

and there were wide divisions among members on trade matters which led to a significant rise in protectionist sentiment within the Community, as well as towards other countries such as the USA and Japan.

Socialist parties gained power in France and also in Greece, which acceded to the Community in January. There were changes of government also in Belgium, the Netherlands, Denmark, Norway, Ireland and Italy. The new democracies in Portugal and Spain continued to show their strength despite serious economic difficulties in both countries and an attempted coup in Spain. In Britain, the new Social Democratic-Liberal alliance gained a degree of momentum and support that surprised many observers.

The tension generated throughout the year by events in Poland and the lack of progress at the CSCE meeting in Madrid underlined the fragility of détente and East-West relations were a major preoccupation. Differences between Western Europe and the United States on East-West issues, interest rates, trade and public concern over the deployment of nuclear missiles in Europe, brought occasional strains within the Atlantic alliance. The development of relations with the Soviet Union was seriously affected by the presence of Soviet troops in Afghanistan and by the USSR's influence on the evolution of events in Poland. Canada continued to develop links with the East European countries because of the potential benefits in trade and other exchanges and because such links help to reduce East-West tensions.

During the year Canada pursued active and fruitful bilateral and multilateral relations in Western Europe. The Prime Minister visited Rome, Paris, London and Bonn, primarily to discuss North-South and world economic issues with the EC governments before the Ottawa and Cancun Summits. The Governor General and the Secretary of State for External Affairs visited five Scandinavian countries in May. Chancellor Schmidt came to Ottawa before the Summit.

Africa and the Middle East

Visits by federal and provincial ministers strengthened Canada's relations with several Middle East countries during the year and trade, aid, investment and energy relationships expanded. King Hussein of Jordan visited Ottawa in October and during his visit the government announced it would open an embassy in Amman in 1982.

After Iran released the US hostages Canada lifted its 1980 sanctions against Iran but did not reassign Canadian personnel to the embassy in Tehran.

Prime Minister Trudeau visited Tanzania after the UN energy conference and, with Energy Minister Lalonde, had extensive talks with their Kenyan counterparts in conjunction with the conference. Growing commercial ties with Nigeria were strengthened by visits of the Prime Minister and International Trade Minister Lumley and a return visit from Governor Goni to Canada.