in the Canadian policy of phasing out exports. At

31. Canada, Department of External Affairs, Statements and Speeches, #73/15, p. 2.

the same time the inflationary aspect of Middle East price increases was recognized but little concern was yet expressed.

Canadian government reactions to the renewed negotiations between the Persian Gulf oil countries and the companies in September, 1973 and the increased Arab threat to utilize the oil weapon indicated a rapidly growing concern over the inflationary effect of the rapidly rising OPEC prices on Canada and the dangers of a Canadian supply shortage. The rising oil prices were beginning to have their effects in Canada. They seriously affected the refineries east of the Ottawa Valley and led to higher gasoline and heating oil prices in eastern Canada. Further, prices in the rest of Canada followed the rapidly rising world prices. By August, the well head price in Alberta was \$3.80 per barrel (30% higher than January).³²

As a result of the combined inflationary effect and danger of supply shortage in eastern Canada caused by rising Middle Eastern (and OPEC) oil prices, Trudeau announced a new National Oil Policy on September 4. Three key oil policy announcements were made:

- (1) The oil industry will be asked to refrain from making further price increases affecting Canadian customers before January 30, 1974....
- (2) The government intends to seek a control mechanism whereby higher prices in the U.S. market will not automatically increase prices at home in

32. Saywell, J., ed., Canadian Annual Review of Politics and Public Affairs, (Toronto: University of Toronto Press, 1974), p. 322.

Canada....An export tax or a national oil marketing board are two possible control mechanisms....(3) The government will hold early consultations with provinces and industry on the extension of pipeline facilities so as to enable Canadian oil to be shipped into Montreal.³³

Thus, the Canadian government reacted to Middle Eastern oil price increases and curtailment of oil production by freezing domestic oil prices, setting a "control mechanism" on exports to the United States, and ending the old National Oil Policy by extending the pipeline from Sarnia to Montreal, thereby opening the whole Canadian market to Canadian crude oil. The "control mechanism" to be used was announced on September 14 when Macdonald said that the government would set an export tax of 40 cents per barrel on crude oil exports. In effect, this created a two-price system for oil. The reason for this export tax was announced on November 22. Prime Minister Trudeau said that this export tax was introduced to ensure a fair price for Canadian oil on the export market. Without the tax, the U.S. refineries could have bought Canadian oil at prices lower than other foreign oil. Further, the export tax ensured that windfall profits for oil would go to the federal and Alberta treasuries rather than the oil companies.³⁴

Trudeau's September 4 and November 22 speeches indicated

33. Canada, House of Commons, Debates, September 4, 1973, p. 6184.

34. Saywell, J., op. cit., p. 323.

that the Canadian government reacted to Middle Eastern oil events with the realization that these events directly affected several Canadian foreign policy concerns. One was the attempt to strengthen Canadian-American relations. Middle Eastern events undermined this objective by forcing Canada to both limit energy exports to the United States and to raise the price of such exports. The United States was greatly angered by these moves and both Congress and administration officials condemned the Canadian policy announcements. American officials of states bordering with Canada were especially resentful of Canadian supply restrictions because they threatened energy shortages in their states. These officials were apt to blame Canada for the U.S. fuel shortages. Middle Eastern oil developments had thus again adversely affected the economic and political aspects of Canadian-American relations.

The Canadian objective of repairing the international economic order was also affected by Middle Eastern oil developments. The Canadian government was aware that the huge Middle Eastern price increases made the attempt to curtail rising world inflation much more difficult. The government did, however, try to restrict the inflationary effects on Canada by initiating the oil price freeze.

The control of multinationals in Canada was a third objective affected by the price increases in Middle Eastern oil. As oil prices increased, the profits of multinational

oil corporations in Canada rose astronomically. Trudeau noted in his November 22 speech that the control of this profit rise was one of the key reasons for the imposition of the export tax. The final result was that Canadian oil prices after September were to be set not by the oil companies but by the federal government.

But Middle Eastern oil events also had an indirect influence on another Canadian foreign policy aim - that of improving cooperation between the federal government and the provinces on foreign policy matters. Alberta Premier Peter Lougheed, like the oil companies, was angered at the imposition of the federal export tax. He argued that the tax would cost Alberta \$300 million/year and warned that Alberta would retaliate with oil royalty reprisals. Saskatchewan supported Alberta. Thus, a major federal-provincial battle over control of natural resources was touched off as an indirect result of Middle Eastern price rises.

Canada was immune neither from the effects of the rise in Middle Eastern oil prices nor the curtailment of oil production in October, 1973. Both the Middle Eastern oil prices and OPEC cutbacks could be especially detrimental to Canadian sovereignty. The province of Quebec, which posed the greatest threat of secession from Canada, was most seriously affected. Quebec, though it was never publicly stated, was an important consideration in Canadian responses to Middle Eastern oil events. This was exemplified in the federal govern-

ment decision to extend the Canadian pipeline to Montreal.

As Ted Greenwood writes:

In the case of Quebec, Ottawa's apparent reluctance to interfere with any plan to which the nonseparatist provincial government was strongly committed continues to guarantee its autonomy. In September 1973, for example, after reopening the possibility of extending the crude oil pipeline to Montreal, federal Minister of Energy, Mines and Resources Donald Macdonald was quick to reassure Quebec that this would not jeopardize its hopes of building a supertanker port on the lower St. Lawrence river.³⁵

On October 17th, Macdonald acknowledged that the increase of Gulf oil prices would seriously affect prices in eastern Canada. The rise in Venezuelan oil prices - a direct result of Persian Gulf increases - accentuated the effects on Canada, since over 60% of Canada's oil imports came from that country. Subsequent Canadian announcements of major price increases illustrated these effects.

But, as in the other industrialized countries, Canada's immediate concern after October 17th was OPEC's production cutbacks. Macdonald had even travelled to Venezuela on October 15 to try and guarantee eastern Canadian oil supplies. Macdonald announced he was unable to achieve a short-term supply agreement. As a result, he indicated that rationing might be needed in Eastern Canada. Thus, Macdonald forecast a possible energy crisis in Canada even before the Arab boy-

35. Greenwood, T., "Canadian-American trade in energy resources", International Organization, Vol. 28, #4, Autumn, 1974, p. 697.

cott.

The Canadian government displayed great confusion in its initial reactions to OAPEC's cutbacks. On October 19 the government did take a decisive step by establishing the Technical Advisory Committee on Petroleum Supply and Demand (TAC). This was a government-industry committee under the chairmanship of the NEB and was designed to advise the government on the outlook for the supply of petroleum products and on measures to better balance supply and demand.³⁶

The government took no other steps in October. Government statements in the House of Commons indicated that it did not know the extent of Arab oil cutbacks to Canada or whether Canada was to be included on the boycott list. For example, on October 18 when asked whether Canada was to be included in the Arab boycott, Macdonald stated that further clarification of the Arab announcements was needed.³⁷ Further, Macdonald said that he was still trying to clarify through diplomatic means the Arab states' position with regard to Canada on October 24. This was made difficult by the lack of direct Canadian contact in the Middle East and illustrated the need for better Canadian representation in the area.

The government confusion with regard to Canada's position in the Arab oil boycott resulted from the situation that

36. Saywell, J., op. cit., p. 324.

37. Canada, House of Commons, Debates, October 18, 1973, p. 6990-6991.

though Canada was never officially put on the total embargo list, she did not receive any Arab oil in the last months of 1973. One possible reason for the Arab boycott of Canada is that the Arab states perceived Canada as being pro-Israel. Yet, Canada's stance on the Arab-Israeli conflict was not much different from several European countries which continued to receive Arab oil. The Arab states themselves stated that Canada was not on the total boycott list, but on the "neutral" list. The overriding reason for the total Arab oil embargo of Canada appears to have been Canada's proximity to the United States. The Arab states were concerned that any oil sent to Canada would be received in the United States. The Arabs thus refused to ship oil to Canada despite their assurances that Canada was on the "neutral" list.

