



C.D. Howe Institute
Commentary

www.cdhowe.org

No. 207, December 2004

ISSN 0824-8001

The Border Papers

Managing Global
Crises —
and the U.S. Colossus

David S. Wright

In this issue...

Canada should never blindly follow the United States when managing international crises. However, Canadians should not feel inadequate or irrelevant when they do support U.S. positions, especially on security issues.

The Study in Brief

This *Commentary* is about the political relationship between Canada and the United States in the handling of international crises. Six cases are reviewed — the Korean war, the Cuban missile crisis, the collapse of the Soviet Union, the conflict in Kosovo, the war in Afghanistan, and the war in Iraq. I conclude from these cases that Canada uses its influence most effectively when it engages Washington constructively with realistic solutions and the resources to back them up. Public pot shots at the U.S. result in no beneficial changes in U.S. behaviour internationally, close the door on influence in Washington, and can carry bilateral costs as well.

Canada should take positions on international issues based on its interests and consistent with its values. It should not distance itself from the U.S. just to be different. We must aim at results in our foreign policy decisions, not short term headlines.

During President George W. Bush's second term Canada should intensify its efforts to engage with the United States on some of the big global security issues that both countries face.

The Author of This Issue

David S. Wright is the Kenneth and Patricia Taylor Distinguished Visiting Professor in Foreign Affairs at the University of Toronto's Victoria College. He was Canadian Ambassador to NATO from 1997 to 2003.

* * * * *

C.D. Howe Institute Commentary® is a periodic analysis of, and commentary on, current public policy issues. Kevin Doyle edited the manuscript; Wendy Longworth prepared it for publication. As with all Institute publications, the views expressed here are those of the author and do not necessarily reflect the opinions of the Institute's members or Board of Directors. Quotation with appropriate credit is permissible.

To order this publication, please contact: Renouf Publishing Co. Ltd., 5369 Canotek Rd., Unit 1, Ottawa K1J 9J3 (tel.: 613-745-2665; fax: 613-745-7660; e-mail: order.dept@renoufbooks.com), or the C.D. Howe Institute, 125 Adelaide St. E., Toronto M5C 1L7 (tel.: 416-865-1904; fax: 416-865-1866; e-mail: cdhowe@cdhowe.org).

\$12.00; ISBN 0-88806-647-3
ISSN 0824-8001 (print); ISSN 1703-0765 (online)

The re-election of President George W. Bush sets the stage for some serious thinking in Canada as to how we should deal with the United States in the next four years. In Washington, national security will be the dominant concern. Canada must always bear that reality in mind when it deals with the United States. This is not simply to court favour; it is because Canadians, along with Americans, value freedom, seek to live in a secure environment, and hope to prosper in a global economy.

It is particularly short-sighted to conclude that, because the United States is the target of choice for many terrorists, Canada is somehow safe and immune. Resentments against the U.S. can also reflect resentments against the wealthy, liberal, democratic West. Canada is a rich and very open society. As a result, it is vulnerable. The ultimate risk of weapons of mass destruction (WMD) has not yet been encountered: the toxic nexus of these weapons in the hands of terrorists willing to use them for catastrophic consequences. There is no need to be alarmist about that possibility, just realistic. Canada has as much at stake as the U.S. — the ability of citizens to live and work peacefully at home and to operate in what really has become a global village.

That is the context in which Canada must approach its relationship with the U.S.

On a practical level, however, when we need something from the U.S., what do we offer in return that is of interest? And how can Canada get U.S. attention in ways that will bear fruit? The relationship with the United States is the most sensitive area of foreign policy in Canada. In contrast, the issue is almost invisible in the United States. In part, that is what makes it so sensitive in Canada.

This *Commentary* is not about Canada-U.S. bilateral relations in the narrow sense of trade disputes or border problems. It is about the political relationship between the two countries in the handling of international crises.

Canada is in the unique position of being a neighbour of the most powerful country in the world, sharing many, though not all, of the characteristics of U.S. society. How the United States conducts its foreign policy has a direct impact on Canada and is the subject of constant discussion in the country. When an international crisis looms and important foreign policy decisions have to be taken, the emphasis in Canada is often primarily on where the Canadian position is in relation to that of the United States. Headlines tend to suggest such themes as Canada Follows U.S. Lead, or Canada Opposes U.S.

Canadian policy positions are often judged in terms of their degree of difference from those of the United States. In my view, this is unhelpful.

