

***INDEPENDENCE  
IN AN AGE OF EMPIRE:  
ASSESSING UNILATERALISM AND  
MULTILATERALISM***

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# **12** *CANADA'S RELATIONSHIP WITH THE U.S.: TURNING PROXIMITY INTO POWER - AN AMERICAN PERSPECTIVE*

by **SUSAN E. RICE**

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**R**emember the shy, admiring boy who gets all spiffed up to win the heart of his dreamboat, while she doesn't even know he exists? At the high school dance, he follows her every move, checks his bow tie constantly, knows her perfume instinctively but just can't seem to hold her glance, if ever he catches her eye.

That, I am afraid, sums up the state of the relationship between Canada and the United States. Americans, outside the border states, know very little about Canada. They wish Canada no ill. With the exception of those in the salmon or soft wood lumber industries, most Americans see Canada as benign, kind and irrelevant; the 'well-meaning Boy Scout' Dr. Ignatieff refers to in his essay. In short, Americans take Canada for granted.

NAFTA and other trade issues aside, Canada figures on U.S. foreign policy-makers' radar screens in only rare and specific circumstances. These include: when Canada chairs the G-8; hosts APEC; holds a rotating seat on the UN Security Council; when the Commonwealth is engaged, or; when Canada takes an active interest in an issue and brings resources to bear, as in Haiti, the former Zaire and Afghanistan post-9/11. The U.S. takes account of Canada in the Organization of American States, but hardly gives Canada a second thought in NATO. Canada is simply not a player in other transatlantic fora. In many ways, being neither European nor Latin American, Canada falls through the policy cracks.



U.S. officials only occasionally take account of, much less seek, Canada's views on international issues. For example, as a National Security Council staffer and senior State Department official from 1993-2001, I was not expected to consult regularly with Canada on key issues. Although responsible for U.S. policy towards the UN, peacekeeping and later Africa, I had only occasional conversations with Canadian officials. By contrast, I would have been deemed derelict had I not scheduled regular, lengthy discussions with my British, French and EU counterparts. In fact, I had more frequent interactions with my Japanese, Italian, South African and Egyptian counterparts than I did with Canadians. Unfortunately, as many Canadian contributors to this volume (most notably Cooper, Ross and Sokolsky) point out, this pattern is reflected in many parts of the U.S. national security apparatus.

Even during the Clinton Administration, which sought to maintain good relations with America's traditional friends and partners, Canada's influence was limited. While Prime Minister Chrétien and President Clinton enjoyed a warm personal relationship and met on numerous occasions, as did their respective national security advisors and foreign ministers, Canada's influence on day-to-day U.S. policy was marginal. Indeed, as one former U.S. national security adviser said, "Canada was on the usual list of suspects" to consult, but was not a "player" on most issues. Compared to Britain and France, which hold permanent UN Security Council seats and have significant military, diplomatic, intelligence and development resources, Canada is perceived as bringing very few chips to the table, despite the best efforts of analysts such as Elizabeth Riddell-Dixon to argue otherwise. For almost a generation, the U.S. has conducted foreign policy largely without regard for Canada's perspective. Under the Bush Administration, if anything, the situation is seemingly worse.

## **Canada's Challenge: How to Punch at Its Weight**

Canada does have important roles and interests in many parts of the world and must act to maintain them. Yet, Canada can not afford to lose sight of the fact that, from a national security and, of course, economic perspective, the most important country to Canada is the United States.

So, Michael Ignatieff is on the right when he begins his article by asking how Canada can preserve its independence in this 'age of empire.' The key



question for Canada is how to be relevant to U.S. foreign policy-making, how to wield influence commensurate with Canada's interests and play a role consistent with Canada's values.

Answering this question should be a matter of national urgency for Canada. That is because Canada has, to a substantial extent, sub-contracted not only its defence but also its foreign policy to the United States. Given our geographic proximity, open border and economic interdependence, Canada has to live with the consequences of U.S. policy on issues ranging from the Middle East to North Korea. Yet, Canadian officials rarely get a hearing, much less have significant influence over U.S. policy. This situation should be unacceptable to Canadians, who ought to insist their new Prime Minister redress this problem.

