

Summary of the Public Round-Table Discussion on the Canada-EU Summit 2008

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On October 29th the Centre for European Studies at Carleton University hosted a roundtable discussion on the recent Canada-EU Summit. David Long from the Norman Paterson School of International Affairs, Carleton University, Patrick Leblond from the Graduate School of Public and International Affairs, University of Ottawa and Costanza Musu from the Graduate School of Public and International Affairs, University of Ottawa led the discussion, each focusing on different aspects of the summit report: the political, the economic and security. Each expert first made a 10 minute statement followed by a general discussion and questions from the audience.

The following is a summary of the roundtable discussion and is not a verbatim recording. This summary is compiled from the author's own notes taken at the discussion.

David Long (David.Long@carleton.ca)

Prof. Long focused on the political dimension of the summit and the process of bilateral diplomacy. He asked the audience "what is the point of summits?" Continuing, "at best they are high level meetings that are a recent product of the ability of world leaders to meet face to face to hammer out issues of concern. At worst, summits are photo and showmanship opportunities. We tend to expect too much of leaders getting together. Summits are not a good way to get things done."

Prof. Long suggested that this summit received more attention than most EU/Canada Summits because of French President Nicolas Sarkozy, who at the time was in the middle of a world tour promoting the global reform of capitalism. The presence of Sarkozy was responsible for generating the media buzz of this summit. The lack of advance in global trade talks is why the EU is interested in this third best option of a Canada-EU agreement rather than a global multilateral agreement or EU-NAFTA.

Canada-EU relations are part of Canada's wider relations across the Atlantic, most significantly with individual member states such as the U.K, Germany and France. Also, Canadian federalism complicates any negotiations that the federal government may undertake. There is no free trade in Canada between the provinces, unlike EU member states, and so before the federal government can commit to anything it needs to get the support of the provinces. The multilevel governance on both sides complicates further Canada-EU relations. Prof. Long stressed that this is important in terms of what it might mean for federalism, initiatives for trade, and global summitry. Canada-EU relations are not just bilateral; they are multilateral.

Patrick Leblond (Patrick.Lebond@uottawa.ca)

Prof. Leblond focused on the economic aspects of the summit and the advancement of the idea of a "Preferred Economic Partnership" which was first discussed in Berlin last year. This partnership appears to still be on track and studies suggest that this agreement will be positive for both Canada and the EU. In the joint summit communiqué both sides agreed to work together to establish points to move forward, especially with the provinces. However, Canada needs to clarify the free trade barriers between its provinces before moving forward with negotiations with the EU.

Labour mobility and the removal of visa requirements for all EU member states by Canada was discussed along with a commitment to further develop an Open-Skies agreement similar to one the EU signed with the US last year.

Prof. Leblond quoted a recent study that tried to quantify the benefits of a free trade agreement between Canada and the EU through simulations and an analysis of existing tariff barriers. The study is available at http://trade.ec.europa.eu/doclib/docs/2008/october/tradoc_141032.pdf. Although the report concludes that the GDP increase of both parties would be minimal (both less than 1%), the type of economic agreement established could provide the world with a new blueprint to successful multilateral agreements.

Prof. Leblond suggests that Canada and EU must keep moving forward as there are clear, absolute benefits to be gained through further cooperation. Canada must ensure that it spends the appropriate energy to remain on the EU agenda, especially since Canada has more to gain from an economic partnership. The provinces also have a role to play in ensuring the federal government remains committed to an economic agreement and here Prof. Leblond highlights Quebec as the key province. Finally, Prof. Leblond said that any negotiation and subsequent agreement cannot affect our relations with the US.

Prof. Costanza Musu (C.Musu@uottawa.ca)

Prof. Musu said the joint summit communiqué did include two full pages on Canada-EU security relations covering various topics such as Georgia, Afghanistan, Haiti, the middle east, civilian operations etc. As she read it she had this feeling of déjà vu that most of the two pages were the same summit jargon that gets produced each year.

Security cooperation between Canada and the EU is limited by the nature of CFSP and ESDP. While the EU has these policies member states still remain in control of their military and foreign policy resources. To understand the security relations, Prof. Musu suggested, we take a step back and remember that when the idea of CFSP was born, it was met with skepticism on this side of the Atlantic and a fear in Ottawa that it could undermine NATO and transatlantic solidarity. On the one hand there is support for a united European security policy but it continues to raise challenges to transatlantic relations. However, these summits are an opportunity for both sides to refine security diversification and instruments.

Prof. Musu argued that the initial apprehension really started to be reoriented at the 2002 summit in Spain where the beginnings of a framework for Canadian participation in EU led missions began to be established. This led to Canada's involvement with the EU mission to Bosnia-Herzegovina in 2003. However this duality leaves Canada at a disadvantage because the transatlantic alliance would now just be focused on the US as ESDP is used as the framework to strengthen security relations between Canada and Europe. Europe was also sceptical of Canada's ability to make decisions free from US influence.