How should we evaluate the positions we take in foreign policy crisis management? Essentially we should look at results and how they serve Canadian interests and reflect Canadian values. I would define Canada's basic interests as the security and economic well-being of its people. These interests can best be pursued in a stable, peaceful world. Thus, we have an interest in promoting solutions to crises that contribute to such a world.

I believe in foreign policy based on realism and on Canadian interests. An interests-based foreign policy avoids arbitrariness and minimizes the role of short-term political gains in decision making. However, I also believe that foreign policy should reflect Canadian values. Our values cause us to look beyond our basic

interests to such issues as social justice and human rights. This is an aspect of Canadian foreign policy of which Canadians are justifiably proud. The willingness and ability of Canada and other democracies to intervene internationally if human rights are being systematically violated is an important step forward in world affairs. Interests and values are often seen as contradictory, part of a zero-sum game. They need not be. Interests can be pursued in ways that reflect a country's values. The protection of human rights in a failed state can lay the ground work for the successful realization of interests — security for Canadians in a more peaceful, stable world.

Managing Crises

This paper focuses on Canadian and U.S. handling of international crises. Crisis management is often a good test of a government and of a nation's psyche because there is a need to react swiftly to events that may not have been foreseen. Political leaders must act instinctively and weigh costs and benefits, values and interests, in ways that define who they are. Decisions are remembered and precedents are set, even if they are not intended. Broad conceptual foreign policy reviews can be quickly and completely overshadowed by a few key decisions and statements at a time of crisis.

Before taking important foreign policy decisions or responding to international crises, most countries consult a great deal with friends and allies. This is part of normal diplomacy. Countries pay particular attention to their key partners and most try to have a pretty good reading of the position of the United States before they decide what to do. Canada is no exception. For Ottawa, awareness of U.S. positions is critical to calculating how Canadian interests and values can be applied in any situation.

In a crisis, these consultations are intense and often become a kind of negotiation, especially when action is required by several countries, or by the international community as a whole. Countries try to influence one another by argument, coercion and by offering resources if certain conditions are fulfilled. International institutions, such as the UN and NATO, serve as venues for such discussions and negotiations all the time. How Canada handles those negotiations and consultations with the United States, bilaterally or in multilateral forums, constitutes a central part of the Canada-U.S. relationship. Crisis management, as opposed to the broader conduct of foreign policy, gives a sharper focus to the debate on the relationship. It is in the handling of major crises that foreign policy is defined most vividly in the public mind and in the minds of leaders.

Six Case Studies

In this paper, I review six case studies in international crisis management. Two of these are primarily of historical interest — the Korean War and the Cuban missile crisis. The four others are more contemporary and my analysis is drawn from direct or indirect involvement in the events. These are the collapse of the Soviet Union, the conflict in Kosovo, the war in Afghanistan and the war in Iraq.

Obviously, my selection of cases is arbitrary. Other instances of crisis management, such as the war in Vietnam, would also provide valuable lessons. Still, these six cases reflect a broad range of experience. They include instances where Canada tried to hold the U.S. back, as well as examples of Canada engaging the United States and using its leverage in Washington to influence events.

Each of these crises is examined through the lens of Canada's approach to the United States.

Korean War, 1950-to-1951

Canada and the U.S. were both alarmed by events on the Korean peninsula in 1950. The issue was how the Western allies should respond to North Korean aggression against the South. China strongly backed the North Korean regime. There were significant differences of attitude on how to deal with the crisis. Canada sought a UN-based peaceful solution. It tried quiet diplomacy with China. The U.S. was more aggressive and was willing to confront China militarily.

As tensions grew, then-external affairs minister Lester Pearson was concerned about "signs of hysteria in Washington over China" (Pearson 1993). Canada emphasized the central role of the United Nations, in part to expose U.S. policies to inhibiting multilateral influences. UN decisions were possible because, at that time, the Soviets were boycotting the UN Security Council and thus would not veto, and China's seat was still held by the government in Taiwan.

Canada's "principal concern throughout the diplomacy of the war was to constrain and modify American behaviour...with a view ultimately to containing the scope and duration of the hostilities" (Stairs 1989). Canada, along with other allies, placed limits on the U.S. effort by openly resisting the crossing of the 38th parallel (the boundary between North and South Korea) by U.S. forces and by condemning the hot pursuit of Chinese aircraft back to Chinese airspace (Stairs 1989a). This effort caused irritation in Washington, but did modify the U.S. effort.