On October 24 the Canadian government acknowledged that an oil shipment from an Arab country destined for Canada through the Portland, Maine port had been held up. At first the shipment was believed to be from Saudi Arabia, but Mitchell Sharp later stated that it was from Abu Dhabi. Sharp also said that this was the first indication that the boycott might apply to Canada although he continued to assume that it did not apply to Canada. He then called on the Arab ambassadors to Canada and told them that Canada had never mixed commercial dealings with politics and hoped that the same

was true with them.³⁸

The government position that Canada was not on the official boycott list continued through October. Nevertheless, on November 1, Macdonald announced two major changes in oil policies. Both had to do with oil prices and were a direct result of Persian Gulf price increases. The changes were that

...the domestic oil price freeze was to be removed in eastern Canada, insofar as it was necessary to compensate the major refiners using imported crude for the substantial increases in the price of foreign oil, and the tax on exports to the United States of Western Canadian crude oil would increase to \$1.90 per barrel as of December 1.³⁹

Canadian gasoline and heating prices in eastern Canada were subsequently allowed to rise by about 2 cents per gallon and rose 5 cents more in December. The increased export tax also immediately angered both the oil-producing provinces and the United States. In protest, Premier Lougheed actually withdrew from Energy consultations with the Federal government on November 2. Later, however, he did resume them. The Americans' anger was best expressed during the public meeting of the House of Representatives Subcommittee on inter-American Affairs in mid-November. Canada's oil policies were attacked as detrimental to American economic

38. Canada, House of Commons, Debates, October 25, 1973, p. 7209.

39. Saywell, J., op. cit., p. 324.

interests and some American senators, notably Senator Chiles of Florida, began to hint at American economic reprisals against Canada.

In his November 1st speech, Macdonald referred to the effects of the Arab boycott on Canada. He said that any curtailment of Canada's imported crude oil supply ~~would have~~ have an unfavourable impact on the production and supply situation in Canada. But the exact magnitude of the possible oil curtailment Canada might face was yet uncertain.⁴⁰ Throughout November Canada was subjected to a de facto if not de jure Arab oil embargo. On October 31, the Egyptian Ambassador to the United Nations warned Canada that Arab oil would be cut off if Canada did not change its pro-Israeli stance.

Though it was becoming increasingly clear that Canada was included in the oil embargo, the government maintained the position that there was no official Arab announcement that Canada was on the boycott list. Although Canada was not included on the Arab relaxation of the oil embargo on the EEC, Macdonald argued that there was still no official Arab acknowledgement that Canada was being embargoed. But he did say that the Arab states, notably Libya and Saudi Arabia, had refused to ship oil through the Portland, Maine pipeline to Montreal since the shipment was to an American port. This reflected the peculiar position of Canada in the

40. Canada, House of Commons, Debates, November 1, 1973, p. 7452.

Arab boycott. The Arab states were afraid that oil shipped to Canada would reach American destinations. Thus, though Canada was told several times that she was on the "neutral" list she was in reality under a total embargo. Macdonald himself had conceded that the question of the Portland line was one of the major difficulties in the Arab boycott of Canada. He attempted to verbally convince the Arab states that oil shipped to Portland would go only to Canada, but the Arab states nevertheless refused to send oil shipments.

As long as the de facto boycott of Canada continued, the Canadian government took several steps to ensure adequate oil supplies in eastern Canada. Under the auspices of TAC, refineries were operated at maximum capacities and facilities for the movement of Western crude via the Seaway to Ontario and Quebec were improvised. By the close of navigation, rates of 100,000 barrels a day were reached and by December the first cargoes of Western oil from Vancouver via the Panama canal had been loaded.⁴¹

The Canadian government was very slow to inform the Canadian public of the full extent of the supply shortage caused by the Arab boycott. There is no clear reason for this. It appears simply that the Canadian government either was not fully aware of the extent of the energy crisis for some months or that the government hoped to convince the

41. National Energy Board, Annual Report, 1973, p. 25.

people that the crisis was not serious. Nevertheless, it was not until November 22 that Prime Minister Trudeau addressed the nation. No significant announcements were made but he stated that unless the international oil situation immediately improved, a petroleum allocation programme would be necessary at the wholesale level. Rationing, however, was ruled out as a possibility.⁴² Trudeau also assured the United States that, despite the oil export tax, Canadian oil policy was not aimed at hurting that country. He pointed out that Canada had not reduced but increased exports to the United States. The November 22 speech further stated that the price freeze would end in January, though Canadian domestic oil prices would not rise to the world price level.

A key part of Trudeau's speech was his emphasis on the need to develop the unconventional sources of Canadian oil

...we have to recognize that nearly all oil and gas production for our future needs now come from frontier or unconventional sources....Their rapid development is essential to Canada's future energy needs - and essential to the continued energy growth of Alberta and Western Canada.⁴³

Clearly, Middle Eastern oil events had spurred the Canadian government to press the need for adequate Canadian energy and resources supplies and to develop arctic resources.

The Trudeau speech was followed by a major statement by

42. Saywell, J., op. cit., p. 325.

43. Ibid., p. 326.

Donald Macdonald in the House of Commons on November 26. Macdonald outlined the serious impact of the Arab oil cutbacks on Canada. He stated that the Arab nations had, until recently, provided 30 percent of eastern Canada's crude oil supplies (i.e. 300,000 barrels a day). As a result of the Arab cutbacks Canada might suffer a loss of up to 200,000 barrels a day.⁴⁴

After outlining this dismal oil supply situation, Macdonald announced a voluntary programme of energy conservation. This was to be followed by mandatory allocation in 1974. The failure of these controls to alleviate the deteriorating Canadian energy situation led Macdonald, on December 3, to introduce Bill C-236 in the House of Commons. The bill was

...to provide a means to conserve the supplies of petroleum products within Canada during periods of national emergency caused by shortages or market disturbances affecting the national security and to amend the National Energy Board Act.⁴⁵

This was followed by Prime Minister Trudeau's speech to the House of Commons on December 6th outlining a new national oil policy. The objective was to achieve Canadian self-sufficiency in oil and oil products. Six elements were seen as necessary to achieve this self-sufficiency: the creation of a national market for Canadian oil; a pricing mechanism which would provide sufficient incentives for the development

44. Canada, House of Commons, Debates, November 26, 1973, p. 8138.

45. Ibid., December 3, 1973, p. 8331.

of oil resources; measures to ensure that any higher government oil revenues would be used in a manner conducive to security and self-sufficiency; the establishment of a publicly-owned Canadian petroleum company to expedite exploration and development; the early completion of a pipeline to serve Montreal and more eastern ports; and intensification of research on oil sands technology to permit their full and rapid development.⁴⁶

By exposing the weakness of Canadian security in oil resources, Middle Eastern oil events had thus forced the Canadian government to completely revamp Canadian oil policies. The stated intention to establish a publicly-owned petroleum company was a new and important development. It was a means by which the Trudeau government would undertake to control multinational (oil) companies. Trudeau also stressed that the development of the proposed Mackenzie Valley pipeline had become essential and the government would press for its completion.

Despite the worsening Canadian energy crisis, the Canadian government continued to declare that there was no indication of an Arab boycott on Canada. On December 5, Macdonald said that Sheikh Yamani had personally assured him that Canada was not on the embargo list; she was in the "neutral" category. But Saudi Arabia did qualify this by informing the Canadian

46. Ibid., December 6, 1973, p. 8479.

ambassador that no oil would be shipped through the Portland line for fear of it going to American markets. Further, there was no sign of Arab oil going to any other Canadian ports. On this score Paul Hellyer made a comment which very accurately seems to sum up Canada's position in the oil embargo. He said that if Canada is in the middle category (ie. neutral), then there is an asterik and a footnote beside Canada's name saying "ship no oil".⁴⁷

Arab oil shipments to Canada continued to be boycotted after December 25. Canada, unlike Japan and Pelgium, was not put on the friendly list. But it was not until January 8, 1974 that the government admitted, in ambigious terms, that Canada was "being boycotted. Mitchell Sharp stated that although information from Saudi Arabia indicated that Canada was not on the embargo list, Canada was struggling with the fact that she still had received no oil shipments.⁴⁸ When asked why Canada had not been able to negotiate preferential treatment from the Arab countries as had Europe and Japan, Sharp simply said that Canada had no difficulty in negotiating with Saudi Arabia. The Canadian government appears to have been continuing to try and downplay the extent of the supply shortage in Canada. It is still unclear why the government continued to refuse to admit the existence of the boycott.

47. Ibid., December 5, 1973, p. 8437.

48. Ibid., January 8, 1974, p. 9141-42.

It appears as if the Canadian government was deceiving itself into believing that the Arab states did not really intend to boycott Canada and that Canadian-Arab relations remained excellent despite what the Arab states perceived to be Canada's pro-Israeli stance.

Nevertheless, by January, 1974 the Canadian supply crisis seemed to have passed. This was in large part due to effective government reallocation of oil supplies in eastern Canada. The Canadian government had even undertaken to buy Rumanian oil, at exorbitant prices, to ensure adequate supply.