However, the nature of ESDP – conflict prevention, peacekeeping, long-term civilian solutions etc. – are all in line with Canada's own priorities and values and so this offers a natural area to consolidate cooperation. But the scope for this cooperation and what can reasonably be expected is another matter. EU missions are numerically limited and in the Middle East member states have limited the capabilities of the EU to really be involved on the ground. Further discussion is needed on security options and policy diversifications.

Questions

Questioner 1:

How concrete are these trade numbers that Prof. Leblond has mentioned? Under Trudeau there was a strong impetus to increasing trade with Europe, 'the third way,' so where does this historical trend to move away from US dependency fit in?

PL: This idea which started with Trudeau dates back a long time but it hasn't led anywhere. Now how hard did Canada try? Once you sign a free trade agreement with the US that is bound to increase Canadian dependency on the US. You can sign as many deals as you want but you cannot stop people trading with the US so it will likely always constitute about ¾ of our trade. This makes sense. Having said that, my feeling is now that although there was a willingness to move forward with the EU in the mid-1990's I am not sure how committed the Harper government is to this summit, but things are moving along, slowly, but they are. Multilateral negotiations are not going anywhere and so everyone is moving back towards bilateral agreements, and Canada is being criticized for not moving fast enough on this. However, I do not see this third way either and if we can live very well having 80% of our trade with the US then I don't have a problem with this.

DL: This idea comes up whenever we discuss anything with the EU, but how significant is the proposed agreement? There is a long list of agreements already. The proposed benefits to trade are small because most of our trade is already unrestrained. There are people who do not like anything that will take us away from the US, but the context is not the same as the much maligned Third Option. We are not getting anywhere at the global level and this agreement provides some gains. It could be a model agreement and that is why this could be important. Also for Harper, this is about the domestic agenda and keeping the borders between the provinces open. Don't expect too much from summitry, but this does have broader, domestic implications.

PL: I agree with David, trade is already not constrained, with average tariffs about 2% when agriculture is removed. The numbers are not huge but the next step to free trade is not tariffs but regulating standards and mutual recognition of labour mobility, and services (i.e lawyers) and that is where we need agreements. As for Harper, I think he would like the idea of a deal that would help make it easier to remove interprovincial barriers to trade. As PM I would be in favour of it, sounds like everyone wins.

Questioner 2:

Should we be concerned about irregular movements of people within an environment that allows for the free movement of labour between Canada and Europe?

Questioner 3:

There seems like there is not much more to gain in regards to trade but when it comes to security can you clarify what we can gain and lose in regards to NATO and operations?

Questioner 4:

Security issues with countries like the US have largely been negotiated on a bilateral basis with the EU member states. Do you see any room for Canada to move forward with security issue negotiations with individual member states rather than with the EU?

DL: In response to the first question, this actually raises the wider questions of when Canada is negotiating with another party. What it generally tries to propose is something close to its own regime, as in all negotiations you want other people to make adjustments to your policy. Canada and the EU need to see eye to eye on the freedom of movement of people. I can't imagine that it can be any more of a problem than we already have. If we were worried we would've said no to the lessening of visa restrictions on EU member states. Free movement might not worsen things that much, but there would have to be some sort of system. EU cooperation on these issues is spotty and not all member states trust each other. You have some countries that work with Canada already and some EU partners that do not even trust other member states.

PL: When we talk about labour movement we are not talking about just anyone but in fact only about workers, and the ability to make it easier for these people to work in these territories. We are not talking about a Schengen like agreement. I don't see how it would be possible to make things easier without the Americans getting concerned. And again, with 80% of our trade with the US the last thing we need is the US to make access to their borders more difficult.

CM: Will bilateral agreements be the way forward? In that field we might just look at what the Europeans are doing. Europe and Canada will cooperate on effective multilateralism. On the other hand, in Europe itself, CFSP and ESDP are limited by the member states themselves. You will have multilateral negotiations built on cooperation but you will also have individual member states making foreign policy decisions at the state level, and this limits CFSP and makes it difficult to negotiate firm security policies. There is a limit to how policies are received and how they are interpreted.

Questioner 5:

When the EU negotiates with Canada they commit to all of Canada, not just the federal government. If the provinces are not on board then forget negotiations. If there is not a strong will on the part of the Canadian Government to bring all parts of Canada together to bind commitments for all, then forget it.

DL: Although Canada is rarely front page news in Europe, there is still an educated understanding of Canada in Europe. Since Canada's turnaround on Kyoto, there has been more of an awareness in Europe that negotiating with the federal government only gets you so far and that you need to deal with all parts of Canada.

PL: This public procurement is a starting point for Europeans. I think that the Europeans are more aware that as much as they can play divide and rule with the provinces and get enough provinces on board with them, then they can use this to pressure the federal government. Public procurement is a touchy

subject as there is a lot of money involved and there is potential to as Canada's aging infrastructure will shortly need a vast amount of investment.

CM: What we see in Europe is a varying geometry of political cooperation, especially in security policy and this is puzzling for anyone trying to negotiate security cooperation with the EU. In that respect, Canada, like others, can get on board with some initiatives but at what level? And what can it expect from the member states?

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