Ultimately and with reluctance, Canada bowed to the inevitable and agreed to support a U.S.-sponsored UN resolution declaring that the Chinese People's Republic "had engaged in aggression in Korea". This opened the door to a U.S.-designed solution. The end result of the crisis was that South Korea was preserved and became a prosperous and, eventually, democratic country.

Pearson concluded that allied unity and the need to avoid alienating the U.S. entirely from UN machinery were ultimately the most important objectives (Stairs 1989). While Canada's diplomatic effort to constrain its main ally had some effect, in the end it had to be abandoned. Pearson concluded that the limits of attempts to hold the U.S. back had been reached and decided that allied solidarity was ultimately more important. Pearson wrote:

"[T]here will be times when, in the interests of the unity which is so necessary, we may have to abandon our own views in favour of those held by the United States" (Pearson 1973).

This case is an early example of the limits of Canadian diplomacy in constraining its superpower neighbour in a crisis. The recognition of these limits by Lester

Pearson himself was and is important. Pearson was a realist who understood power and influence in Washington and was exceptionally effective because of it.

Korea provided a clear illustration of a case where Canada recognized that, while it had the theoretical option of breaking with the U.S. position, it would ultimately be counterproductive to disagree openly with its superpower neighbour.

Cuban Missile Crisis, 1962

In 1962, the United States discovered that the Soviet Union was building missile launchers in Cuba. From there, the Soviets could have fired nuclear missiles at the United States, only 90 miles away. The Cuban crisis burst on the international community with a profound impact on all who lived through it. This was the first widely televised international crisis. The risk of nuclear war seemed perilously close. And it was.

Both Canada and the United States obviously had an interest in preventing hostilities. Washington was threatened more directly by the prospect of Russian missiles just off the Florida coast. This was perhaps the sternest test of U.S. resolve in the cold war. The Canadian position is largely an unhappy footnote, reflecting primarily the personality of Prime Minister John Diefenbaker and his distrust of the youthful President John F. Kennedy.

The crisis moved quickly, leaving Kennedy with little time to deal extensively with allies. Diefenbaker complained that he had not been adequately consulted and he branded Kennedy as rash and overconfident. When shown U.S. intelligence on the missiles, the photos so famously presented by Adlai Stevenson at the UN Security Council, Diefenbaker declared that the evidence was inconclusive and called for an international inspection to obtain an "objective answer to what's going on in Cuba". This alienated the United States at a time of high tension and crisis (Hillmer and Granatstein 1994). Diefenbaker delayed moving NORAD — in which Canada and the U.S. share decision-making authority — to a higher level of defence readiness, causing further damage to the relationship with Washington and ignoring the advice of his own defence minister. The crisis ended with Kennedy prevailing and the USSR backing down, dismantling and withdrawing its missiles from Cuba.

In the end, Kennedy emerged as a hero and Diefenbaker looked weak and indecisive. While Canada clearly had an interest in North American security, Diefenbaker's judgement was clouded by his attitude towards the United States. The episode strained Canada-U.S. relations and had no effect whatsoever on Washington's decision-making on Cuba. Diefenbaker marginalized Canada when solidarity with a friend and ally at a time of crisis should have been paramount. Not only was this attempt to constrain the United States a failure, it was misguided on the substance of the issue and had political consequences that helped bring about the defeat of the Diefenbaker government the following year. The United States, for a time, lost confidence in Canada's "willingness to contribute effectively to North American Defence" (Granatstein 2003).

This, then, was a striking illustration of Canada's inability to influence international crisis management following an open break with U.S. policy.

Collapse of the Soviet Union, 1991

The West had to react swiftly and sensitively to the historic events in Europe after the fall of the Berlin Wall, especially the demise of the Soviet Union itself. The costs of miscalculation could have been extraordinarily high. Canada and the United States shared an interest in ensuring that the collapse of the Soviet Union did not spin out of control and lead to chaos and conflict. There were important differences in approach between the two countries, however. The U.S. saw itself as the ultimate guarantor of its own and of the West's security. Thus, its focus was ensuring that responsible control of Soviet nuclear forces was maintained, and that the Washington-Moscow superpower relationship was intact and unthreatened.

