

French heavyweights pressing for EU trade deal with Canada

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PARIS - A former French prime minister and now a confidant of President Nicolas Sarkozy have endorsed the push for a Canada-Europe free trade agreement.

Edouard Balladur said a possible trade deal, now being studied by Canadian and European Union officials, would represent a first step for Europe in repairing relations with the U.S. that were shattered by the Iraq war.

"It's a very good idea that goes in the direction of improving transAtlantic relations," Balladur told *Le Devoir* in an interview.

"Canada is closer to Europe than the United States in many areas, like foreign policy."

While he said the ultimate goal is a Europe-North America accord, an initial deal with Canada would be a "good way to start."

Balladur recently wrote a 120-page analysis calling for closer Europe-U.S. relations to create a democratic, free-market counterweight against rising powers like China and Russia.

"History is starting to be made without the West, and perhaps one day it will be made against it," he wrote.

"There's a simple method for avoiding this. The people of the West must become aware of the risk and convince themselves that the greatest possible solidarity between them is the only means for dealing with it."

Balladur, a well-known conservative politician and occasional Sarkozy adviser, was prime minister in the mid-1990s under the late Socialist president Francois Mitterrand.

Prime Minister Stephen Harper and Quebec Premier Jean Charest have been pushing the idea of a Canada-Europe trade deal. While Balladur has been advancing the concept of an agreement with the U.S., heightened protectionist sentiment being expressed in the American presidential campaign would likely rule out U.S.-Europe negotiations in the near future.

Charest has said that 2008 represents Canada's best opportunity to improve trade with the EU, made up of 27 countries with close to a half billion relatively affluent citizens.

Sarkozy, who has expressed interest in the idea, is set to assume the six-month rotating EU presidency and Charest is hoping the French president and Harper will announce the launch of negotiations at the next Canada-EU summit this autumn in Montreal.

Senior Canadian trade negotiator Michael Hart recently called the idea "silly," noting that Europe has never shown serious interest in free trade with Canada because few trade barriers still exist. Canada also represents a portion of trade with the EU, which is looking to markets such as India to expand business opportunities for Canadian companies. One EU official sniffed recently that Harper and Charest are simply looking for a political ploy."