As a direct result of OAPEC's oil embargo, the Canadian government initiated a rapid expansion of Canadian diplomatic representation in the Middle East to ensure future oil supplies. Previous to the oil crisis, Canada had representation only in Beirut, Tel Aviv, Cairo, and Teheran. Canada had already been planning to expand its representation, but a government spokesman (Mr. Charles Turner, Parliamentary Secretary to the Minister of Labour) admitted:

Recent events have dramatically underscored the importance of the countries of the region for the international community, including Canada. The energy crisis has given added impetus to our planned expansion of representation in the area. The government has, I believe, acted quickly in this regard.⁴⁹

The pattern of establishing Canadian representation also

49. Ibid., April 11, 1974, p. 1400.

indicated that oil was the main reason for this sudden interest in the Middle East. The first Canadian mission was not opened in Iraq which already had an embassy in Canada. Rather, the first mission was opened up in Saudi Arabia, Canada's most important Middle Eastern oil supplier. Contacts for diplomatic representation were also made to the small Persian Gulf oil states.

But the major Canadian concern after January 1974 was not the question of oil supply. This had been temporarily overcome. The main concern now was the 400% increase in OPEC oil prices since October, 1973. This added to inflation, disrupted the international trade and payments situation, forced a reform of the workings of the international monetary system and thus completely undermined Canada's objective of repairing the international economic system. Canada was particularly vulnerable to this four-fold increase as she is one of the world's leading trading nations.⁵⁰ The main Canadian concern was the effects of the price hikes on the already high inflation rate.

Canada was not as seriously hit as the other industrialized nations by Middle Eastern price rises and production cutbacks. But, as Mitchell Sharp noted at the Washington Energy Conference of February 11-13, Canada, being a major trading nation, was directly and immediately concerned with

50. Von Riekhoff, H., op. cit., p. 18.

the world-wide effects of the rapidly rising oil prices.⁵¹
 At the same conference, the Canadian Minister of Finance, John Turner, expressed very clearly that Canada's chief concern was with the inflationary effect of the oil price rises.

Even before the supply restrictions and the price increases of last fall, the world was in the grip of a substantial inflation. Oil so thoroughly permeates our modern economies that a trebling or more of its price can only add greatly to the inflation that is already running. Canada is immune from direct balance of payments problems, but not from the contagion of inflation.⁵²

To combat the economic implications of the OPEC price rises, Canada agreed to the major points of the Conference. Only France had reservations. In effect, Canada had thus agreed to the establishment of a high-level group to deal with the world energy situation and to coordinate the work of the OECD, the World Bank and the International Monetary Fund; to cooperate in restraining demand, allocating oil supplies in emergencies, diversifying energy supplies and accelerating energy research and development; to cooperate in dealing with monetary and economic problems arising from the energy situation; and to the development of a cooperative multinational relationship with the producing countries and other consumers.⁵³

51. Canada, Department of External Affairs, Communique, #18, 1974, p. 15.

52. Ibid., p. 2.

53. Stockholm International Peace Research Institute, op. cit., p. 33.

Together with the United States Canada was one of the main exponents of the need for concerted international actions to solve the energy crisis. Unlike countries like France, Japan and Britain, Canada did not engage in bilateral deals with the Middle Eastern oil nations because she believed that cooperation rather than individual actions, was needed to solve the global energy problems.

When it became obvious that the Middle Eastern states would not lower oil prices, the Canadian government took steps to ensure both a high price for Canadian oil exports and to maintain domestic oil prices lower than international prices. On January 1, 1974 the oil export tax was raised to \$2.20 and on February 1, this became \$6.40. American anger at this price rise was expressed in a January 29 Senate resolution which threatened retaliatory action against oil-producing states. Though the resolution referred to Canada, the Arab states and Venezuela, Senator Chiles of Florida concentrated on Canada as a leading culprit.⁵⁴ This Senate action was, however, weakened somewhat by American energy chief William Simon's rejection of retaliatory action against Canada. Nevertheless, the rapid rise in Canadian oil prices, caused in large part by Middle Eastern price increases, had severely strained the economic and political aspects of Canadian-American relations.

⁵⁴. Montreal Star, January 30, 1974, p. 1.

At the same time, after a prolonged struggle with the oil-producing provinces, especially Alberta, the Trudeau government was able to set a national oil price lower than world prices. On March 27, 1974 the domestic price of oil was raised from \$4.00 to \$6.50 a barrel (the world price was about \$10.50). The Canadian government's attempts to stunt the inflationary effects of the world oil price rises had failed. The domestic price of oil remained lower than the international price and the tax on oil exports increased. But, as James Laxer writes, "...the differential between the domestic price and the international price was beginning to shrink."⁵⁵ Alberta also conceded the right of the federal government to 100 percent of the oil export tax to be used to keep oil prices down in eastern Canada. This provincial-Federal agreement helped diminish the federal-provincial battle which had been stirred up by Middle Eastern oil events.

The lifting of the oil embargo on March 18th ended the immediate security of supply threat to Canada. But the crisis had changed the pattern of Canadian oil consumption and Canadian exports. While growth in oil consumption was registered, higher prices in both the domestic and export markets reduced sales below forecast levels.⁵⁶

By mid-1974 Middle Eastern oil events had forced the

55. Laxer, J., op. cit., p. 143.

56. National Energy Board, Annual Review, 1974, p. 6.

Canadian government to accelerate the development of arctic resources. Though a final decision was not made, the Canadian government gave complete support to proposals to build the Mackenzie Valley natural gas pipeline to bring Canadian arctic gas to Canadian and American markets. Furthermore, the government was also considering the construction of a Mackenzie Valley oil pipeline. It appeared that the government, with the argument of assuring future Canadian energy supplies, was again heading towards a continental energy deal with the United States.

The threat of an insufficient Canadian oil supply, brought to the fore by Middle Eastern oil events, finally forced the Canadian government to phase out its exports to the United States. Exports had already declined in 1974. The NEB reported that exports of hydrocarbons in 1974 declined from 1,100,000 barrels/day to 910,000. On November 22, the Canadian government announced that beginning January 1, 1975 Canadian exports would be phased out.

The American reaction was generally one of anger and Canadian-American relations once again appeared to decline. The deterioration in Canadian-American relations over energy policy, generated by Canadian reactions to Middle Eastern oil events, thus continued until the end of 1974.

The global economic implications of the four-fold rise in OPEC oil prices continued to concern the Canadian government. Mitchell Sharp again reiterated the Canadian position

3 3

OF/DE

that though Canada was relatively well off, she could not escape the inflationary effects of still rising prices in an already serious inflationary situation.⁵⁷ In the same speech, Sharp expressed concern that the hardest hit nations were the developing nations and called for increased aid. He put Canada on record as being opposed to any cutback in aid. Clearly, the government had seen that the Middle Eastern oil price rises had undermined the aid-trade relationship with the less-developed states.

On April 11, 1974 Sharp stated that the price of oil should be stabilized. He said:

In general terms, Canada favours an orderly framework for world trade in oil, which would provide for stable prices at a reasonable level. Such a framework would reflect the cost of bringing in new conventional sources of energy in order to meet rising demand. Prices should yield a fair return to the producer, without overburdening the consumer.⁵⁸

By the end of 1974 the economic implications of high oil prices on the Canadian economy intensified. Whereas it first appeared that Canada would be little affected by a balance of payments problem, the decline and phasing out of Canadian exports changed this. By 1974 Canadian imports of oil exceeded Canadian exports for the first time since

57. Canada, Department of External Affairs, Statements and Speeches, #74/3, March 19, 1974, p. 2.

58. Canada, Department of External Affairs, Statements and Speeches, #74/11, April 11, 1974, p. 4.

the 1960's. The balance of payments problem thus became very real.

In an effort to offset this growing Canadian balance of payments problem, the Canadian government intensified her trade relations with the Middle East and in April, 1974 Trade Minister Allastair Gillespie went on a tour of Iraq, Saudi Arabia, and Iran. He was especially interested in selling the CANDU nuclear reactor and reported good progress with Iran. Gillespie estimated that Canada could do at least \$2 billion worth of business in the three countries within three or four years.⁵⁹ Canada also tried to get Arab money invested in Canada but at the end of 1974 the amount of money so invested was insignificant.

The foregoing analysis clearly illustrates that Middle Eastern oil developments did not elicit many reactions from Canadian decision-makers until 1973. But after that date, Canadian reactions to these developments involved much more important foreign policy objectives than either superpower rivalry or the Arab-Israeli conflict. The overt references to these foreign policy objectives in many government statements also indicate that these objectives were all consciously and visibly present in Canadian government reactions. It further appears that Canadian responses were generally consistent with foreign policy objectives.

⁵⁹ Toronto Daily Star, April 24, 1974, p. B10.

