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The other transatlantic relationship

Canada, the EU, and 21st-century challenges

Canada was the first country with which the European Union signed a cooperation agreement in 1976. Since then, Canada and the EU have gradually extended their cooperation in a number of social and economic areas, though not as much as originally intended. More recently, they have decided to launch negotiations for an extensive economic partnership agreement that aims at the creation of a wider transatlantic partnership, which would include the United States and Mexico. In addition to such bilateral cooperation efforts, Canada and its European counterparts have been actively working together in various international organizations and forums to address numerous international security and economic challenges. Finally, Canada and the EU, which both possess federal-like structures, have tried to learn from each other's experiences when devising

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domestic policies and governance mechanisms to manage these policies. In sum, the relationship between Canada and the EU, though often in the shadow of the EU-US affiliation, is a deep and important one.

This issue of *International Journal* aims to bring the Canada-EU relationship into the limelight to explain how it plays a key role in meeting 21st-century challenges such as financial stability, open international trade, immigration, energy security, climate change, and global security. This role can take various forms. First, Canada and the EU can better manage mutual challenges by learning from each other. Second, Canada and the EU can enhance their bilateral cooperation. And finally, both jurisdictions can contribute to world affairs by working together in various international forums.

It is essential that advanced industrial societies share knowledge and build expanded avenues of cooperation. Almost every one of the key challenges facing Canadian society also affects other advanced democracies, and it is through examination and consideration of alternative responses that we can hope to identify best practices for our own society. Furthermore, our reference point must extend beyond our neighbour to the south. Much attention is paid to Canada's connection to the United States and in many cases, Canadian responses to critical problems are crafted against the backdrop of American practices. Canadian policymakers and the Canadian public are less assiduous, however, in looking to Europe for alternative approaches to policy formation, even when European countries have developed innovative approaches through the EU to addressing many of the problems that we face, such as coordinating climate change policy across national borders; harmonizing border control systems and immigration policies; and breaking down trade and financial barriers. With the adoption of the Lisbon treaty, the EU has likewise embarked upon new approaches to transnational governance, including the further empowerment of the popularly elected European parliament and of national parliaments in relation to EU-level decision-making.

Transatlantic learning is all the more important because Canada shares with European countries many key values, including those relating to social welfare, international law, and human rights. Like Europeans, Canadians have traditionally favoured multilateral solutions to international problems. Furthermore, historically, Europe—its individual countries as well as the EU—has been a key partner in realizing many of Canada's international objectives, reflected in such concrete efforts as the landmines convention, the protocol to control chlorofluorocarbons, and the International Criminal

Court. Not only are Canadians often inadequately inattentive to what they can learn from Europe, but Europeans also often fail to understand the contributions that Canada and Canadians make in seeking innovative responses to vital issues. Just as Canada can learn from the European experience and benefit from a strong transatlantic relationship, Canadian experience can be a model for Europe as well—notably, for example, with regard to our practices of multiculturalism and citizenship as well as in innovations in encouraging citizen participation.

With the goal of encouraging networks to promote the sharing and synthesis of research findings both within Canada and across the Atlantic, in 2004 scholars from six Canadian universities (the University of British Columbia, Carleton University, McGill University, l'Université de Montréal, the University of Toronto, and the University of Victoria) joined together to form a research network in the area of European and EU studies. Launched with pilot funding from the Social Sciences and Humanities Research Council of Canada (SSHRC) and bolstered by grants from the European Commission, in 2008 the network was awarded a major seven-year grant by SSHRC to support its activities under its strategic knowledge cluster program.¹ Called the “Canada-Europe transatlantic dialogue” and housed at Carleton University’s Centre for European Studies (an EU centre of excellence), the interdisciplinary network brings together over 70 scholars from 14 Canadian universities, 24 European and American experts, and over 25 partner organizations in both Canada and Europe (the latter representing nine European countries). The project is designed not only to strengthen Canada’s research capacity vis-à-vis Europe and to nurture knowledge networks between Europe and Canada, but, more importantly, to look at Europe through Canadian eyes, zeroing in on those issues that have relevance for our own society. It is the network’s goal to bring knowledge about Europe more effectively to Canadian society and at the same time to strengthen our linkages with European partners so as to harness the capacity of sharing knowledge. We aim to improve the level of public discourse and policy deliberation in Canada by encouraging the informed examination of alternative responses to policy problems. An additional goal of the network is to increase awareness in Europe of Canadian research contributions and thus to improve their international standing and impact.