Canada could afford to focus more on the problems of the Baltic countries and Ukraine, supporting their aspirations and taking pride in being among the very first to recognize their independence from Moscow. The U.S. held back to ensure that Mikhail Gorbachev and Moscow were not unacceptably undermined. Throughout this historic period, from the advent of Gorbachev and the fall of the Berlin Wall to the end of the Soviet Union, Prime Minister Brian Mulroney maintained extremely close personal relationships with presidents Ronald Reagan, and later George H.W. Bush. For this, some Canadian commentators criticized him. However, his close ties with the White House gave Canada a powerful and influential voice in setting the direction that the West took in managing the relatively peaceful dissolution of the Soviet empire.

Mulroney and Bush strongly supported having Gorbachev attend the Group of Seven (G-7) Summit in 1991 in London, a prelude to regular attendance by Russia and the evolution of the G-7 into the G-8. All of this was part of a strategy to embrace and assist Russia in managing its historic transformation.

In August 1991, when Gorbachev was briefly held by hard-line generals in a coup attempt, Mulroney rallied Western support for democratic forces in Russia, then led by Boris Yeltsin, and for the reforms Gorbachev had launched. This was in sharp contrast to the rather ambivalent stance of French President François Mitterrand and others. They suggested that the West should be cautious and protect its position in case the coup plot succeeded. Mulroney was in constant touch with Bush during this period. He managed the delicate balance of establishing diplomatic relations with the three Baltic States and Ukraine (where the U.S. trailed Canada). Canada supported Gorbachev's reforms, while recognizing that his control over the Kremlin was fading after Yeltsin's emergence as a hero at the time of the attempted coup.

At the end of 1991, the USSR ceased to exist and its constituent republics emerged as independent countries, without major outbreaks of violence. The transition from cold war to a new kind of partnership was so smooth that it is easy to forget how drastic the consequences might have been had events spun out of control. During this period, Canadian engagement with the United States was intense. Direct contact between the prime minister and the president was critical, as were constant contacts with the U.S. at other levels. Differences in emphasis were managed smoothly. Mulroney announced Canada's recognition of Baltic independence in Kennebunkport, Maine, with Bush at his side, taking a more cautious line. Extensive commitments of aid to the new republics gave substance

to Canadian policies and signified that Canada was much more than a voice from the sidelines; it was a contributing participant in its own right.

The entire, potentially explosive transition, gives us a convincing example of the strength that Canadian diplomacy can command when there is a mutual respect and personal rapport between the prime minister and president. In this case, the relationship enabled Canada effectively to pursue its own interests, while broadly supporting Washington's objectives.

Kosovo Conflict, 1999

During the war in Kosovo, Canada shared with the United States the goal of stopping then-president Slobodan Milosevic's ethnic cleansing. This was a classic case of an intervention that was both value-based and supportive of longer-term interests. There were differences in emphasis between Canada and the U.S., however, with Canada focussing on humanitarian concerns, and the U.S. on regional security. Canada, in this case, was prepared to take military action without an explicit UN Security Council resolution. The Council was paralyzed and ineffective, as is often the case.

While the U.S. was clearly the lead military force, Canada used multilateral instruments — NATO and the G-8 — to help manage the crisis. Canada's active diplomacy and its provision of military resources at a respectable level helped to steer a course that had salutary effects, including a successful air campaign that stopped Milosevic's ethnic cleansing. In the end, the Kosovo refugees were able to return to their homes, and a process began that led to the UN War Crimes Tribunal at The Hague trying Milosevic.

The war was conducted by NATO, which operates by consensus. Had one NATO member disagreed, NATO itself could not have managed the conflict. All 19 allies had to agree to launch the air campaign, to escalate it at certain points, and to control it in a way that minimized collateral damage. Some allies were more engaged materially than others. Canada was more involved than most, with 18 fighter aircraft flying hundreds of missions.

The conflict ended after 11 weeks, with Milosevic withdrawing his forces from Kosovo and refugees returning under NATO protection. The NATO-led peacekeeping force, the Kosovo Force (KFOR), remains in place, pending UN determination of Kosovo's ultimate status. Milosevic is at The Hague, standing trial for war crimes.

To be sure, Canada and other allies were often frustrated by U.S. dominance of the air campaign and its specific targeting decisions. The mistaken Chinese Embassy bombing was one such example. Still, Canadian influence throughout was significant. This was evident in NATO's cooperation with the War Crimes Tribunal, combat strategies that minimized the risks to civilians, pressure for ground troops (a point raised specifically by then-prime minister Jean Chretien at the April 1999 Washington NATO Summit), and in post-war planning for peacekeeping and nation building. Canada played a key part in the G-8 drafting of the UN Security Council resolution that brought the conflict to a successful conclusion and set up KFOR. Canada provided significant numbers of troops to get KFOR started.