Some might argue that, in the current climate, no country has much influence over U.S. policy. This is a mistaken conclusion. While, compared with its predecessors, the Bush Administration surely has less patience with and interest in accommodating the views of other countries, it is not impervious to influence; at least regarding tactics. Britain persuaded the Bush Administration to seek UNSC action *three times* on Iraq, and to allow allies to participate in the U.S.-led operation in Afghanistan. Jordan, Egypt, Saudi Arabia and Britain convinced the U.S. to launch the Middle East Road Map for Peace in March 2003. China got the Bush Administration to agree to negotiate with North Korea in six party talks. South African President Mbeki persuaded Bush during his visit to Pretoria to stop pressuring Zimbabwe publicly and defer to South Africa's 'quiet diplomacy.' Russian President Putin has caused Washington to temper its criticism of Russian actions in Chechnya and against domestic dissidents.

Further, Canada's ability to influence Washington's foreign policy may well increase with an eventual change of U.S. administration. Any Bush successor, Republican or Democrat, is likely to return to the parameters of the traditional bipartisan national security consensus, the one that prefers cooperative engagement with U.S. friends and allies. The next administration will likely be more open to meaningful consultations with Canada and other partners on issues of mutual concern.

Canada's challenge, therefore, is to determine how best to influence American policy. Ignatieff argues that Canada has to 'pay to play.' That is, if it is to be taken seriously by the U.S., Canada must develop more 'robust' military and diplomatic capabilities that it can contribute to U.S. and international efforts. This is undoubtedly so. Canada's meagre defence spending, \$12.5 billion



annually - 1.03 percent of GDP - ranking seventeenth of nineteen NATO allies, is inadequate to make significant and sustained contributions to peacekeeping and peace enforcement operations, much less to offensive military operations.

Canada's foreign assistance budget - \$3.2 billion or 0.26 percent of GDP - is among the lowest as a percentage of GDP in the OECD, though it still outpaces the U.S. Prime Minister Chrétien's pledge to increase foreign assistance by 8 percent annually and double it in ten years is positive, but will not come close to the previous high-water mark of 0.53 percent in 1975. DFAIT has also reduced by 30 percent the number of Canadian diplomats serving abroad, diminishing its ability to garner and share timely diplomatic reporting and intelligence.

Canada must reinvest in defence, diplomacy, development aid and intelligence both for its own sake and to bring valuable chips to the table with the U.S. Canada need not aim to match the military capabilities of Britain or France much less create another 82<sup>nd</sup> Airborne as Thomas Henriksen suggests. Rather, it should be able to equip, train, deploy rapidly and sustain a combat-capable brigade. It should also aim to field for the UN, or other coalition operations, a handful of specialized capabilities such as; strategic airlift, a bilingual headquarters element for command/control/communications and intelligence, military or civilian police, de-mining or combat engineering units. Canada's military cannot and should not do *everything*, but it needs a few specialized capabilities that add value to international peace and combat operations.

Similarly, while Canada should substantially increase its foreign assistance, it ought to narrow its focus to a few key sectors, such as health, education or governance, seeking to build a comparative advantage. It should also concentrate its assistance in fewer, needier countries, while maintaining a surge funding capacity for contingencies such as Afghanistan, Iraq or a post-Mugabe Zimbabwe. Canada should also reinvest in its foreign service, increasing both the number of Canadian staff overseas and of its foreign missions. Taken together, these steps will enable Canada to enhance its international impact; both to the benefit of Canada and the U.S.

## The Power of Proximity

Crucial as such steps are, taken in isolation, they will not afford Canada increased sway over U.S. foreign policy. U.S. policy-makers have grown too



accustomed to taking Canada for granted. As Ignatieff hints in his article, to get the United States' attention and change the terms of the bilateral relationship, Canada will have to employ the a tool which Washington responds to: influence. In doing so, Canada will not only advance its own interests but enhance the United States' as well.

As America's single largest trading partner, Canada already has substantial clout U.S. depends on percent of its of its oil, and 16 natural gas. Yet, overwhelming on the U.S. (87 Canada's exports of GDP go to the imperative of open border, any country to 'play would amount to equivalent of destruction."

Canada's U.S., however, is trade. Now, more our lengthy the U.S. and each other for foiled Rexam plot Angeles airport homeland security

on Canada's will and capability to cooperate effectively on such issues as; immigration, customs control, aviation security, port, cargo and container security, cyber and other critical infrastructure security. Through the Manley-Ridge Smart Border program, crucial efforts are underway to increase cross-border security through intelligence sharing, systems integration, improved immigration controls and law enforcement collaboration.

