

option of a Canadian identity of inter-  
with the United States is reinforced by  
reluctance to play favourites in its rela-  
ships with the industrial countries.  
pite the obvious disparities of power  
influence, we thus find ourselves  
ped with the United States and Japan  
countries with which, in the now famil-  
language of the Paris summit commu-  
é, the Community wishes to "main-  
a constructive dialogue". On the one  
the Community seems to say, you  
not expect to pioneer new forms of  
relationships; on the other hand, they do  
withhold from us what they are willing  
concede to our powerful neighbours.  
may be pleased and flattered, but the  
Community position responds imperfectly  
key element of Canadian policy and  
ration — diversification of our external  
ions.

A complete answer to the problem of  
developing a more specific relationship  
the Community would have to cover  
in by both government and the private  
sector, which plays an essential role in  
developing and sustaining international  
relations. But here it may suffice to concentrate  
on government, for which the transition  
from a multinational to a Community  
type (whatever form it may take) poses  
unprecedented problems. A dialogue com-  
patible with the interests at stake must  
be established with the new institutions of  
the Community; means must be found to  
make the dialogue effective despite un-  
familiar impediments; the parties must  
agree (perhaps in a formal instrument) on  
common interests and objectives;  
they must nurture and encourage con-  
crete activities in the private sector  
to contribute to their relationship. It is  
a matter of organizing to make the best  
use of the opportunities.

The Canadian case is a particularly  
interesting one. The volume of our trade  
with the Community is large (\$4.6 billion  
in two directions in 1972). Our exports  
are by general consent, more vulnerable  
to the impact of enlargement than those  
of any other third country. More impor-  
tantly, perhaps, there is a very large poten-  
tial for the development of trade and  
economic ties if, as seems likely,  
the economies become increasingly com-  
plementary and latent policy considera-  
tions work in this direction. For the  
essential aspects of our trade  
relations are covered in the multilateral  
General Agreement on Tariffs and Trade,  
in whose context Canada and the  
Community are negotiating about both  
the consequences of enlargement and a  
new round of trade-liberalization. Look-

ing to the future, one can foresee a need  
to improve the forms and broaden the sub-  
stance of the relationship. In time the trend  
of institutional and policy developments  
in the Community should facilitate this.

Both the terms of the Community  
treaties and practical considerations pre-  
clude Canada's joining or associating  
itself with the Nine, but a broad economic  
agreement, complementing the GATT, is  
an attractive and realistic long-term ob-  
jective. In the interim, there are many  
practical ways to improve the mechanisms  
of consultation and develop specific points  
of contact and common interest. Links  
with the Community have developed  
steadily from the early days, when our  
day-to-day business was handled by one  
or two officers attached to the Canadian  
Embassy in Belgium and contacts at the  
political level were rare, to the present  
situation, where Canada has a separate  
mission to the Communities and a sys-  
tem of regular meetings between ministers  
and their Commission counterparts is in  
effect. In all these contacts, work proceeds  
on exploring and defining the substance  
of the longer-term relationship to be en-  
visaged between Canada and the Commu-  
nity, on questions of common interest in  
the world economy and on current prob-  
lems in our bilateral trade. As these dis-  
cussions proceed, they tend to deal in  
increasingly concrete terms with specific  
suggestions for co-operation, joint activ-  
ities and projects.

In a sense, the evolution of relations  
between Canada and the Community will  
be the obverse of the development of the  
Community itself. It will therefore take  
time, which many within the Community  
are the first to deplore. They recognize the  
immense importance to Europe of their  
external relations and wish, as firmly as  
any outside the Community, to play a full  
role on the international scene. The recent  
Middle Eastern crisis has merely empha-  
sized in their eyes the weaknesses of the  
present structure of Europe and the need  
for adaptation to permit it to fulfil the  
economic and political functions implicit  
in the project for European Union. The  
crisis has led to a reappraisal among the  
Nine of the realities of their efforts to  
construct their union and of their relation-  
ship with the United States. It is fraught  
with dangers for the Community en-  
deavour, but it seems to have created a  
mood of determination to move ahead and,  
if this can be translated into action, it will  
give the Community a new impetus, the  
"Year of Europe" a new emphasis and  
Canada's own relationship with them new  
prospects for progress.

*Mideast crisis  
has fostered  
a reappraisal  
in Community  
of efforts  
to construct  
European union*