Middle Eastern oil developments, beginning in early 1973, also had major domestic implications in Canada. These developments affected virtually every Canadian, especially eastern Canadians, by increasing the cost of energy and forcing a curtailment of energy consumption in order to save energy. A further domestic implication of these oil events was the battle which they helped initiate between the federal and the provincial governments over control of natural resources. Another feature mentioned by several analysts is that Middle Eastern oil events possibly strengthened Canadian confederation by illustrating that only by remaining within Canada could Quebec hope to obtain cheap energy and/or be assured of adequate energy supply.⁶⁰

The Progressive Conservative and the New Democratic Party might have played a part in determining Canadian government responses to Middle Eastern oil events. This was especially crucial because the Liberal government was at this time in a minority position in Parliament and had to be careful to attain the support of at least one opposition party. Parliamentary pressure was clearly evident in the decision to form a national petroleum company as the New Democratic Party pressed for such a company. Nevertheless, the full extent of the opposition parties' influence

60. Stockholm International Peace Research Institute, op. cit., p. 74.

in determining Canadian reactions is difficult to measure.

One major Canadian foreign policy decision may also have combined with the increased economic opportunities in the Middle East to spur the Canadian government to intensify trade relations with the Middle East. This was the decision to diversify Canadian economic relations in order to lessen her dependence on the United States. However, there is no indication that this decision was consciously present in the expansion of Canadian trade relations in the area.

The importance of the domestic impact of Middle Eastern oil events on Canada is further illustrated by the fact that Prime Minister Trudeau, Minister of Energy, Mines and Resources Donald Macdonald and Minister of Finance John Turner as well as External Affairs Minister Mitchell Sharp were all involved in Canadian reactions. Further, the greatest input into these reactions came from Prime Minister Trudeau and the Department of Energy, Mines and Resources Minister Donald Macdonald. The direct involvement of the Department of Energy, Mines and Resources reflects the specialization of the department in the oil issue. Thus, as often occurs in the Canadian foreign policy decision-making process, the Department of External Affairs stepped back.⁶¹ The involvement of a number of decision-makers in reactions to the oil issue was very different from the other two major Middle Eastern issues in which Mitchell Sharp was virtually the only decision-maker involved.

61. Interview with an official of the Department of Energy, Mines and Resources.

CHAPTER VII: CONCLUSION

This study has shown that Canadian Middle Eastern policy between April, 1968 and early 1973 was primarily concerned with the two issues of superpower rivalry and the Arab-Israeli conflict. The analysis also reveals that Canadian foreign policy in both issues was generally consistent from April, 1968 to the October, 1973 war. With respect to superpower rivalry, the Canadian government responded only to events which involved attempts by the superpowers to gain influence in the Middle East by exploiting the Arab-Israeli conflict. The Canadian government was basically concerned that superpower involvement in the conflict could possibly expand any Arab-Israeli war into a global confrontation between East and West.

Canadian foreign policy in the Arab-Israeli conflict between April, 1968 and October, 1973 was based on the premise that the state of Israel had the right to exist. From this premise, the Canadian government based its policy on Security Council Resolution #242 and argued that the solution of any one of the conflict issues must be related to the solution of all issues. Canada thus concurred with Israel's argument that there must be an overall peace settlement which ensured the existence of Israel before Israel need make any concessions on the territorial issue. However, several abstentions by Canada at the United Nations prior to October, 1973 indicated

that the Canadian government might be changing its policy and arguing that the question of Palestinian representation should be considered prior to an overall settlement.

The analysis further illustrated that events in these two major Middle Eastern issues did not affect any major Canadian foreign policy objectives. Moreover, these events had virtually no domestic implications for Canada. The lack of importance of these Middle Eastern events either for Canadian foreign policy objectives and/or the Canadian domestic environment appeared to be a key reason for the low priority assigned by Canadian decision-makers to the Middle East.

Though Middle Eastern oil events were to have profound effects on Canada, there was little Canadian awareness of the oil issue until 1973. It was not until that year that Canadian officials began to see the seriousness of oil developments. It took the dramatic oil events during and after the October war for the Canadian government to realize the full implications of these developments for Canada.

The October war seems to have initiated important changes in Canadian foreign policy on all three Middle Eastern issues. Superpower confrontation during the war dramatized the potentialities of superpower rivalry and its effects on Canada. Furthermore, by directly involving Canadian forces in NORAD without Canadian government authorization, the October 25, 1973 American military alert underscored the possibility of

a serious Canadian-American rift over defence policies and undermined the military and political aspects of Canadian-American relations. The seriousness of superpower confrontation also persuaded the government that although it was still desirable for the Arab states and Israel to settle their differences themselves, political intervention by the superpowers, especially the United States, might be necessary to end the conflict. This was a reversal of the previous Canadian policy of supporting minimal superpower intervention in the conflict. Thus, the realization that superpower rivalry both undermined Canadian-American relations and could have domestic repercussions in Canada (i.e. by involving Canada in a possible global war) seems to have evoked a shift in Canadian policy.

The war also signalled a discernible shift in Canadian foreign policy with regard to the Arab-Israeli conflict. Canada continued to stress that her basic premise was Israel's right to exist and Canadian reactions were still related to the same foreign policy objectives enunciated prior to October, 1973, namely settling the Arab-Israeli conflict and enhancing the United Nations position. But the pattern of Canadian abstentions in the United Nations and other international forums as well as several of External Affairs Minister Allan Rock's statements signified that the Canadian government now saw the settlement of the question of Palestinian representation in peace talks as an important

step to an Egyptian-Israeli, and subsequently Arab-Israeli, peace settlement. Canada no longer seemed to insist that an overall general agreement solving all issues should be reached. Rather, the question of Palestinian representation, with an Israeli input into the form of that representation, should be considered prior to the solution of other issues. Canada, however, continued to refuse to recognize the PLO with the same basic argument that it was up to Israel and the Arab states to agree on the form of Palestinian representation.

Though the Arab-Israeli conflict itself affected no major Canadian foreign policy objectives, the re-emergence of the PLO after the October war had an important effect on the Canadian domestic scene. This was to create an open controversy over whether or not Canada should recognize the PLO. The controversy was manifested in the attempts by pro-Israel and pro-Arab groups to gain public support for their respective positions. There is little doubt that this controversy will, in future, have some influence on Canadian Middle Eastern policy.

But the most dramatic change in Canadian Middle Eastern policy after the October war was due to Middle Eastern oil events. The Arab production cutbacks and boycott of nations supporting Israel as well as the four-fold rise in Middle Eastern oil prices after October, 1973 led directly to the energy crisis in Canada. In turn, this crisis had many

effects on Canada. As well, Middle Eastern oil events seriously affected a number of major Canadian foreign policy objectives. The Canadian government's realization that the oil issue both had major domestic repercussions in Canada and seriously undermined vital Canadian objectives accounted for Canada's growing interest in the Middle East.

A distinctive characteristic of all Canadian responses to Middle Eastern issues is that Canadian policy was generally formulated after, not before, the occurrence of events. Although the basic Canadian premise that Israel had the right to exist remained constant, Canadian Middle Eastern policy was made and/or altered only after events had domestic repercussions in Canada and/or affected important Canadian foreign policy objectives. Canada did not have any carefully thought-out policy; rather, Canadian policy was reactive and displayed little initiative by Canadian decision-makers. The reactive nature of Canadian policy gave it the appearances of being ad hoc. Policy was made only when, and if, it became necessary.

As a general conclusion, it can be said that between April, 1968 and October, 1973 Canadian reactions to Middle Eastern events reflected the lack of importance of these events for the domestic environment and/or to the achievement of Canadian foreign policy objectives. This, in turn, led to a lack of interest in the Middle East by Canadian decision-makers. However, the situation was dramatically altered after

the October war. The danger of superpower confrontation in the Arab-Israeli conflict and, much more importantly, the Arab oil boycott and quadrupling of Middle Eastern oil prices convinced Canadian decision-makers that Middle Eastern events both had adverse domestic repercussions in Canada and undermined a number of major Canadian foreign policy objectives. Canadian decision-makers responded by taking a much more active interest in the Middle Eastern, especially in the Persian Gulf, oil-producing nations. It may be that the new importance of the Middle East to Canada may force the Canadian government to re-examine, or at least clearly define, its position on the Arab-Israeli conflict. The Canadian government's contention that it is "neutral" in the conflict will be severely tested by the paradox that while her natural sympathies lie with Israel, the achievement of some vital Canadian foreign policy objectives lay in obtaining the friendship of Arab countries. The apparent (but subtle) shift in Canadian policy to both the superpower and Arab-Israeli conflict issues indicate that the Canadian government may indeed become more "even-handed" in future.

Another conclusion to be reached from the analysis is that Canadian reactions to Middle Eastern events fall into two categories. The first category includes those reactions which indicate that an event had no domestic consequences in Canada, yet affected one or more Canadian foreign policy objectives. This can be illustrated diagrammatically as follows:

The second category includes those reactions which indicate that an event first had domestic repercussions in Canada and then affected one or more Canadian foreign policy objectives. This was a prism-like effect. This can also be represented diagrammatically.

