

Canada as a Minor Ally: Operational Considerations for Relations with the United States

*Speaking notes for a presentation at the
2003 Canadian Crude Oil Conference
Kananaskis, Alberta
September 5, 2003*

Christopher Sands
Senior Associate, Canada Project
Center for Strategic and International Studies
Washington, D.C.

Good morning. I want to thank the organizers of this year's Canadian Crude Oil Conference for bringing me out here to join you today. Albertan hospitality is hard to beat, and for a kid from Detroit, I am happy to say that I had the chance to live here as a temporary Albertan one summer. My Dad is a professor of geography and urban planning, and one summer our family relocated to Alberta while he researched a book on the patterns of suburban development in four cities: Edmonton, Calgary, Phoenix, and Houston. It was a great adventure for me, especially camping and hiking in Banff and Jasper. You will get a sense of how long ago this was when I tell you that my souvenir from that summer was a t-shirt with Chewbacca, C3PO, and R2-D2 posing with a bear.

The shirt read, "The Empire Strikes Banff."

Given my topic today – Canada-U.S. relations and what we can do to improve them – and since you know that I am here today from Washington – a city one of my colleagues likes to call, "The Imperial Capital," let me begin by reassuring you that I have not come to strike Banff.

Instead I would like to share with you a perspective on three points:

- ❑ where we are with the Canada-U.S. relationship,
- ❑ what Paul Martin can and can't be expected to do, and
- ❑ what options we have to strengthen the relationship as citizens.

The State of the Relationship

Even though Canadians and Americans have been neighbors longer than we have been sovereign countries, the formal Canada-U.S. relationship is a recent creation. For many years, the young United States viewed British North America and later, Canada, in the context of the Anglo-American relationship. And for the most part, Canada was effectively a hostage to the fortunes of the two rival governments in London and Washington.

That changed with the establishment of diplomatic relations and the exchange of ambassadors in 1926, and again in 1931 when Canada gained the right to a foreign policy independent from Britain as part of the Statute of Westminster. Early relations between Ottawa and Washington were cautiously cordial. The United States had made no secret of its desire to charm Canada out of the British sphere and into the American orbit – a policy dating back to the Taft administration’s offer of a Reciprocity Treaty, rejected by Canadians in the 1911 election. Washington sent encouraging signals to Ottawa while trying not to come on too strong, and Ottawa sent encouraging signals back, without wanting to seem too willing.

This gentle courtship was interrupted by the onset of the Second World War, which of course began earlier for Canada. The war changed Canada-U.S. relations profoundly. Cooperation between officials for the defense of the continent was close even before U.S. entry into the war in 1941. U.S. isolationists, strongly opposed to the Roosevelt administration’s arguments for getting involved in another European conflict, nevertheless saw merit in protecting Canada against German invasion as necessary to the defense of the United States itself. From James MacCormac’s 1940 book, *Canada: America’s Problem* (Viking Press, 1940) to the 1941 film, *49th Parallel* starring Raymond Massey and Laurence Olivier, the case for close ties with Canada was different from other debates about U.S. foreign policy.

When thousands of young men returned from the war, many went into public service in both the United States and Canada. That remarkable group of men and women that Tom Brokaw has dubbed, “The Greatest Generation” dominated governments in both countries until relatively recently. On the battlefield and in bilateral wartime planning groups, a generation of Canadians and Americans that shared the experiences of growing up on farms, surviving the Great Depression, the charm of small towns, and many elements of a popular culture that included songs and radio shows, found working together comfortable. As long as they remained in positions of authority, Washington considered Canada a “special relationship.” As Canadian historian Greg Donaghy notes in his new book (*Tolerant Allies: Canada and the United States 1963-1968* McGill-Queen’s University Press, 2002), through the 1960s, the United States was a “tolerant ally” that indulged Canada and forebore retaliation that other allies would have swiftly received.

President Clinton was the first U.S. president from the baby boom generation. His administration saw a gradual but dramatic changing of the guard as older civil servants and politicians – from Congress to the bureaucracy – took well-deserved retirement. Washington today is run by the baby boom generation and those even younger.

During the Clinton years, there was little reason for this new generation of officials to re-evaluate positive international relationships such as the U.S. relationship with Canada. The opportunities and dangers of the post-Cold War drew U.S. attention elsewhere. The sense of a special relationship lingered, but was more assumed than practiced. President Clinton himself thoughtfully reflected on the bilateral relationship in several speeches, notably at Mont Tremblant in 1999.

