on whether or not a bilateral agreement with the EU (perhaps pursued by engaging a European advocate or champion as Spain was for Mexico) was a preferable approach to working through WTO negotiations. The point was made that negotiating a formal bilateral agreement with the EU does not necessarily mean we could not also focus on individual member states. Some argued that the focus ought to be on discussions with individual people (i.e.: business leaders, political leaders) in Europe, as opposed to formal negotiations. Closer political relations will pave the way for closer economic relations. Finally, some believe we should continue to focus most of our attention on the more dynamic U.S. market.

## **Culture and Values**

In the cultural field it is perfectly clear that Canada is distinct from the U.S. Canadian culture, particularly literature and the performing arts, is highly appreciated in Europe, and cultural channels could present a means of heightening the profile of Canada in Europe. In many respects, there are closer relations between Canada and Europe because of shared culture and values (such as shared perspectives on human rights, on the International Criminal Court, and on the environment). The Canadian government should promote cultural exchanges, especially through grassroots initiatives (eg: through lecturers at universities, which can have a multiplying effect). Such initiatives involve minimal cost, but pay dividends in terms of creating markets, advancing culture, and promoting Canada as distinct from the U.S. The difference between Germany and Canada in spending on promoting culture was noted. Finally, since many cultural issues are also of concern to Canadian Heritage, coordination with the Department of Foreign Affairs and International Trade is necessary.

Canada has an opportunity to distinguish itself from the U.S., especially in regard to certain U.S. policies that Europeans find problematic. Common values (such as the rule of law and human rights) shared by the U.S. and Europe are dwindling due to the U.S. stance on issues such as the International Criminal Court. Canada can offer an alternative model (in the sense of sharing ideas and discussing options) of engagement and multilateralism, and could make important contributions to maintaining, improving and rebuilding multilateral relations, systems and institutions. A question of considerable interest to the international community is how Canada manages its pluralist society, suggesting that Canada could also provide an alternative model in terms of immigration and multiculturalism policies.

Security

Participation in NATO has distinguished Canada from the U.S., opened the door for our participation in the G7, allowed Canada to become an observer at the Council of Europe, and given us some measure of influence. However, the lack of a serious security threat in Europe has led to the decline in importance of NATO, which heralds a declining role for Canada on security issues. Canadian investment in building partnerships with Europeans as a non-U.S. military ally would yield large benefits relative to the costs. There are opportunities where Canada might join efforts with the Europeans, for example in Macedonia.