This was a multilaterally managed conflict. Engagement by all allies ensured that it was a collective effort, not an exclusively U.S. one. The fact that Washington placed enormous value on NATO as an institution led the U.S. to pay attention to its allies and, in some cases, adjust its positions to respect their views. All allies worked hard to maintain unity, and compromises were made, including by the United States, to hold NATO together. NATO emerged stronger for having conducted a successful military campaign as an alliance. Canada and its military were appreciated by the U.S. and other allies as a serious partner in crisis management.

Some politicians and military leaders in the U.S. drew a different conclusion, however. They did not like what they called allied interference in U.S. decision making and they vowed to avoid in the future what they derided as war-by-committee. This was particularly true in the Pentagon and Congress. Those views heavily influenced U.S. strategy after September 11, 2001.

The multilateral instruments of NATO and the G-8 enabled Canada and other allies to influence U.S. behaviour. There were complaints on both sides. Some U.S. political and military leaders complained of being held back by allies, while some allies felt bulldozed by Washington. In the end, however, two multilateral instruments that the U.S. values — NATO and the G-8 — served to ensure that U.S. behaviour was subject to the beneficial effects of allies' views.

The process provides a clear example of how Canada can exercise its foreign policy in its national interest when it preserves its special relationship with the U.S. within multilateral forums.

Afghanistan, 2001

Canada shared the horror and grief of the United States after the terror attacks on September 11, 2001. The diversion of 30,000 air passengers from U.S. to Canadian airports and the warm welcome offered by so many was an immediate and practical contribution by a friend and neighbour. Not all the political signals were right, however. The emotional and personal support for the United States that flowed so naturally from British Prime Minister Tony Blair did not come easily to the Canadian political leadership. President Bush did not mention Canada in his early plaudits to allies in the war on terror.

On the international response to the attacks, especially the war in Afghanistan that followed, Canada offered support that advanced its goals of countering the threat of international terrorism. With Canadian leadership, NATO immediately invoked Article 5 of its Treaty — an attack on one is an attack on all. The spirit of allied solidarity was strong in the fall of 2001. When it was clear that the attacks had been directed by al-Qaeda, which had been given refuge and support by the Taliban regime in Afghanistan, Canada was quick to offer troops to aid the U.S. invasion of that country.

At first, however, Washington was reluctant to take up many of the offers of help. There was a view in the United States that the more the U.S. did on its own in Afghanistan, the better. This was a result of the U.S. itself having been attacked and the consequent emotional mood in the country. It was also a result of the hangover from the Kosovo war-by-committee criticism. As the conflict unfolded

and the needs for post-Taliban nation-building became more obvious, however, the U.S. changed its approach and encouraged broader participation. Canada sent troops and equipment to Afghanistan in significant numbers, first to work alongside the U.S. in anti-terrorist operations and later to participate in, and ultimately lead, the International Security Assistance Force (ISAF) still operating in Kabul under NATO auspices.

Afghanistan has now held an election, imperfect to be sure, though with a remarkably high participation rate and little violence. While nation-building has begun, there is a long struggle ahead for this devastated country. Canada played a key part in the leadership of ISAF and in the huge and sustained international project of rebuilding Afghanistan.

Washington was difficult to engage in this case, especially at the outset. Currently in Afghanistan, the U.S. focus is still more on hunting terrorists than on nation-building. However, the material contribution and political commitment provided by Canada, along with a shared perception of the threat posed by al-Qaeda, provided a solid underpinning to eventual engagement with the United States in managing the crisis.

Iraq, 2003

The war in Iraq has had an enormous impact on how the public views Canada-U.S. relations. In 2003, most Canadians were convinced that the United States was wrong to go to war in Iraq. Subsequent events have only strengthened that conviction. Ultimately, history will judge the merits of the U.S. action in Iraq. One thing is clear. No one was able to hold the U.S. back in this case. Canada tried. It proposed alternatives at the UN, ultimately unsuccessfully.

While Canada's position on substance was strong and justifiable — the U.S. claim that Iraq had WMD was unconvincing and ultimately wrong — its handling of the U.S., especially in public, was poor. Before the war, undisciplined and personal attacks on the U.S. by well-placed Canadians did considerable damage, which the government was stubbornly unwilling to acknowledge. Public sniping at the United States poisoned the bilateral atmosphere. There is no doubt that this affected the White House's attitude to Canada.