If the United States remained favorable to Canada, Canada became less friendly to the United States during the Clinton years. Differences of opinion over Cuba, the rationale for NATO expansion, the best way to ban and remove land mines from conflict zones around the world, the desirability of an International Criminal Court, the economic impact of the Kyoto accords, the management of Pacific salmon stocks, and the perennial disagreement over softwood lumber gained new prominence, at least in Canada. For an administration favorably disposed to Canada, the foreign policy of highlighting these disputes that Ottawa pursued was frustrating.

It is likely that this puzzled reaction would have continued under the George W. Bush administration, had the terrorist attacks of September 11, 2001 not occurred.

With the second anniversary of these events next week, I do not want to relive them here now. Instead, I want to draw your attention to an important—and not often discussed—consequence of these tragic attacks. For the rising generation of U.S. officials, 9/11 forced a profound, and often deeply personal, re-examination of U.S. relationships around the world. Old allies received a second look, and so did old enemies. Russia became a strategic ally, Saudi Arabia dramatically lost favor in Washington, the president's personal interest in Latin America took a back seat to the War on Terrorism, and so forth in a transformation of U.S. foreign policy that we are only beginning to appreciate fully.

Looking to Canada, U.S. officials observed starkly what Andrew Cohen has chronicled in his book, "While Canadians Slept": the hollowing out of Canadian policy capabilities and the shrunken Canadian role internationally. Canada had declined as a global power at the same time that the U.S. had become, in Hubert Vedrine's infamous phrase, a "hyperpower." Canadians slept, even after the U.S. was rudely awakened by 9/11.

The result is that Canada has been reassessed by many U.S. officials, and it is viewed today as an ally similar to the Netherlands.

That is, wealthy, talented, generally friendly, but a small contributor to the international order which the United States finds itself responsible to maintain.

Think about this for a moment, because it is not a condemnation. Canada is not, as some have imagined, being punished by the United States for failing to be more supportive of the liberation of Iraq. The state of the relationship is not the consequence of misbehavior and rude comments that Bush and Prime Minister Chrétien have recently engaged in – to the embarrassment of most Canadians and Americans of goodwill.

And because this re-assessment of Canada is not punitive, it is also not likely to change soon.

The Martin Effect

Many Canadians and many in the U.S. media have decided, to the contrary, that Chrétien's retirement will pave the way for a restoration of the special relationship. The most ambitious, including two wise observers of the relationship I have long admired, Allan Gotlieb and Wendy Dobson, have even proposed that Paul Martin could launch a Big Idea or Grand Bargain that would lead to new North American arrangements and even institutions.

This is unlikely. Careful readers of Michael Hart's magisterial account of the Canada-U.S. Free Trade Agreement negotiations, *Decision at Midnight: Inside the Canada-U.S. Free-Trade Negotiations* (UBC Press, 1994) will recall that even with the personal support of President Reagan, there were many in Washington at that time who thought that the negotiation involved lavishing a bit too much attention and political capital on a small country.

The typical Canadian rejoinder when this is pointed out by Americans is to mutter something darkly about Canada being the number one trading partner of the United States. This is not a persuasive case for greater attention for most U.S. officials. The United States is far less dependent on the Canadian market than Canada is on the U.S. market. More importantly, Washington officials are quite aware that the lion's share of bilateral trade is U.S. subsidiaries and firms substantially owned by U.S. investors shipping output home. Canada is in no position to withhold goods or services from the United States, and the U.S. has even managed to secure guarantees that Canada cannot discriminate against U.S. energy customers.

Paul Martin will certainly improve the tone of the relationship with the United States. This will be welcomed by the Bush administration and especially by President Bush himself – he likes Canada, and puts great stock in foreign leaders he can trust. I predict that Martin will receive an early invitation to the president's Crawford ranch.

But Washington will remain preoccupied with the war, the economy, and the upcoming election. And the painful fact is that Ottawa can contribute very little to help Washington on any of these three fronts. The non-punitive judgment of Canada as a minor ally will remain. Softwood lumber will be no easier to resolve. One sick cow will still be able to prompt an economic crisis.

What can we do?

The picture would be bleak if Canada was, in fact, like the Netherlands. But Canada has a key advantage: the deep economic integration between Canada and the United States.

Canadians and Americans are the most networked societies in the world. Our private institutions – companies, NGOs, families, and circles of friends – seamlessly transcend the Canada-U.S. border, even now, with post-9/11 border security so changed.

And at this level, business-to-business or B2B and even citizen-to-citizen—is it too late for me to copyright the acronym “C2C?”—Canada-U.S. relations are better than ever. Richer, more frequent contacts that are a tremendous resource for problem solving that we have begun to rely on more and more.