To achieve these goals, the Canada-Europe transatlantic dialogue engages in a variety of activities: the dissemination of current research findings in

¹ Parts of this introduction are taken, in adapted form, from the initial funding application to SSHRC.

the form of policy briefs, policy papers, podcasts, and commentaries; events that bring together researchers and practitioners to discuss current policy issues; and various forms of support for young researchers, including an online peer-reviewed journal, *The Review of European and Russian Affairs*. Information on all of these activities is available on the project's website at www.canada-europe-dialogue.ca. The network also offers a searchable database of European experts in Canada, EUCAnet, which can be accessed at www.eucanet.ca.

Priorities in EU-Canada relations are reflected in government declarations such as the partnership agenda of 18 March 2004.² They include maintaining strong multilateral institutions and the international rule of law; developing an appropriate definition of, and institutional basis for, maintaining international security in the face of new, nonmilitary threats; extending and deepening democracy; promoting sustainable development and addressing environmental problems; promoting respect for human rights, including fair immigration and asylum policies; and improving human welfare through cooperation in areas such as trade and social policy.

Cognizant of these priorities, the Canada-Europe transatlantic dialogue has defined its thematic research parameters in accordance with two criteria: issues should be of current societal importance, building in flexibility for change as priorities shift; and themes should relate to fields where research on Europe or Canada-EU cooperation may generate findings that are useful for Canada or highlight Canadian research abroad. As a result, the work of the network is centred on five broad thematic areas, reflecting the primary expertise of the participating scholars: “democratic deficits” and policy coordination in multilevel governance systems, including issues of democratic participation, policy coordination in federal systems, and constitutional change; the environment and sustainable development, with particular attention to climate change issues and sustainable food and agricultural systems; social policy and immigration, including the integration of immigrants; economic cooperation and competition, including trade issues such as the current negotiations of a Canada-Europe comprehensive economic and trade agreement (CETA); and the EU and Canada as global actors, with a particular focus on the transatlantic triad and on international conflict management and security.

The current issue presents just the tip of the iceberg when it comes to current research on Canada and Europe on these themes. Indeed, the

² The document is available at www.canadainternational.gc.ca.

opening article, written by Donna Wood and Amy Verdun, provides an overview of academic work in the field from 1981 to early 2010, identifying major trajectories of analysis as well as areas where future research would be fruitful. The remaining articles in the issue are drawn from each of the thematic arenas of the Canada-Europe transatlantic dialogue.

The first of these explores the Canada-EU relationship in the context of global security challenges. David Haglund and Frédéric Mérand set the stage with a lively and provocative consideration of where Canada fits in evolving transatlantic security relations between the United States and Europe. The authors put forth the possibly controversial thesis that the Canadian government has grown relatively indifferent to European security and has come to feel “more comfortable” with Canada’s “marginalization” in the transatlantic triad at the same time that Europe is of less strategic importance to the United States than it has been previously. Nevertheless, Haglund and Mérand argue that Canada and Europe continue to share a mutual feeling of “we-ness” that will lead them to similar positions vis-à-vis the rise of new powers such as China and India.

Christian Deblock and Michèle Rioux examine trade and economic relations between Canada and the EU. Despite ongoing CETA negotiations, they blame the Canadian government for not having an economic development strategy. They argue that, from a Canadian perspective, CETA is ultimately a byproduct of stalled Doha round negotiations at the World Trade Organization, stagnating North American economic integration, and indecision as to how to engage Asia’s rising economic powers. As for the Europeans, the authors argue that CETA serves as a stepping stone to deeper transatlantic economic integration, which they see as a positive outcome should it ever see the light of day. This is why Deblock and Rioux support the CETA negotiations between Canada and the EU. They do, however, encourage the two parties not to limit their economic dialogue to purely “mercantile” issues, but also to adopt a comprehensiveness that leads to “smarter” rather simply “freer” economic exchanges.

