

Canada/U.S.A. Free Trade Agreement and European economic and monetary union.

This partnership has proven instrumental in the fight against protectionism, and in the formation of a free and open international trading culture.

By transatlantic leadership and example the world will also have reversed the global threat to our environment.

Is this new Europe of the year 2010 wishful thinking? I do not believe so. The only real question is: "Can we grasp the opportunities that history today offers us?" The democratic revolutions of 1989 and the ongoing reforms in the U.S.S.R. offer unparalleled opportunities to create a prosperous, peaceful and stable world order.

Building the new Europe will involve a number of problems. You have discussed here, in great detail, many of these. There are in my view two broad challenges which must be met to make the European renaissance a reality.

First, there must be a successful transition from command to market-oriented economies.

Second, the key institutions that serve Europe, including the CSCE itself, must aid this transition. Canada therefore is pleased to have cosponsored the proposal to follow up this conference with initiatives by governments and the experts of our institutions and business to sustain this transition process.

Canadians have never been more ready to share our experience and expertise. We strongly believe solid transatlantic links will be an important element in meeting these challenges. Millions of Canadians trace their ancestral roots to the European continent. They want to see Canada build even more productive ties throughout Europe, especially now that the barriers of the past have been torn down.

The first broad challenge, ensuring a successful transition from command to market-oriented economies, is one of enormous magnitude. The policy mixes necessary will vary in each country, but the broad directions of change are clear. These have been discussed extensively by participants here in Bonn.

At this conference we have heard a great deal of practical discussion, particularly by business representatives, about the structural and economic changes needed: (a) market pricing in order to lead to efficient resource allocation; (b) currency convertibility to achieve the full benefits of international trade; (c) the creation of a dynamic private sector particularly