

inwardly focussed process into the foreseeable future. Europeans are rightly preoccupied with the complex legal, economic, political and cultural dimensions of creating a common home that extends through eastern Europe and beyond to include closer links with Africa and the Middle East.

The ties of kith and kin across the Atlantic remain; but they are becoming noticeably more tenuous. In the 1960s, over 70% of immigrants to Canada came from Europe. The proportion has declined steadily ever since, dipping below 20% in 1992. In contrast, Asia provided less than one-tenth of our immigrant intake a generation ago, compared to more than half in recent years. The proportion of newcomers from Latin America and the Caribbean has also increased, from less than 5% to about 16% today.<sup>2</sup> Most of Canada's population still has European roots, but these now tend to be less immediate and directly felt on the personal level compared to the still fresh and quite different ties of those who have arrived more recently.

The full relocation to Canada of our NATO forces based in Europe, which brought few if any economic benefits to Canada in any event, closes an expensive yet increasingly symbolic chapter to Canada's trans-Atlantic connection. Redeployment to Canada is well underway and will be completed by early 1994. Canada's current peacekeeping presence in the Balkans may last longer than we hope. Nonetheless, it reflects more a continuation of a long-standing commitment to making the U.N. system work wherever needed, rather than of a "European" policy *per se*. In any event, peacekeeping within Croatia and Bosnia, while important in its own right, is qualitatively less than sharing the burden of front-line defence in mainstream Europe against Soviet expansionism.

Despite considerable effort and the many personal contacts, other trans-Atlantic links continue to weaken. Intra-European trading preferences and industrial rationalization, increasing integration within North America (led by private industry and strengthened by the FTA and NAFTA), and economic dynamism in east Asia have created important shifts in global trade and economic patterns. Canada has not escaped the consequences of these shifts. Europe took approximately 20% of Canada's merchandise exports 20 years ago and 17%-18% ten years later. The level has declined to approximately 10% since the mid 1980s. Moreover, the EC's share of Canadian exports of services also appears to have declined modestly from 17%-19% of such exports in the early 1980s to about 16% in the early 1990s. Europeans

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<sup>2</sup> Statistics Canada, Catalogue 11-210.