The latter category appears to have been of the greater importance to Canadian Middle Eastern policy. That is, Canadian decision-makers did not take Middle Eastern events seriously when events affected Canadian foreign policy objectives alone. A major reason for this appears to be that when this occurred, the objectives affected were of relatively low priority. It was only when events first had domestic repercussions in Canada and then affected major Canadian foreign policy objectives that Canadian decision-makers began to take the Middle East seriously. This was best exemplified by the fact that Canadian decision-makers, other than the Minister of External Affairs, did not become

involved in responding to Middle Eastern events until these events affected Canada directly. These findings lead to the conclusion that it may not have been necessary to relate Canadian reactions to Middle Eastern events with Canadian foreign policy objectives. It might have been sufficient to simply analyze the effects of such events on the Canadian domestic scene. The findings could then have been analyzed to determine which Canadian foreign policy objectives were affected.

One major conclusion with regard to the role of foreign policy objectives which can be derived from the present thesis is that foreign policy objectives did not appear to play a decisive role in the formulation of Canadian foreign policy. Though decision-makers often paid lip-service to these objectives, a study of Canadian foreign policy objectives alone would not be enough to understand Canadian Middle Eastern policy. Even when Canadian objectives of higher priority were threatened by Middle Eastern events, it was the fact that these events had adverse domestic repercussions in Canada which played the greatest role in eliciting Canadian responses. In general, the utilization of the concept of foreign policy objectives alone is of relatively little value. Two possible explanations can account for this conclusion. The first is that an approach which utilizes foreign policy objectives is not in itself very useful.

Much more work concerning the concept of objectives is necessary before it can be used properly and effectively.¹

It may also be that the Middle East is an inappropriate area to undertake a study of Canadian foreign policy objectives because virtually all the objectives involved until the October, 1973 war were of low priority. A study of the relationship between Canadian reactions and Canadian foreign policy objectives might be more useful when studying a region (such as the European Economic Community) where Canadian objectives involved were generally of higher priority than those in the Middle East.

The second, possibly more important, explanation for the limited usefulness of the concept of foreign policy objectives is that Canadian decision-makers, despite the formulation of an elaborate scheme which identified six policy themes in Foreign Policy for Canadians, did not themselves take foreign policy objectives seriously into account when formulating Canadian foreign policy. It appears to be that Canadian decision-makers relegated Canadian objectives to a secondary role and were primarily concerned with the domestic effects on Canada of Middle Eastern events. Canadian objectives were referred to only when they were needed as window-dressing.

Canadian decision-makers in general displayed an inherent naiveté in formulating Middle Eastern policy. Trudeau had attempted to denude Canadians of their idealistic impulse

1. H. Von Riekhoff has expanded greatly on the concept of objectives and, by making the concept more specific, has identified approximately one hundred foreign policy objectives.

by asserting that Canada would no longer play the role of the "helpful Fixer". Yet, External Affairs Minister Mitchell Sharp made several statements to the effect that Canadian participation in UNEF II was essential to the achievement of an Arab-Israeli peace settlement. This naiveté was also visible in Canadian responses to the oil issue. Canadian decision-makers, for example, seemed to genuinely believe that by verbally assuring the Arab states that Arab oil would not go to the United States, the Arab de facto boycott on Canada would be lifted. Canadian reactions further displayed a narrow perception of the Middle East situation by Canadian decision-makers. Only when Canadian interests were directly affected did Canada display major concern over Middle Eastern events. Otherwise, Canadian decision-makers talked in such abstract terms as giving humanitarian aid to alleviate the plight of the Palestinians while at the same time doing little to achieve this end. The question of whether Canadian foreign policy in general displays the inherent naiveté and/or narrow interests displayed in Canadian Middle Eastern policy is an interesting question.

A final word should be said about the importance of the United States in Canadian Middle Eastern policy. In virtually every reaction to Middle Eastern developments, Canadian decision-makers took great pains to ensure that Canadian policy did not adversely affect Canadian-American relations. The United States was the key external factor in the form-

ulation of Canadian policy in all three Middle Eastern issues. Few differences between the two countries developed, or are likely to develop, over the Middle East for two reasons: the similar Canadian and American orientations with regard to the Middle East; and the Canadian government's need to take American interests into consideration so as to avoid any possible American retaliation against Canada because of the latter's Middle Eastern policy.

POSTSCRIPT

Developments in Middle Eastern issues in 1975 continued to elicit reactions of concern from the Canadian government. The high cost of imported oil became more relevant to Canada as she phased out her energy exports and became increasingly dependent on imported oil. This resulted in a rapid deterioration of her balance of payments situation as revenues from oil exports decreased at the same time as the cost of energy imports increased. In 1975, the Canadian government also actively sought to minimize the effects of the Middle Eastern oil developments of 1973-74 on Canadian-American relations. A major public relations campaign was launched to explain the reasons for Canadian export restrictions and energy export tax. In an address to an American audience, Minister of External Affairs Allan Rock said:

We recognize that this [Canadian] policy

involves some difficulty for the United States. The decision to phase-out our oil exports gradually reflected our awareness of the problems posed for some areas of the United States. But I think you will agree that it would be both economically and politically unsound for the Canadian government to continue to supply markets beyond its borders² at the expense of domestic requirements.

Ted Greenwood implicitly points out a noteworthy aspect of the effects of Middle Eastern oil developments on Canadian-American relations. By illustrating that the Canadian energy resources are not as immense as previously believed, these oil developments may in the long run even help ease American pressure on Canadian energy resources.³ This possibility is reflected in the American programme to achieve self-sufficiency by 1980. If the American interest in Canadian resources is thus diminished, which is in reality very unlikely, the Middle Eastern oil developments may actually have helped improve Canadian-American relations in the long run.

In relation to superpower rivalry, the Canadian government continued to support the American efforts to achieve a further partial settlement between Israel and Egypt.⁴ Canada's policy switch after the October war of supporting the efforts of the United States for the achievement of an Arab-Israeli settlement rather than simply relying on the Middle Eastern

2. Canada, Department of External Affairs, Statements and Speeches, #75/7, March 19, 1975.

3. Greenwood, T., op. cit., p. 702.

4. Canada, Department of External Affairs, Statements and Speeches, #75/15, April 30, 1975, p. 2.

participants to achieve such a settlement now appeared permanent. At the same time Canada expressed reservations concerning the resumption of the Geneva Conference on the Middle East.

Canada continued her peacekeeping role in the Arab-Israeli conflict during 1975. MacEachen noted that the presence of peacekeeping forces constituted a vital element while efforts at a⁶ political solution were pursued.⁵ Terrorist activities such as the terrorist attack on Tel Aviv were condemned as damaging to efforts to achieve a solution to the Arab-Israeli conflict.

But the most salient change in Canadian-Middle Eastern relations in 1975 was the sudden intrusion of the Palestinian issue into domestic Canadian politics. The question of PLO attendance at the Fifth United Nations Congress on the Prevention of Crime and the Treatment of Offenders scheduled for Toronto in September, 1975 set into motion a major controversy over whether or not the PLO should be allowed to attend. Led by Jewish groups, the Ontario government and other sectors of Canadian society opposed the entrance of the PLO into Canada on the grounds that the PLO was a terrorist group. In turn, pro-Arab groups argued that the PLO, which was recognized by the United Nations, had the right to attend the Congress. In apparent hopes of an "acceptable" compromise

5. Canada, Department of External Affairs, Communique, #40, June 4, 1975, p. 30.

the Canadian government made what was, in effect, a "non-decision". On July 21, 1975 the Canadian government announced that it would ask the Secretary-General for a postponement of the Congress on the grounds that it would not be possible at the present time to hold a successful Congress on crime prevention in Canada or anywhere else.⁶ Nevertheless, the Congress was held in Geneva. That the decision to ask for postponement was a result of domestic pressure can be ascertained from McEachen's admission that

We are all aware of the public outcry for or against the admission to Canada, for this congress, of observers from the Palestinian Liberation Organization. We have all been worried by its divisive effect upon Canadian public opinion. We could not ignore the risk of public disorders.

The major significance of this government decision is that for the first time open and direct domestic pressure exerted on the Canadian government determined Canadian Middle Eastern policy. Though domestic pressure may have always been implicitly exerted to influence Canadian Middle Eastern policy, the re-emergence of the PLO after the October war raised the question of Canada's position on the Palestinian issue into a public one. As the two opposing views continue to develop into a public controversy, it can

6. Canada, Department of External Affairs, Statements, July 21, 1975, p. 3.

7. Ibid.

be extrapolated that domestic considerations will play a more prominent role in determining Canadian Middle Eastern policy.