Looking at the financial dimension of economic relations between Canada and the EU, Patrick Leblond argues that until recently the US has very much determined transatlantic financial governance, which in return has set the tone for the rest of the world. However, with the gradual decline over the last decade of US financial hegemony, the rise of Asian economies, and the lack of a strong history of cooperation between Canada and the EU in matters of financial governance, there is a risk that there could be a shift in influence from the transatlantic region to the Asia-Pacific one. Nevertheless,

Leblond argues that in matters of securities and banking regulation, both Canada and the EU have shown that they can compensate for declining US influence in order to maintain the transatlantic region's leadership in governing global finance. As with issues of security and trade, what is required in this case is closer cooperation between Canada and the EU.

Alongside terrorism, emerging economic and geopolitical powers, and continued global financial instability, Canada and Europe face the looming threats of climate change and energy insecurity. In terms of the latter, Canada's dilemma is how best to manage its energy resources in a way that ensures environmental sustainability without undermining economic prosperity. As for Europe, the challenge is to reduce the risks associated with its energy dependence on external sources. Focusing on issues of energy security, Maya Jegen undertakes a thorough comparison of the motivations and principles that govern this policy domain in North America and the European Union. She attributes differences primarily to the institutional structures that distinguish the EU from the North American free trade agreement (NAFTA), as well as the differing character of energy (in)dependence in the two cases. Jegen also draws attention to the significantly more important role that climate change considerations play in energy policy in Europe as compared with North America, and places these priorities in the context of the competitive structure and role of external relations in the energy sphere.

Turning to the key challenge of climate change, Miranda Schreurs shows that, despite many similarities, Canada and the EU have had very different experiences with climate policy implementation in recent years. In fact, they have taken substantially different positions towards the establishment of post-Kyoto climate reduction goals because energy poses different concerns to Europeans and Canadians, as Jegen makes clear in her contribution. Schreurs also argues, however, that other realities are masked by a comparison made only at the federal level. For instance, in Canada, the provinces are much more engaged in climate mitigation efforts than the federal government. At the same time, there are significant differences among EU member-states in terms of achievements made and support for climate policy leadership.

The issue's remaining articles focus on two important domestic issues, one related directly to governance questions and the other to the integration of immigrants. In his article, Arthur Benz explores a fundamental dilemma of contemporary policymaking in federal or multilevel systems: how to reconcile the increasing need for policy coordination *across* territorial boundaries with

governing structures that still channel democratic input *through* territorially defined political units. Benz examines innovative responses in the EU to respond, at least in part, to this dilemma, namely efforts to extend the reach of national parliaments into the domain of EU policymaking, whereas in Canada he observes that provincial parliaments remain largely focused on intraprovincial matters, thus abdicating any significant ability to influence the federal political arena. Benz explains these differences by comparing the foundations of institutional and political power in the EU and Canada.

Karin Schittenhelm and Oliver Schmidtke conclude this issue by comparing obstacles to, and opportunities for, the labour-market integration of highly skilled immigrants in Germany and Canada. Shifting demographic patterns and the imperative of economic competitiveness on a global scale have generated a need for immigration and a related interest in attracting well-educated and highly skilled individuals. Driving the comparative analysis and empirical research undertaken by Schittenhelm and Schmidtke is an effort to explore what they see as an underlying and fairly universal paradox associated with these processes—the failure to effectively make use of the skills of those immigrants once they have been successfully attracted. In other words, the skills that are acquired are in significant part squandered. Based on extensive field research, the authors conclude that immigrants are less likely to face sustained and long-term obstacles to integration in Canada than in Germany, although in some regards the dilemmas and obstacles to successful integration are quite similar.

These last articles illustrate well the potential insights provided by comparative analysis of common policy dilemmas facing Canada and Europe. Through a research-based examination of this type, both Canada and Europe can benefit, making it less likely that on either side of the Atlantic we will unknowingly replicate unsuccessful policy approaches or miss promising ones.

If there is one overall conclusion that can be reached from this issue, it is that the Canada-Europe relationship is generally underexploited. Whether they learn from each other or cooperate together, Canada and the EU have the potential to play a greater role in ensuring stability, security, and prosperity in the world. All that seems to be missing is the willingness to recognize that this potential exists and that it must be put into action to ensure that the transatlantic region continues to be strong—something that remains a prerequisite for a secure and prosperous world.