

Using the TAD as a recent case-study, this paper proceeds in two parts, the first of which is preceded by noting the TAD's special value in explaining the nature of Canadian foreign policy-making. The first half of this paper, in discussing the factors which influenced the agenda for the negotiation of the TAD, focuses specifically on Canadian perceptions of the vicissitudes of EC-US relations in 1989-1990 and examines Ottawa's review of its policy approach to Europe during the same period. This section shows how the EC-Canadian and EC US TADs (negotiated in parallel) emerged as a result of a complex series of negotiations involving Canada, the United States, the Commission, and some of the key Member States of the Community (i.e., Germany, Italy and the United Kingdom). It is clear that some actors — notably Canada and the United States — had different motivations in seeking to reinforce their trans-Atlantic ties: the Canadian side initially explored the possibility of a trans-Atlantic free trade agreement and then pushed for a trilateral EC-US-Canadian Declaration; the United States was more interested in a bilateral Declaration with the Community that would enhance its access to the Community's foreign policy decision-making process. In the end, instead of a more formal trans-Atlantic treaty mechanism a consensus was formed around the less binding mechanism of parallel Declarations. Chronology to us seems indispensable in making the complicated twists and turns of Canadian policy responses to the US's and the EC's actions intelligible. A critical evaluation follows in the second half of the paper, focusing on the significance of the Canadian TAD for Canada's future policy responses towards the European Community.

2. TAD AND THE FOREIGN POLICY OF A MIDDLE POWER

There are many factors at various levels, i.e., both political and economic and domestic and international, that must be taken into account when analyzing how closer relations have been fostered between Ottawa and Brussels. The theoretical objective of this paper is to show the challenge in combining levels of analysis in order to weigh the significance of various factors. "What is needed," according to Benjamin Cohen, "is a methodology that considers domestic- and systemic-level variables simultaneously, rather than sequentially, and specifies whatever interactions there may be among all relevant variables in a rigorous manner".⁹ While acknowledging that systemic and domestic pressures impose constraints on state behaviour, this study demonstrates that there is still a degree of latitude for state action. How Canada identifies its interest and recognizes its latitude of action vis-à-vis the EC and, as we shall see the US, with regard to an issue of policy-making such as TAD, is a function of the manner in which the problems are understood by Canadian policy-makers or are represented by those to whom they turn for advice under conditions of