The United States should have given much greater credit to what Canada had been doing in Afghanistan, and indeed in the Middle East generally, as part of the anti-terrorism campaign. But the Bush administration's with-us-or-against-us mentality held sway. The fact that there was no strong personal relationship between Chretien and Bush contributed to the problem.

This was a case where history will likely judge Canada right and the United States wrong. The U.S. is in serious trouble in Iraq, a huge challenge for the second Bush mandate. It was apparent in this case that Washington was not going to be constrained by Canada or others, no matter what. Canada and other nations, therefore, had to decide how to handle their differences with the U.S.

Public criticism of the United States prior to and throughout the crisis had no positive impact on U.S. behaviour and hurt Canada-U.S. relations. It did not serve Canada's interests.

Conclusions

What can be learned about Canada-U.S. relations from these six cases of crisis management?

At the time of the Korean War, Canada went through a period of trying to constrain the U.S., using the UN. This approach reached its limits when Lester Pearson concluded that the costs were beginning to outweigh the benefits and that it was better for Canada to tilt in the direction of the U.S., rather than pursue a course that might have damaged allied solidarity.

During the Cuban missile crisis, Canada did not show the responsiveness and support that the United States needed at a time when that ally was under direct threat and faced decisions of potentially earth-shaking consequence. The Diefenbaker-Kennedy relationship was part of the problem.

During the run up to the collapse of the Soviet Union, the Canada-U.S. relationship was strong, and the personal relationship between then-prime minister Mulroney and former president Bush was so close that Canada was easily able to manage any differences of nuance between its positions and Washington's.

On Kosovo, effective multilateral instruments were employed throughout — NATO for the conduct of the war, and the G-8 for the diplomacy to end it. The UN Security Council had been unable to deal effectively with the problems. Canada's influence on Washington was ensured because of U.S. support for NATO and the need to maintain unity. Thus, U.S. differences with allies existed, but were never pushed to the breaking point.

During the war in Afghanistan, the U.S. first tried to act on its own, despite many offers of material assistance, including those from Canada. Eventually the U.S. modified its position and welcomed allied support and involvement. But there was, and still is, a kind of separateness about the U.S. presence in Afghanistan that reflects the U.S. attitude toward working militarily with allies.

In the case of Iraq, some public comments in Canada did damage to the Canada-U.S. relationship, without influencing U.S. positions in the slightest. The relationship between the prime minister and the president deteriorated. Did this do economic damage to Canada? There is no clear evidence of this, though undoubtedly some U.S. economic decisions did reflect which countries supported the U.S. position and which countries did not.

Overall, I believe that we can draw some significant conclusions from the six cases.

- From these studies it is evident that effective promotion of both Canadian interests and values occurs more readily when Canada uses its influence effectively in Washington by engaging the U.S. and less readily when it seeks to constrain the U.S.
 - If the U.S. judges that its own national security is directly at risk, then no amount of outside pressure will alter its approach.
 - Taking public pot shots at the U.S. may yield short-term political gains at home for individual politicians, but such action leads to costs in terms of Canada-U.S. relations, and results in no benefits in terms of changed U.S.
-

behaviour internationally. It tends to close the door on influence in Washington.

- The U.S. does not like to share decision making, but will do so under certain circumstances:
 - If it values the multilateral institutions involved in managing the crisis, for example, NATO;
 - If others help the U.S. by sharing significant burdens — for example in nation-building, peacekeeping, and international aid.
- The quality of the personal relationship between the Prime Minister of Canada and the President of the United States is a key factor in managing differences between the two countries, especially at times of crisis when power in Washington tends to be heavily concentrated in the White House.

Recommendations

While many of our values differ from those of the U.S., our interests are often the same — security, prosperity and the enhancement of freedom and democracy. The breadth and depth of Canadian interests in its relationship with the United States have been documented extensively in earlier papers in this series (Dobson 2002, Dymond and Hart 2003). The first recommendation flows naturally from an interest-based foreign policy.

1. Canada should never blindly follow the United States. The U.S. makes some very big mistakes. However, we should not feel inadequate or guilty or irrelevant when we do support U.S. positions. We should differ from the U.S. if it is in our interests to do so. At the same time, the calculation of these interests must take into account the impact of our decisions on the Canada-U.S. relationship, which is so basic to our well-being.

While the United States will not be held back by anyone when it is completely united and determined to act in a crisis, usually there is active debate within Washington circles on various courses of action. Constructive engagement from a country like Canada can be important in such instances. The second recommendation involves a willingness to commit resources to solutions.