At the time of writing, the Palestinian issue remains a controversial one in Canada. The United Nations General Assembly resolution equating Zionism with Racism has created a major controversy in Canada and elicited cries for again barring the entrance of the PLO to a United Nations Conference in Canada - the Habitat Conference scheduled for Vancouver. Though the Canadian government has expressed its decision that the Conference will go on as scheduled, with the PLO in attendance, public pressure may again force a reversal in Canadian policy. The public controversy over PLO attendance at this Conference may have been diminished, however, by the recent Israeli surprise decision to attend the Conference even if the PLO is in attendance.

BIBLIOGRAPHY(A) PRIMARY SOURCES(1) GOVERNMENT PUBLICATIONS

Canada, Department of Energy, Mines and Resources, "Notes for an address by Hon. D.S. Macdonald to the 29th Annual Conference of Provincial Mines Ministers", September 11, 1972, p. 10.

Canada, Department of External Affairs, Communique, 1968-1974.

Canada, Department of External Affairs, Foreign Policy for Canadians (6 booklets), Ottawa, Queen's Printer, 1970.

Canada, Department of External Affairs, Statements, 1968-1974.

Canada, Department of External Affairs, Statements and Speeches, 1968-1974.

Canada, Department of External Affairs, Review of the Sessions of the United Nations General Assembly, 1968-1974.

Canada, Department of Industry, Trade and Commerce, Canada Commerce, 1968-1974.

Canada, Department of Industry, Trade and Commerce, Canada Year Book, 1968-1974.

Canada, Department of National Defence, Defence 1973.

Canada, Department of National Defence, Defence 1974.

Canada, Department of National Defence, White Paper, Defence in the 70's, Ottawa, Queen's Printer, 1971.

Canada, National Energy Board, Annual Report, 1968-1974.

Canada, Parliament, House of Commons, Committee on External Affairs and National Defence, 1968-1974.

Canada, Parliament, House of Commons, Official Report of Debates, 1968-1974.

Canada, Parliament, Senate, Official Report of Debates, 1968-1974.

Canada, Prime Minister P.E. Trudeau, (1968-), "Notes for the Prime Minister's remarks to the Canadian Jewish Congress", Toronto, June 16, 1974, p. 10.

(2) INTERVIEWS

Interview with an official of the Department of Defence.

Interview with an official of the Department of Energy, Mines and Resources.

Interview with an official of the National Energy Board.

Interview with an official of the Department of External Affairs.

(B) SECONDARY SOURCES(1) NEWSPAPERS

Globe and Mail (Toronto).

Halifax Chronical-Herald (Halifax).

Montreal Star (Montreal).

Ottawa Citizen (Ottawa).

Ottawa Journal (Ottawa).

Toronto Daily Star (Toronto).

Vancouver Sun (Vancouver).

Winnipeg Free Press (Winnipeg).

(2) Unpublished Papers

Sigler, J.H., The Impact of the Arab-Israeli Conflict on North America, 1974.

Stein, J., Canada and the Middle East, 1974.

Von Riekhoff, H., An Analysis of Canadian Foreign Policy Objectives, 1974.

(3) BOOKS AND MONOGRAPHS

Abboushi, W.F., Political Systems in the Middle East in the 20th Century, (New York: Dodd, Mead and Company, 1970).

Adelman, M.A., The World Petroleum Market, (Baltimore: John Hopkins University Press, 1972).

Allison, G.T., Essence of Decision, (Boston: Little, Brown and Company, 1971).

Al-Marayati, A.A., The Middle East: Its Governments and Politics, (Belmont, Calif.: A Division of Wadsworth Publishing Co., Inc., 1972).

American Friends Service Committee, Search for Peace in the Middle East, (Philadelphia, Penn.: The American Friends Service Committee, 1970).

Binder, L., The Ideological Revolution in the Middle East, (New York: John Wiley and Sons, Inc., 1964).

Bovis, H.E., The Jerusalem Question, (Stanford, Calif.: Hoover Institution Press, 1971).

Precher, M., The Foreign Policy System of Israel, (New Haven: Yale University Press, 1972).

Bullard, Sir R., ed., The Middle East: A Political and Economic Survey, (London: Oxford University Press, 1958).

Bullock, J., The Making of War, (London: Ad Orientem, 1974).

Burns, General E.L.M., Between Arab and Israeli, (London: George Harrap Co., 1962).

Burrell, R.M., and Cottrell, A.J., Politics, Oil and the Western Mediterranean, (London: Sage Publications, 1973).

Campbell, J.C., and Caruso, H., The West and the Middle East, (New York: Council on Foreign Relations Inc., 1972).

Canadian Institute of International Affairs, International Canada, (Toronto: Canadian Institute of International Affairs), 1968-1975.

Confino, M., and Shamir, S., The USSR and the Middle East, (Jerusalem: Israel Universities Press, 1973).

Congressional Quarterly, The Middle East: U.S. Policy, Israel, Oil and the Arabs, (Washington, D.C.: Congressional Quarterly, 1974).

Curtis, M., People and Politics in the Middle East, (New Brunswick, N.J.: Transaction Books, 1971).

Dessouki, A., Canadian Foreign Policy and the Palestinian Problem, (Ottawa: Middle East Research Centre, 1969).

Dobell, P.C., Canada's Search for New Roles: Foreign Policy in the Trudeau Era, (Toronto: Oxford University Press, 1972).

Dodd, C.H., and Sales, M.E., Israel and the Arab World, (London: Routledge and Kegan Paul, 1970).

Efford, I.E., ed., Energy and the Environment, (Vancouver: Institute of Resource Ecology, 1972).

Evron, Y., The Middle East, Nations, Superpowers and Wars, (London: Unwin Brothors Limited, 1973).

Facts on File, Israel and the Arabs: The October 1973 War, (New York: Facts on File, 1974).

Farrel, R.B., The Making of Canadian Foreign Policy, (Scarborough, Ont.: Prentice-Hall of Canada Ltd., 1969).

Fisher, S.M., The Middle East: A History, 2nd Edition, (New York: Alfred A. Knopf, 1969).

Frankel, J., The Making of Foreign Policy, (London: Oxford University Press, 1963).

Fry, M.G., Freedom and Change, (Toronto: McClelland and Stewart, 1975).

Granatstein, J.L., Canadian Foreign Policy Since 1945, (Toronto: Copp Clark Publishing Company, 1973).

Haas, H., International Systems, (New York: Chandler Publishing Co., 1974).

Haddad, G.M., Revolutions and Military Rule in the Middle East: Egypt, the Sudan, Yemen and Syria, Vol. 3, (New York: Robert Speller and Sons Publishers Inc., 1973).

Hall, G., The Energy Rip Off: Cause and Cure, (New York: International Publishers, 1974).

Harkabi, Y., Palestinians and Israel, (Jerusalem: Keter Publishing House Jerusalem Ltd., 1974).

Hill, P., Energy in Crisis, (London: Robert Yeatman Ltd., 1974).

Holsti, K.J., International Politics, (Englewood Cliffs, N.J.: Prentice-Hall Inc., 1972).

International Institute for Strategic Studies, Strategic Survey 1974, (London: The International Institute for Strategic Studies, 1975).

International Institute for Strategic Studies, The Military Balance: 1974-1975, (London: The International Institute for Strategic Studies, 1975).

Ismael, T.Y., Governments and Politics of the Contemporary Middle East, (Homewood, Illinois: The Dorsey Press, 1970).

Jacoby, M.H., Multinational Oil, (New York: Macmillan Publishing Company Ltd., 1974).

Joshua, W., Soviet Penetration into the Middle East, (New York: National Strategy Information Centre Inc., 1971).

Kaplan, M.A., System and Process in International Politics, (New York: John Wiley and Sons, 1957).

Kegley, C.W., Jr., A General Empirical Typology of Foreign Policy Behaviour, (Beverly Hills, Calif.: Sage Publications Inc., 1973).

Kimche, D., and Pawley, D., The Sandstorm, (London: Secker and Warburg, 1968).

Khouri, F.J., The Arab-Israeli Dilemma, (New York: Syracuse University Press, 1969).

Klebenoff, S., Middle East Oil and U.S. Foreign Policy, (New York: Praeger Publishers, 1974).

Kohler, F.D., Goure, L., and Harvey, M.L., The Soviet Union and the October 1973 Middle East War: Implications for Detente, (Miami: University of Miami, 1974).

Lamarche, J., La Crise du Pétrole au Canada, (Montreal: Editions du Jour, 1974).

Landau, J.M., ed., Man, State and Society in the Contemporary Middle East, (New York: Praeger Publishers, 1972).

Landis, L., Politics and Oil: Moscow in the Middle East, (New York: Dunellen Publishing Company, 1973).

Laqueur, W., Confrontation: The Middle East and World Politics, (New York: Bantam Books Inc., 1974).