This trend, to closer relationships between citizens of our two countries, is just as important and profound as the loss of the special relationship between Washington and Ottawa. In fact, the two trends dovetail. As the official Canada-U.S. relationship has become strained, the private relations between our citizens have become more important.

Rather than a Grand Bargain, or what American University’s Robert Pastor hopes will be the development of North American institutions similar to those that manage integration among European Union members (*Toward a North American Community: Lessons from the Old World for the New*, Institute for International Economics, 2001), I think we already well on our way toward a new paradigm for Canada-U.S. relations. It started years ago when the State Department and the Department of External Affairs saw other departments and agencies of their respective governments begin to encroach on their turf. Today, just about every federal department or agency – even the small ones – in Washington has a direct, unmediated relationship with a Canadian counterpart. More recently, we have seen the provinces and states develop richer links, and the requirements of homeland security have driven our local law enforcement, municipalities, and public utilities and health care systems to coordinate closely.

Our two, networked societies, are developing a network of governance. Thus far, it has been a case of trial and error experimentation, often resulting in cooperation as a result of a crisis, as we saw with the big blackout a few weeks ago.

There is a great deal of work to be done to transform these haphazard contacts into a web of instantaneous relationships that facilitate cooperation and consultation in real time – G2G if you will.

This is where we all come in. All of you in this room have direct experience working in a highly integrated environment, coordinating complex decisions on both sides of the border every day. This “best practice” has got to be made the model for the management of Canada-U.S. relations. We need to articulate and advocate this to our public sector at all levels of both federations – and expect resistance, because this just isn’t the way that governments have been accustomed to doing business.

We have seen this before: governments followed the private sector in North America in adapting many modern management practices, adopting information technology, and outsourcing non-core competencies. And we can do it again.

This approach will work, I believe, because it feels natural for most of us. Canadians and Americans, face to face, treat one another as equals. It will be a long time, even if Ottawa takes the advice of Canadian academics seriously and reinvests in its international capabilities, before Washington will view Ottawa as an equal partner.

That means that Ottawa will suffer for some time to come from low expectations in Washington – but this may be a benefit for the rest of us, allowing networks of private relationships to continue to grow, and eventually to show the public sector the way forward.

The younger generation of Canadians and Americans has not survived a war together, and we have not survived the Great Depression together. But we have built a world-leading integrated continental economy together.

And together, the rising generation of Canadian and American policymakers can redefine our relationship for the new century, building it better than ever before. As we do, we should remember the words of a wise old Yoda, from that movie I first saw here—a long time ago in an Alberta movie theater far, far away—“Do, or do not. There is no try.”

Thank you very much.

Christopher Sands is a senior associate and specialist in U.S.-Canada relations at the Center for Strategic and International Studies in Washington, D.C.

Canada and the United States have a unique relationship. Two sovereign states, occupying the bulk of North America and sharing the world's longest undefended border, each reliant on the other for trade, continental security and prosperity. Despite radically different beginnings, as well as a history of war, conflict and cultural suspicion, the two countries stand as a modern example of inter-dependence and co-operation. Canada and the United States have a unique relationship. Two sovereign states, occupying the bulk of North America and sharing the world's longest undefended border, each rely The United States and Canada typically enjoy close relations. The two countries are bound together by a common 5,525-mile border—the longest undefended border in the world—as well as by shared history and values. They have extensive trade and investment ties and long-standing mutual security commitments under NATO and North American Aerospace Defense Command (NORAD). Canada and the United States also cooperate closely on intelligence and law enforcement matters, placing a particular focus on border security and cybersecurity. February 10, 2021. Peter J. Meyer Specialist in Latin American and C... The United States is Canada's most important ally and defence partner. Defence relations are of long standing and well entrenched. Canada and the United States have worked side by side in the North American Aerospace Defence Command since the pact was created in 1957. Canada and the United States cooperate closely in support of international peace and security. Canada and the United States share a land border close to 9,000 km (more than 5,500 miles) long. Shared environment. We look forward to working with the United States to combat climate change. Canada is also committed to working with the U.S. to modernize the Columbia River Treaty to ensure that it continues to provide shared, equitable benefits to both countries. Promoting fair and just societies. This month's US-ROK summit should not be read as an indicator that Seoul is tilting away from Beijing toward Washington. Having to walk a tightrope between two great powers, it would simply rather pursue multivector diplomacy. In Southeast Asia, US treaty allies Thailand and the Philippines are doing essentially the same thing, deftly maneuvering between Washington and Beijing. South Korea differs from the likes of Kazakhstan and the Philippines in that it possesses the industrial and technological capability to turn itself into a major military power.