

own development and its institutions are better adapted to the process of compromise among the diverse interests of its members than to the expeditious conduct of international business. Moreover, the Community is greater than the sum of its parts and its creation and evolution force us to look at, and deal with, Europe in new ways. It has already a distinctive competence of its own, including very important international responsibilities, which, as time passes and plans for the economic and monetary union come to maturity, will expand to cover an increasing segment of the spectrum of international relations.

Increase in Canada

For the moment, while the Community remains essentially a customs union, its impact is basically commercial, but already it casts long shadows that foretell the impending change of scale of the new Europe. In Canada, the prospect of polarization of the world economy causes uneasiness, and we have the feeling that the multilateral structure, which we found well adapted to our needs in the decades after the last war, is less certain as our partners coalesce into interest groups and trading blocs. These changes in economic relations inevitably spill over into other areas and affect the orientations and priorities of foreign policy.

The process of European construction itself has direct political consequences — that the desire to protect itself from external interference places constraints on the relations the Community is willing to develop with the industrial powers, even the closest allies of its member countries. More positively, its Mediterranean and African policies, to be followed perhaps by Middle Eastern policy, have strong political overtones. This trend cannot but increase as the Community becomes more secure in itself and more certain of its policy orientations. Already it indicates — and that the Community is developing not only machinery but interests that will not necessarily be those with which we have become familiar in our dealings with the member states. A major new element has entered the calculus of our foreign policy and, in the short run at least, the danger that it operates to weaken the bonds that have traditionally linked us with Europe.

New economic, political polarity

The "Year of Europe", whatever its merits and complications, can be seen as a response to the remonitions of a new economic and political polarity in the world. It is much more, however, a course, but the aim of the proposed

declarations of policy and intent — a declaration by the Nine on the identity of the Community, by NATO on the Atlantic alliance and by the Nine and the United States on their relations — is the redefinition of these relationships to suit the new realities. Canada as a member of NATO is active in part of this process, and it has been suggested in Europe that we too might conclude a declaration with the Community. This opportunity to define our bilateral relationship deserves careful thought, for many ingredients enter into the judgment whether it would serve our common purposes well. One thing is sure — major Canadian interests are involved.

Several articles in earlier editions of this journal have analyzed the options available to Canada in the present situation. All that need be said here is that these options relate to the nature and intensity of the relationships we might seek with the Community, especially compared to our other international activities and contacts. We do not have the option to forego a relationship with the Community. The Common Market is a fact of life with which we must deal. It is an active participant, in its own right, on the international scene. In trade negotiations, the Commission is the sole spokesman for the Nine. Trade agreements can no longer be concluded by the member countries but must be entered into with the Community as a whole. On any problem, general or specific, falling within the ambit of the Common Commercial Policy, the Common External Tariff or the Common Agricultural Policy, it is the Community that is sovereign and the Commission to which one must address oneself in the first instance.

As the Nine grope towards Community policies and jurisdiction in other fields, the subjects of negotiation and discourse with the Community will multiply; soon we may find it useful to discuss problems of economic and monetary management, of industrial and energy policy and of social and regional development with the Commission. Ultimately this will probably be as essential as the contacts we have already established on commercial policy questions.

The Community is as unprecedented in structure as it is in function, and the peculiar character of its institutions plays an important part in determining the nature and extent of its relationships with foreign countries. For current purposes, the two most important institutions are the Council and the Commission. The Council is composed of ministers from the member countries and has the power of decision on all questions not specially

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