2. Constructive alternatives are likely to be listened to by those engaged in the internal U.S. debate on any crisis. This influence requires the ability to commit resources, such as political capital, military personnel and equipment and economic assistance. Advice will be of little consequence if it comes from a free rider.

We clearly have a huge dependence on free movement across our border. We also have an interest in international transport systems that work safely and efficiently, in international cities that are free and accessible, and in an

international economic system that supports our high standard of living. Both countries, if only because of their geographic proximity, share a profound commitment to protecting their territory from terrorist attack and to managing conflict abroad that threatens their security.

3. If we share interests with the United States in resolving international crises, then we will have to convince Washington and the broader U.S. body politic that we are part of the solution. We have to be trusted by the United States on security issues.

Because of Iraq and other policies — for example, the Kyoto Protocol, the International Criminal Court — the United States is more isolated in the world than it has been for many years. Some may say that this is the Americans' problem and others might even relish U.S. discomfort. Canada should not. An isolated U.S. is dangerous for Canadian interests. A defensive and protectionist United States will hurt its northern neighbour whether it intends to or not. I am struck by the intensity of the outsourcing debate in the United States. Lou Dobbs appears on CNN most nights denouncing the export of U.S. jobs. Canada should be concerned about the link between U.S. protectionist attitudes and a kind of narrow nationalism that features the conviction that the U.S. can only depend on itself.

4. Canada should do what it can to ease the U.S.'s isolation. Ottawa should not trash-talk the Americans in foreign capitals. Instead, Canada should try to help rebuild some of the bridges that the administration has wittingly or unwittingly burned.

Most of the problems Canada faces internationally require many countries, strong institutions and lots of resources to resolve. Working with others, including the most powerful, does not diminish sovereignty, it asserts it in the most effective way. Canada is the country most fully integrated with the world's dominant power. Others envy that. It gives Canada unique opportunities to engage the colossus, to help steer, not just apply the brakes. Sometimes, of course, the U.S. is extremely difficult to engage. This has been the case particularly in the last four years. But the new administration faces a huge range of global challenges from which it cannot back away. The United States needs the help of trusted allies now more than ever. The recent visit to Canada by President Bush and his warm acknowledgement of the support offered by Canadians in the aftermath of September 11 is an important step forward.

5. Canada should make a special effort to intensify engagement with the United States on some of the big global security problems which that country faces, with a view to contributing materially to solutions.

Canada's sovereignty and independence are well established. To the rest of the world Canada is a large, free, rich and privileged country. The idea that Canadians have to assert their sovereignty by differentiating themselves from the U.S. in foreign policy would be seen as strange and unnecessary to most of the world. As Allan Gotlieb said recently: "The worst prescription for a realistic foreign policy

for Canada is to seek differentiation from the U.S. for the sake of being different” (Gotlieb 2004). We should aim for results in our foreign policy decisions, not short term headlines to make us feel good.

References

- Dobson, Wendy. 2002. *The Future of the North American Economic Space: A Framework for Action*. C.D. Howe Institute Commentary 162. Toronto: C.D. Howe Institute. April.
- Gotlieb, Allan. 2004. *Romanticism and Realism in Canada's Foreign Policy*. C.D. Howe Institute Benefactors Lecture. Toronto: C.D. Howe Institute. November.
- Granatstein, Jack. 2003. *The Importance of Being Less Earnest*. C.D. Howe Institute Benefactors Lecture. Toronto: C.D. Howe Institute. October.
- Hart, Michael and Bill Dymond. 2003. *Canada and the Global Challenge: Finding a Place to Stand*. C.D. Howe Institute Commentary 180. Toronto: C.D. Howe Institute. March.
- Hillmer, Norman and Jack Granatstein. 1994. *Empire to Umpire*. Toronto: Irwin Publishing Ltd.
- Pearson, Geoffrey A.H. 1993. *Seize the Day; Lester B. Pearson and Crisis Diplomacy*. Ottawa: Carleton University Press.
- Munro, John A. and Alex I. Inglis, Eds. 1973. *Mike: The Memoirs of the Rt. Hon. Lester B. Pearson*. Vol. 2. Toronto: University of Toronto Press.
- Stairs, Dennis. 1972. "Canada and the Korean War: The Boundaries of Diplomacy." *International Perspectives*. Nov.-Dec. (pp. 25-32).
-

The Border Papers

The Border Papers is a project on Canada's policy choices in the context of its place in North America.