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importance to the not confined to than ever, given common border, Canada rely on security. As the to attack Los demonstrated, U.S. depends directly



This cooperation serves the interests of both countries, but despite the cooption and damage to sovereignty Nelson Michaud suggests would occur with his contribution to this monograph, Canada *can* calibrate the extent of its integration with the U.S. on homeland security issues. Canada can choose opt for maximal integration or, on the other extreme, scale back its cooperation to the minimum necessary to protect Canada without, of course, creating the potential to harm the U.S. Alternatively, it can strike a balance somewhere between these extremes, but the choice that Canada makes regarding Homeland Security matters greatly to the U.S. America would benefit tremendously, for example, if Canada agreed to integrate completely its immigration and customs databases with those of the U.S. or persuaded European partners to share information with the U.S., if only to the extent that Canada does so already. The U.S. would gain from the adoption of common procedures for cargo inspection for example. In determining how far and how fast to integrate Canada's homeland security with the United States', Canada can potentially influence U.S. policy.

Canada need not, and should not, threaten America. But it could subtly seek to use its proximity to achieve greater influence over U.S. foreign policy. In a private dialogue early in his tenure, the newly elected 'Prime-Minister-in-waiting,' Paul Martin, has a unique opportunity to explain to his American counterpart (whether George W. Bush or a Democrat) that Canada too has changed in important ways since September 11<sup>th</sup> 2001. Martin could stress that Canada's security (or insecurity) is now more linked than ever to the U.S., since today's battlefield is our common homeland. Canada has thus far joined fully with the U.S. in strengthening our defence against future terrorist attacks in North America. However, it should be no longer acceptable for Canadians to be included by the U.S., in effect, only in the 'defensive huddle' but to be excluded from the 'offensive huddle;' that offensive huddle is the process of formulating and implementing the foreign policies that directly affect Canadian security.

By implicitly linking its fullest possible integration with the U.S. on 'defence' or homeland security, to the establishment of new bilateral consultative mechanisms, Canada can potentially increase its influence in Washington on foreign policy issues of mutual concern. To be clear, Canada should never suggest it might shirk those forms of bilateral security cooperation that serve Canada's interests directly nor that it would ever fail to act appropriately when it had actionable information on threats to the U.S. However, the new Prime Minister might note that, without some say in those policies with security



implications for Canada, Canadians might conclude that their homeland security is best served by distinguishing itself from the U.S., including by taking national steps, often separate from the U.S., to secure the Canadian homeland.

Some might argue that Canada dare not risk such a dialogue with the U.S. for fear the U.S. would retaliate through other issues such as trade, most dramatically by closing the common border. This fear, however pervasive, is unfounded. Yes, Canada is the junior partner in the bilateral trade relationship and is beholden to the U.S. for the vast majority of its exports. However, focusing exclusively on Canada's dependence on the U.S. obscures the extent of the economic interdependence between our two countries.

Trade (such as in goods and services, including investments) is increasingly important to the American economy, accounting at its peak for 34 percent of the value of U.S. GDP in 2000, as compared with 13 percent in 1970.<sup>1</sup> Canada's importance to the U.S. has also been steadily growing. Canada is the largest export market for U.S. goods, accounting for 23 percent of U.S. exports in 2002, up 40 percent since 1994, the first year of NAFTA. Canada is also the single largest country supplier of U.S. imported goods, accounting for 18 percent in 2002.<sup>2</sup> Put simply, the U.S. cannot do without an open border with Canada.

While another terrorist attack may again compel the U.S. to shut down the common border briefly, it would do so only in *extrēmum* and at great cost to both countries. Canadians should recognize that the U.S. would be crazy to retaliate against Canada over policy differences by closing the common border.

## A New Model for Canada's Engagement with the U.S.

Given a better appreciation of the power dynamics in the bilateral relationship, what, specifically, should Canada seek from the U.S.? Answer: the kind of bilateral consultative mechanisms that other countries now have, or once had, with the U.S.

For example, the U.S. president meets twice a year with the rotating presidency of the EU. These set-piece meetings are often painfully dull, but they require significant staff preparation, extensive negotiations over communiqués, and the obligatory effort to seek new areas for cooperation. The Clinton Administration also pursued another model, 'binational commissions,' with key



countries such as Russia, Mexico, Egypt and South Africa. Co-chaired by the U.S. vice president and his counterpart head of state or deputy, with active involvement by the U.S. President, these commissions typically met twice a year. Sub-committees comprised of ministers and senior officials from both countries solved bilateral problems and advanced cooperation on issues ranging from agricultural policy and foreign affairs to science and technology. The binational commission co-chairs also met privately for hours at a time. Often, they achieved crucial breakthroughs on contentious issues that otherwise would have languished.