Laxer, J., Canada's Energy Crisis, (Toronto: James Lewis and Samuel Publishers, 1974).

Laxer, J., The Energy Poker Game, (Toronto: New Press, 1970).

Lederer, I.J., and Vucinich, W.S., eds., The Soviet Union and the Middle East, (Stanford, Calif.: Hoover Institute Press, 1974).

Lenczowski, G., Soviet Advances in the Middle East, (Washington: American Enterprise Institute for Public Policy Research, 1972).

Mansfield, P., ed., The Middle East: A Political and Economic Survey, (London: Oxford University Press, 1973).

McLane, C.B., Soviet-Middle East Relations, (London: Central Asian Research Centre, 1973).

Mikdashi, Z., The Community of Oil Exporting Countries, (London: George Allen and Unwin Ltd., 1972).

O'ballance, E., The Electronic War in the Middle East, 1962-1970, (London: Faber and Faber Ltd., 1974).

Odell, P.R., Oil and World Power: A Geographical Interpretation, (London: Penguin Books, 1972).

Organski, A.F.K., World Politics, (New York: Alfred A. Knopf, 1968).

Peretz, D., Wilson, E.M., and Ward, R.J., Palestine Entity, (Washington: The Middle East Institute, 1971).

Polk, W.R., The United States and the Arab World, (London: Harvard University Press, 1971).

Quandt, W.B., Jabber, F., and Lesch, A.W., The Politics of Palestinian Nationalism, (London: Rand Corporation, 1973).

Ro'i, Y., From Encroachment to Involvement: A Documentary Study of Soviet Policy in the Middle East, 1945-1973, (New York: John Wiley and Sons, 1974).

Rosecrance, R., International Relations: Peace or War?, (New York: McGraw-Hill Book Company, 1973).

Rosecrance, R., ed., The Future of the International Strategic System, (San Francisco: Chandler Publishing Co., 1972).

Rosenau, J.N., The Scientific Study of Foreign Policy, (New York: The Free Press, 1971).

Rowland, W., Fuelling Canada's Future, (Toronto: Macmillan of Canada, 1974).

Russett, B.M., International Regions and the International System, (Chicago: Rand McNally and Co., 1967).

Russett, B.M., Power and Community in World Politics, (San Francisco: W.H. Freeman and Co., 1974).

Safran, N., From War to War, (New York: Western Publishing Company Inc., 1969).

Saywell, J., ed., Canadian Annual Review, (Toronto: University of Toronto Press, 1969).

Saywell, J., ed., Canadian Annual Review of Politics and Public Affairs, (Toronto: University of Toronto Press, 1974).

Sharabi, H., Palestine and Israel: The Lethal Dilemma, (New York: Western Publishing Co., Inc., 1969).

Shwadrin, B., The Middle East, Oil and the Great Powers, (New York: John Wiley and Sons, 1973).

Snyder, R.C., Bruck, H.W., Sapin, B., eds., Foreign Policy Decision-Making, (New York: The Free Press of Glencoe, 1962).

Stairs, D., The Diplomacy of Constraint: Canada, the Korean War and the United States, (Toronto: University of Toronto Press, 1974).

Stockholm International Peace Research Institute, Oil and Security, (Stockholm: SIPRI, 1974).

Sykes, P., Sellout: The Giveaway of Canada's Energy Resources, (Edmonton, Alberta: Hurtig Publishers, 1973).

Thomson, D.C., and Swanson, R.F., Canadian Foreign Policy: Options and Perspectives, (Toronto: McGraw-Hill Ryerson Ltd., 1971).

Thordarson, B., Trudeau and Foreign Policy: A Study in Decision-Making, (Toronto: Oxford University Press, 1972).

Van Dyke, V., International Politics, 3rd edition, (New York: Meredith Corporation, 1972).

Vatikiotis, P.J., Conflict in the Middle East, (Totowa, N.J.: Roman and Littlefield Inc., 1971).

Whetten, L.L., The Canal War: Four Power Conflict in the Middle East, (Cambridge, Mass.: The MIT Press, 1974).

Yalem, R.J., Regionalism and World Order, (Washington: Public Affairs Press, 1965).

Yodfat, A., Arab Politics in the Soviet Mirror, (Jerusalem: Israel Universities Press, 1973).

(4) ARTICLES

Abir, M., "Sharm-al Sheikh - Bab-al Mandeb: the strategic balance and Israel's southern approaches", Jerusalem Papers on Peace Problems, #5, March, 1974.

Akins, J.E., "The oil crisis: this time the wolf is here", Foreign Affairs, Vol. 51, 1972-73, p. 462-90.

Alexander, Y., "What future Jerusalem?", International Problems, September, 1974, p. 53-60.

Allison, G.T., and Halperin, M.H., "Bureaucratic politics, a paradigm and some policy implications", in Tanter, R., and Ullman, R.H., Theory and Policy in International Relations, (Princeton, N.J.: Princeton University Press, 1972), p. 40-79.

Blackway, H.A., "Sinai: link or barrier?", Middle East International, #40, October, 1974, p. 12-14.

Brecher, M., Steinberg, E., and Stein, J., "A framework on foreign policy behaviour", Journal of Conflict Resolution, Vol. XIII, 1969, p. 75-101.

Brecher, M., "Israel and the Rogers peace initiatives", Orbis, Vol. 18, #2, Summer, 1974, p. 403-26.

Brecher, M., "The Middle East subordinate system and its impact on Israel's foreign policy", International Studies Quarterly, Vol. 13, #2, June, 1969, p. 117-39.

Brecher, M., "The subordinate state system of Southern Asia", in Rosenau, J.N., ed., International Politics and Foreign Policy, (New York: The Free Press, 1969), p. 153-66.

Bridle, P., "Canada and the international commissions in Indochina", Behind the Headlines, October, 1973.

Brown, N., "Palestinian nationalism and the Jordanian state", The World Today, Vol. 26, #9, September, 1970, p. 370-78.

Burns, General E.L.M., "The third world war: must Canada join in?", Current Comment, #8, December, 1975.

Buss, R., "Vary partners: the Soviet Union and Arab Socialism", Adelphi Papers, #73, December, 1970.

Canadian Forum, "Energy sell-out: a counter report", Canadian Forum, June/July, 1973.

Canadian Forum, "The Herb Gray report", Canadian Forum, December, 1971.

Canadian Institute of International Affairs, "Canada and the European Community", Behind the Headlines, February, 1974.

Canadian Institute of International Affairs, "Canada-U.S. relations", International Organization, Autumn, 1974.

Canadian Institute of International Affairs, "Canada-U.S. relations: options for the future, American reaction", Behind the Headlines, February, 1973.

Canadian Institute of International Affairs, "Canada-U.S. relations: options for the future, Canadian reaction", Behind the Headlines, April, 1973.

Canadian Institute of International Affairs, "Defence in the 70's: comments on the White Paper", Behind the Headlines, October, 1970.

Canadian Institute of International Affairs, "Foreign Policy for Canadians: comments on the White Paper", Behind the Headlines, August, 1970.

Cobban, W., "Dealing out arms discretely: the traffic in Canadian arms", Saturday Night, Vol. 86, #11, November, 1971, p. 23-26.

Conant, M.A., "A perspective on defence: the Canada-U.S. compact", Behind the Headlines, September, 1974.

Cottrell, A.J., "The Soviet Union in the Middle East", Orbis, #3, Fall, 1970, p. 588-598.

Crane, D., "Energy policies in a global context", International Perspectives, July/August, 1973, p. 32-37.

Davison, R.H., "There is the Middle East?", in Volte, W., ed., The Modern Middle East, (New York: Prentice-Hall Inc., 1963), p. 13-29.

Eayrs, J., "Canadian strategy in the missile age", Saturday Night, Vol. 85, #5, May, 1970, p. 19-21.

Eayrs, J., "Dilettante in power", Saturday Night, Vol. 86, #4, April, 1971, p. 11-15.

Editorial, "The foreign policy review", Canadian Forum, July/August, 1970, p. 154.

Fairweather, G., "Foreign Affairs", Saturday Night, Vol. 84, #6, June, 1969, p. 20-21.

Fawcett, J., "Fedayeen at the crossroads: moment of truth for Arafat", New Middle East, #57, June, 1973, p. 4-6.

Field, M., "Oil, OPEC and participation", The World Today, Vol. 28, #1, January, 1972, p. 5-13.

Furlonge, Sir G., "The future of Jordan", Middle East International, #40, October, 1974, p. 23-24.

Gillan, D., "Israel: an indecisive mandate", Middle East International, February, 1974, p. 13-14.

Gillan, D., "The prospects for the Jarring talks", The World Today, Vol. 27, #2, February, 1971, p. 50-55.

Glubb, F., "The Palestinian dilemma", Middle East International, #39, September, 1974, p. 6-8.