Other Papers in this Series

- October 2004* Robson, William B.P. "The North American Imperative: A Public-Good Framework for Canada-U.S. Economic and Security Cooperation." 31 pp. Commentary 204.
- September 2004* Dobson, Wendy. "Taking a Giant's Measure: Canada, NAFTA and an Emergent China." 30 pp. Commentary 202.
- August 2004* Guillemette, Yvan and Jack M. Mintz. "A Capital Story: Exploding the Myths Around Foreign Investment in Canada." 33 pp. Commentary 201.
- January 2004* Hufbauer, Gary C. and Jeffrey J. Schott. "The Prospects for Deeper North American Economic Integration: A U.S. Perspective." 24 pp. Commentary 195.
- January 2004* Goldfarb, Danielle. "Security Threats, Cross-Border Implications, and Canada's Long-Term Strategies." 15 pp. Backgrounder 77.
- October 2003* Goldfarb, Danielle. "Beyond Labels: Comparing Proposals for Closer Canada-U.S. Economic Relations." 19 pp. Backgrounder 76.
- July 2003* Alexandroff, Alan S. and Don Guy. "What Canadians Have to Say About Relations With the United States." 13 pp. Backgrounder 73.
- June 2003* Goldfarb, Danielle. "The Road to a Canada-U.S. Customs Union: Step-by-Step or in a Single Bound?" 31 pp. Commentary 184.
- April 2003* Bradley, Paul G. and G. Campbell Watkins. "Canada and the U.S.: A Seamless Energy Border?" 35 pp. Commentary 178.
- March 2003* Dymond, Bill and Michael Hart. "Canada and the Global Challenge: Finding a Place to Stand." 25 pp. Commentary 180.
- March 2003* Goldfarb, Danielle and William B.P. Robson. "Risky Business: U.S. Border Security and the Threat to Canadian Exports." 37 pp. Commentary 177.
- November 2002* Ramírez de la O, Rogelio. "Mexico: NAFTA and the Prospects for North American Integration." 25 pp. Commentary 172.
- November 2002* Reikai, Peter. "US and Canadian Immigration Policies: Marching Together to Different Tunes." 25 pp. Commentary 171.
- September 2002* Macrory, Patrick. "NAFTA Chapter 19: A Successful Experiment in International Dispute Resolution." 24 pp. Commentary 168.
- July 2002* Robson, William B.P., and David Laidler. "No Small Change: The Awkward Economics and Politics of North American Monetary Integration." 29 pp. Commentary 167.
- June 2002* Granatstein, J.L. "A Friendly Agreement in Advance: Canada-U.S. Defense Relations Past, Present, and Future." 22 pp. Commentary 166.
- April 2002* Dobson, Wendy. "Shaping the Future of the North American Economic Space: A Framework for Action." 32 pp. Commentary 162.
-
-

NOTES

NOTES

The C.D. Howe Institute

The C.D. Howe Institute is a national, nonpartisan, nonprofit organization that aims to improve Canadians' standard of living by fostering sound economic and social policy.

The Institute promotes the application of independent research and analysis to major economic and social issues affecting the quality of life of Canadians in all regions of the country. It takes a global perspective by considering the impact of international factors on Canada and bringing insights from other jurisdictions to the discussion of Canadian public policy. Policy recommendations in the Institute's publications are founded on quality research conducted by leading experts and subject to rigorous peer review. The Institute communicates clearly the analysis and recommendations arising from its work to the general public, the media, academia, experts, and policymakers.

The Institute began life in 1958 when a group of prominent business and labour leaders organized the Private Planning Association of Canada to research and promote educational activities on issues related to public economic and social policy. The PPAC renamed itself the C.D. Howe Research Institute in 1973 following a merger with the C.D. Howe Memorial Foundation, an organization created in 1961 to memorialize the Right Honourable Clarence Decatur Howe. In 1981, the Institute adopted its current name after the Memorial Foundation again became a separate entity in order to focus its work more directly on memorializing C.D. Howe. The C.D. Howe Institute will celebrate its 50th Anniversary as the gold standard for public-policy research in 2008.

The Institute encourages participation in and support of its activities from business, organized labour, associations, the professions, and interested individuals. For further information, please contact the Institute's Development Officer.

The Chairman of the Institute is Guy Savard; Jack M. Mintz is President and Chief Executive Officer.

C.D. Howe Institute
125 Adelaide Street East
Toronto, Ontario
M5C 1L7