Canada could urge the U.S. to regularize extensive consultations at the head-of-state level, with a focus on foreign policy and security issues. In addition, as a complement to Manley-Ridge, the Canadian Foreign Minister and the U.S. Secretary of State could establish a formal bilateral commission, involving their respective deputies and assistant ministers, U.S. National Security Council staff and Canadian Privy Council staff, responsible for various regional and functional issues. Thus, U.S. and Canadian officials would be compelled to consult, plan, and as possible, cooperate on the full range of foreign policy issues. These might logically include: the Middle East Peace Process, the War on Terrorism, non-proliferation, Iraq, Afghanistan, Iran, North Korea, African development, democracy and conflict issues, Western hemisphere issues, NATO, the Balkans, and UN reform to name but a few.

In short, institutional mechanisms, although sometimes cumbersome, can yield valuable policy benefits. Minimally, they force consultation. Maximally, they can spur serious efforts to forge consensus and collaboration on important

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issues. Consultative mechanisms by no means ensure agreement. Nor should Canada or the U.S. feel compelled to yield when differences cannot be bridged. Nonetheless, there is mutual benefit in talking through complex issues and having advance warning of the scope and depth of disagreements before they become public.

## Conclusion

Canada has much to gain from increased input into U.S. foreign policy. Its lack of influence today means that Canadians have delegated important elements of their security and sovereignty to a foreign government, however friendly, and in doing so could incur unacceptable consequences. To shift, even slightly, the power dynamic between Washington and Ottawa, Canada will have to 'pay-to-play' by reinvesting in its defence, diplomatic and development resources. Canada will also have to gain and use its influence, in an unaccustomed manner, to obtain from Washington new and meaningful modalities for consultation on U.S. foreign policy-making. Canada can then, in turn, take the politically sensitive steps necessary to integrate, to the fullest extent, its homeland security architecture with that of the U.S.

The benefits of this approach to Canada are obvious; the opportunity to influence U.S. policy at the front-end rather than be surprised at the eleventh hour by sometimes objectionable *fait accompli*. Canada can advise and cajole U.S. policy-makers, possibly modifying policy outcomes without compromising core Canadian values or national identity, and when Canada fails in its efforts to persuade, it has lost nothing for trying provided it has done so responsibly, in 'private' diplomatic channels and without a hectoring moral tone.

The benefits for the U.S. are equally real, but perhaps less obvious. First, the U.S. would gain much from obtaining maximal integration with Canada on homeland security, which despite impressive cross-border cooperation, has not yet been achieved. To the extent the U.S. has a complete optic on who and what is coming into Canada, the greater the U.S. ability to detect and deter terrorists and weapons of mass destruction. Second, a more muscular Canada that invests in its defense, diplomacy and development is a more capable and valuable partner for the U.S. It will be able to share burdens more effectively and make substantive as well as symbolic contributions to international peace, security,



development and democracy. Third, the U.S. may gain valuable insights for itself into a country it knows little about. One of the greatest benefits of bilateral consultations for U.S. policy-makers is to learn how American perspectives play with foreign audiences. It is often quite different than we anticipate. Sometimes the feedback may prompt the U.S. to adjust the policy or, at other times, its packaging to make it more 'saleable' to others.

Finally, as Ignatieff argues, Canada has legitimacy to sell. This legitimacy and perceived objectivity in the eyes of others can often be useful to the U.S. When bilateral consultations lead to greater policy convergence, Canada can help the U.S. market agreed policies to other partners and does so within international institutions. Today, it is Britain that most often plays this crucial role. Adding Canada's voice to the diplomatic 'amen-choir' would serve the U.S. well, particularly in the UN, the Western hemisphere, of the developing world, and (as Mohsen Milani states in his chapter) within the increasingly strategically vital Muslim sphere where Canada's unique influence derives from its liberal principals and perceived 'lack of baggage' as a colonial power or modern-day hegemon. Canada now has an important opportunity to fashion a new, 'win-win model' for U.S. Canada relations in the realm of foreign policy and national security, if only the country has the will seize it.