Golan, G., "The Soviet Union and the Arab-Israeli war of October 1973", Jerusalem Papers on Peace Problems, #7, June, 1974.

Granatstein, J.L., "Canada and peacekeeping: image and reality", Canadian Forum, August, 1974, p. 14-19.

Gray, C.S., "Still on the team: NORAD in 1973", Queen's Quarterly, Vol. 80, #3, 1973, p. 398-404.

Greenwood, T., "Canadian-American trade in energy resources", International Organization, Vol. 28, #4, Autumn, 1974, p. 689-710.

Hammani, S., "The PLO and the future of Palestine", Middle East International, #35, May, 1974, p. 4-6.

Hanrieder, W.F., "Actor objectives and international systems", in Hanrieder, W.F., Comparative Foreign Policy, (New York: D. McKay Co., Inc., 1971), p. 108-31.

Hartshorn, J.E., "Oil and the Middle East war", The World Today, Vol. 24, #4, April, 1968, p. 151-57.

Harvey, A., "Foreign Affairs", Saturday Night, Vol. 85, #4, April, 1970, p. 12-16.

Head, I.L., "The foreign policy of a new Canada", Foreign Affairs, Vol. 50, #1, January, 1972, p. 237-52.

Holmes, J.W., "Canada and the U.S.: political and security issues", Behind the Headlines, March, 1970.

Holmes, J.W., "Dilemma of Canadian-U.S. relations", International Perspectives, May/June, 1972, p. 3-14.

Howard, N.F., "Jordan: the commando state", Current History, Vol. 58, #341, January, 1970, p. 16-20.

Inglis, A., "Review of Canadian peacekeeping commitments", International Perspectives, Jan/Feb, 1975, p. 31-34.

Inglis, A., Young, C., and Milbur, J.R.H., "Ending the era of special relationship", International Perspectives, Mar/April, 1975, p. 3-20.

International Institute for Strategic Studies, "The Middle East and the International System, #1: impact of the 1973 war", Adelphi Papers, #114, Spring, 1975.

International Institute for Strategic Studies, "The Middle East and the International System, #2: security and the energy crisis", Adelphi Papers, #115, Spring, 1975.

Ismael, T.Y., "Canada and the Middle East", Behind the Headlines, December, 1973, Vol. XXXI, #5.

Ismael, T.Y., "Clash of nationalities at root of the Arab-Israeli conflict", International Perspectives, Nov/Dec, 1973, p. 18-34.

Jukes, G., "The Indian Ocean in Soviet naval policy", Adelphi Papers, #87, May, 1972.

Keddie, N.R., "Is there a Middle East?", International Journal of Middle Eastern Studies, Vol. 4, #3, July, 1973, p. 255-71.

Kelidar, A., "The Palestine guerrilla movement", The World Today, Vol. 29, #10, October, 1973, p. 412-20.

Kellner, P., "OPEC shares its wealth", Middle East International, April, 1975, p. 6-8.

Levy, W.J., "Oil power", Foreign Affairs, Vol. 49, #4, 1970-71, p. 652-668.

Little, T., "Re-opening the Suez Canal", Middle East International, #37, July, 1974, p. 4-5.

Ma'oz, M., "Soviet and Chinese relations with the Palestinian guerrilla organizations", Jerusalem Papers on Peace Problems, #4, March, 1974.

Mansfield, P., "Green light for Suez", Middle East International, June, 1975, p. 9-11.

Meenan, E.J., "The concept: 'foreign policy'", in Hanrieder, W.F., Comparative Foreign Policy, (New York: D. McKay Co., 1971), p. 265-294.

Mikdashi, Z., "Cooperation among oil exporting countries with special reference to Arab countries: a political economy analysis", International Organization, Vol. 28, #1, Winter, 1974, p. 1-30.

Monroe, E., and Farrar-Hockley, A.H., "The Arab-Israeli conflict, October 1973: background and events", Adelphi Papers, #111, Winter 1974/75.

Morse, E.L., "The transformation of foreign policies", World Politics, #22, April, 1969-70, p. 371-92.

Oweiss, I., "Deciding a price", Middle East International, February, 1975, p. 11-14.

Pendland, C., "Canada's foreign policy", Queen's Quarterly, Vol. 77, #1, 1970, p. 99-103.

Perlmutter, A., "Sources of instability in the Middle East: two decades of nationalism and evolution", Orbis, #3, Fall, 1968, p. 718-53.

Quandt, W.B., "Kissinger and the disengagement agreements", Journal of International Affairs, Vol. 29, #1, Spring, 1975, p. 33-48.

Rafael, A.E., "A proposal for peace in the Middle East", Orbis, #1, Spring, 1972, p. 119-52.

Ramazani, R.K., "Emerging patterns of regional relations in Iranian foreign policy", Orbis, #4, Winter, 1975, p. 1043-1069.

Ranger, R., "Canadian foreign policy in an era of superpower rivalry", World Today, Vol. 28, #12, December, 1972, p. 546-54.

Rosenau, J.N., "Comparative foreign policy: fad fantasy or field", International Studies Quarterly, #12, 1968, p. 296-329.

Rosenau, J.N., "The external environment as a variable in foreign policy analysis", in Rosenau, J.N., Davis, V., and East, M.A., Analysis of International Politics, (New York: The Free Press, 1972), p. 145-165.

Rosenau, J.N., "The functioning of international systems", Background, Vol. 7, #3, November, 1963, p. 111-18.

Russett, B.M., "Delineating international regions", in Singer, J.D., ed., Quantitative International Politics: Insights and Evidence, (New York: Free Press, 1968), p. 317-52.

Rutter, F., "Postscript to the Washington energy conference", International Perspectives, May/June, 1974, p. 25-30.

Safran, M., "Engagement in the Middle East", Foreign Affairs, Vol. 53, #1, October, 1974, p. 45-63.

Sharp, M., "Canada-U.S. relations: options for the future", International Perspectives, special issue, Autumn, 1973.

Sherman, J., "The Palestinians: a case of mistaken identity?", The World Today, Vol. 27, #3, March, 1971, p. 104-14.

Shlain, A., "Israel and the occupied territories", The World Today, Vol. 29, #10, October, 1973, p. 421-30.

Slonim, S., "U.S.-Israel relations, 1967-1973: a study of the convergence and divergence of interests", Jerusalem Papers on Peace Problems, #8, July, 1974.

Smith, J., "How Canada created its very own oil crisis", Saturday Night, Vol. 189, #1, January, 1974, p. 15-19.

Smolansky, O.M., "Moscow and the Persian Gulf: an analysis of Soviet ambitions and potential", Orbis, #1, Spring, 1970, p. 92-109.

Soloman, H., "World oil struggle shakes policy here", Financial Post, #65, February 27, 1971, p. 4.

Sprout, H., and Sprout, M., "Environmental factors in the study of international politics", in Jacobson, H.K., and Zimmerman, M., eds., The Shaping of Foreign Policy, (New York: Atherton Press, 1969).

Stewart, W., "Pierre Elliott Trudeau is the president of Canada", Maclean's, Vol. 83, #6, June, 1970, p. 35-37.

Stewart, W., "Should we haul down the flag in Addis Ababa", Maclean's, Vol. 82, #12, December, 1969, p. 34-42.

Stock, B., "Canada's foreign policy vacuum: cultural affairs", Canadian Forum, May, 1973, p. 21-26.

Sullivan, R.R., "The architecture of western security in the Persian Gulf", Orbis, Spring, 1970, p. 71-91.

Thomson, D.C., Balthazar, L., Johnson, H.G., Rotstein, A., "Symposium on Canadian-U.S. relations", International Perspectives, Jan/Feb, 1973, p. 3-12.

Velk, T., "The petro-dollar market", Canadian Forum, June, 1975, p. 17-19.

Von Riekhoff, H., "The recent evolution of Canadian foreign policy", The Round Table, January, 1972, p. 63-76.

Weinbaum, M.G., "Iran and Israel: the discrete entente", Orbis, #4, Winter, 1975, p. 1070-1087.

Whetton, L.L., "War or peace in the Middle East", The World Today, Vol. 30, #12, December, 1974, p. 504-12.

Wolfers, A., "The goals of foreign policy", in Rosenbaum, W., Readings on the International Political System, (Englewood Cliffs, N.J.: Prentice-Hall Inc., 1970), p. 133-45.

Yaari, E., "Fedayeen at the crossroads: moment of truth for Arafat", New Middle East, #57, June, 1973, p. 4-6.

Yanchula, J., "The politics of petroleum", Canadian Forum, Nov/Dec, 1974, p. 5-8.

Younger, S., "Who speaks for Palestine?", Middle East International, #3, January, 1974, p. 17-19.

END

0377

FIN