

(Continued from page 2)

have to sell the farm. Whether *Daddy* will have to sell the farm in the future is very much an open question. Judging from recent developments, especially at the World Trade Organization, the future of the family farm looks dim. Who knows? Perhaps it's already been sold, but *Daddy* ain't telling!

Bernard C. Beaudreau is Professor of Economics at Université Laval in Québec City. His research interests include the multinational firm, the history of international trade, globalization, and network theory as it applies to trade. Recently, he published *World Trade, A Network Approach* (New York: Universe, 2004).



Eye on Canada

The Hans Doctrine

In this article, the authors offer a modest suggestion on how to get a foot in the door of the European Union.

David Eaves and Peter MacLeod

Canada's approach to dealing with the Hans Island dispute is all wrong.

Instead of claiming that desolate chunk of rock outright, we should split it. Half an acre for us. Half an acre for the Danes.

Sound crazy? Not as crazy as you might think. That little piece of rock could contain an important key to Canada's future.

We don't mean oil or arctic diamonds, nor are we talking about shipping lanes. The great potential of Hans Island is as a common border, connecting Canada to not just Greenland or Denmark or Europe, but to the *EU*.

For Canadians growing increasingly leery of US foreign policy, anxious about water and energy, are tired of the softwood lumber dispute, the *EU* is a ready-made multilateral counterweight to our dependency on Uncle

Sam. It's the kind of alternative Trudeau could only dream of when Canada last went searching for some wiggle room.

Getting close

Sure, Paris may seem a long way from Saskatoon, and Helsinki from Moncton – but so is Houston. St. Johns, Halifax, and Quebec City are still closer to London, Lisbon, and Dublin than they are to LA. But never mind. Geography is relative. If continuous landmass and abutting border are the major criteria – Hans Island is our ticket in.

But what would Canada gain from membership in the *EU*?

For starters, a peer group. Canadians are better suited to the progressive vision of the Stockholm Consensus that balances open markets with social justice and equality of opportunity than to the laissez-faire economics of the Washington Consensus. Run through any OECD league table. From health to education to culture – our natural partners are the Europeans.

The title of a new book by British foreign policy expert Mark Leonard offers a thrill: "Why Europe Will Run the Twenty-first Century." (Canada, you'll remember had its turn in the twentieth.) It's a hopeful and compelling book that should have landed on the top of every MP's reading pile this summer.

Fun facts from the book: Economy – poised to exceed US Growth - not built on bad debt. Labour – better rights and longer holidays. Energy – committed to conservation and sustainability. But above all, today's European vision – a cooperative and pragmatic project to improve the lives of individuals, without threatening the sovereignty of states. Pragmatic? Cooperative? Multilateral? It all sounds rather Canadian, in fact.

And there in lies the crux of the argument. While the United States offers us its market – it does so on its own

terms, and without the cooperative structures necessary to address the trans-national challenges created by integrating economies. In contrast, the *EU* offers its members a seat at a table of roughly equal sized partners – peers interested and committed to actively managing these challenges.

Having your cake and eating it

But of course, the choice needn't be either/or – the genius is the 'and'. Imagine a Canada that could still be a part *NAFTA* and enjoy status as a special member in the *EU*.

As for the Europeans? Who knows? They might love it. We could double their landmass at the stroke of a pen.

The only trouble is that while we've forgotten Europe, Europe has also forgotten us. Leonard lists 109 countries belonging to what he terms the "Eurosphere" — countries which are influenced by or are part of the European Union. Remarkably, Canada, the country that didn't rebel, helped to liberate Europe, and remains the fourth largest investor in the *EU* after the US, Switzerland and Japan isn't among them.

So where to start? The next time Foreign Minister Pettigrew meets his Danish counterpart, stop worrying about who owns what. Draw up a timetable for accession talks instead. Put a Canada Customs booth with an express lane for our northern neighbors in the Arctic. Ask Tim Hortons to accept Euros alongside loonies and greenbacks and insist that our hotels fly the *EU* flag whenever they hoist the stars and stripes.

Hans Island should be a test of our political imagination. It represents an Arctic gateway to the new old world.

David Eaves is a Sauvé Scholar and Action Canada fellow. He regularly speaks on foreign policy and is the author of the *Canada25* report, *From Middle Power to Model Power*. Peter MacLeod is an Action Canada fellow and a doctoral student at the London School of Economics.

