

CANADA AND THE NEW EUROPE



New levels of cooperation on security and foreign policy, the transatlantic movement of people, goods and services, and closer trade and investment links are bringing Canada and the European Union closer.

It is a relationship four centuries in the making. From the earliest arrival of French explorers on the shores of a small island in the mouth of the St. Lawrence River in June 1604, Europe and Canada have forged close ties. As the EU undergoes the largest enlargement in its 47-year history, Canadians and Europeans are marking a similar milestone in relations, with new levels of cooperation on security and foreign policy, the transatlantic movement of people, goods and services, and closer trade and investment links than ever before.

"We've taken the strategic relationship between Canada and the EU to another level," remarked Irish Prime Minister Bertie Ahern, the EU's current president, at the close of a bi-annual summit between Canada and the EU held in Ottawa in March. The summit between Mr. Ahern, European Commission

President Romano Prodi and Prime Minister Paul Martin marks an era of reinforced cooperation between Europe and Canada, the most complex relationship between the EU and any non-member country.

The leaders adopted a Partnership Agenda intensifying links between Canada and the EU on a wide range of issues of joint interest. They also set the framework for a future trade and investment agreement that will make doing business between the two progressively easier. It is

a landmark in the long cross-Atlantic history that will "move our relationship up a rung," Mr. Prodi declared.

EU-25

There is some irony that on May 1, the great workers' holiday in central Europe's not-so-distant Communist past, three countries that had been part of the old Soviet Union and five more that had been under tight Soviet control were formally welcomed into the EU. The addition of Estonia, Latvia and Lithuania, along with the five former Soviet satellites—the Czech Republic, Hungary, Poland, Slovakia and Slovenia—as well as the Mediterranean island states of Cyprus and Malta has integrated Europe in an unprecedented manner, while providing a final chapter for both the Second World War and the Cold War.

Though historic and dramatic, it will be some time before the impact of the EU enlargement is felt in Canada. The 10 new members (see "In Brief: The New EU Countries" on page 19) boost the EU's population by 20 percent to 450 million people, but they are have-nots in the developed world. Their average per-capita income is less than half of that among the original 15 EU countries, and their combined national economies are roughly equal in size to that of the Netherlands. This provides little



A girl waves the flags of EU countries during an EU enlargement party in Zittau, Germany, marking the official entry of bordering Poland and the Czech Republic into the EU.