



Living with Uncle: Canada-U.S. Relations in a Time of Empire

On May 27, 2005, as part of its 25th anniversary celebrations, the CCPA held a one-day conference on Canada-U.S. relations entitled *Living with Uncle: Canada-U.S. Relations in a Time of Empire*. This paper contains the conference agenda and CCPA Executive Director Bruce Campbell's overview. The full proceedings of the conference will be published by the CCPA in Fall 2005.

Living with Uncle: Canada-U.S. Relations in a Time of Empire

9:15 a.m.

Welcome

Larry Brown, President, CCPA

9:25 a.m.

Overview

Bruce Campbell, Executive Director, CCPA

9:35-10:00 a.m.

Opening Address

Hon. Ed Broadbent, MP, Former Leader of the New Democratic Party: "A Progressive Approach to Canada-U.S. Relations."

10:00 a.m.-12:00 p.m.

Panel I: The Deep Integration Agenda

What is it, where has it brought us, where is it pushing us, and what are the implications for Canadian policy autonomy and identity? Can it be halted or reversed? How do we maintain policy independence and chart a distinct course? What is the alternative to deep integration?

Chair:

Heather-jane Robertson, Vice-President, CCPA

Panelists:

- Stephen Clarkson-University of Toronto, Program on North American Governance
- Marjorie Cohen-Simon Fraser University
- Michael Byers-University of British Columbia and Liu Institute for Global Issues
- Kent Roach-University of Toronto

12:00-1:30 p.m.

Lunch

Lunch Speaker: Lloyd Axworthy, Former Minister of Foreign Affairs, and President, University of Winnipeg: "Navigating the Canada-US Relationship in the 21st Century"

1:30-3:30 p.m.

Panel II: Looking Ahead

Where are the flashpoints and potential battlegrounds (water, energy, Chapter 11, finance, investment, security, etc.)? How should civil society be mobilizing to develop a counterweight to the deep integration agenda, and push for progressive change in North America? How should we be working with progressive allies in the United States and Mexico?

Chair:

Marie Clarke Walker: Executive Vice-President, Canadian Labour Congress

Panelists:

- Andrew Jackson, Research Director, Canadian Labour Congress
- Tony Clarke, Director, Polaris Institute
- Ellen Russell, Senior Economist, CCPA
- Thea Lee, Chief International Economist, AFL-CIO

Overview

By Bruce Campbell

In mid-May, overshadowed by the Belinda Stronach defection, the tri-national business-dominated task force released its final report on the future of North America. This document represents the current consensus among the continental business elite regarding the desirable nature and pace of integration of the North America. It is an ambitious blueprint for a full-blown economic and security union—euphemistically known as deep integration.

The ultimate goal is to establish, as Allan Gotlieb said in a recent speech, “a single economic and security space which would make the Canada-U.S. border an insignificant factor in the movement of people, goods, services and capital across our boundary.”

Two months earlier, the leaders of the three NAFTA countries signed a *North American Security and Prosperity Partnership Agreement*. This agreement though vague, cautious and halting (tiny steps in the words of one analyst), nevertheless provides a framework broad enough to accommodate the big business agenda.

The lineage of the latest report can be traced back to the Canadian Council of Chief Executives initiative launched in January 2003, to a series of conferences and papers undertaken by the Institute for Research on Public Policy, and beyond that to its origin in a series of papers sponsored by the CD Howe Institute, beginning with Wendy Dobson’s call for a mega-integration deal—the *Big Idea*, and followed by Allan Gotlieb’s proposal for a *grand bargain* to

create a “North American community of laws.” And in between, there has been a flurry of activity by business and government think tanks, and policy entrepreneurs on both sides of the border, preparing the groundwork for a politically opportune moment to move the deep integration agenda forward.

Alarmed at the gathering momentum of this initiative, and concerned about the apparent receptivity of the Martin Liberal government, not to mention the likely enthusiastic support from a possible Conservative government, the CCPA convened a workshop in June 2003 and co-sponsored a conference with York University that fall. (A book based on the conference papers edited by Ricardo Grinspun and Yasmine Shamsie is scheduled for release this fall.) The Polaris Institute convened several roundtables last fall and winter, and the Council of Canadians held cross-country hearings on deep integration during the winter and spring—a report is due out shortly. The Canadian Labour Congress will feature deep integration at its June convention. That it is the subject of our 25th anniversary conference, is a reflection of the importance we attach to this issue.

How we maneuver in the ongoing dance with Uncle Sam so as maintain a relative independence and avoid slipping into a satellite status, is an age-old preoccupation, though today we face perhaps unprecedented challenges to our sovereignty from powerful forces, both in-

ternal and external, and under conditions of dangerously high economic dependence.

Over the last 15 or so years there has been a narrowing of choices available to policy-makers. The deep integration proposals that are now before us would undoubtedly lock in more profound stages of neo-liberal restructuring, and tie us more tightly into the U.S. orbit, make existing constraints seem modest indeed.

Just look at some of the business task force proposals and implementation timelines.

- A common security perimeter with harmonization of immigration, refugee, intelligence gathering and surveillance, etc.— by 2010.
- Expansion of NORAD into a multi-service defense command—Now.
- A North American energy plan (expanded infrastructure investment, accelerated development of energy resources, removal of regulatory barriers,)—Now.
- A North American Resource Accord (mineral, forest, agricultural, (water?))—Now.
- A North American alternative to Kyoto— By 2010
- A staged harmonization of external tariffs: ie, a customs union in the making—Now.
- Review of sectors excluded from NAFTA (agriculture, telecom, culture, prohibition on bulk water exports, etc)—Now
- Implementation of a North American regulatory harmonization action plan—Now.

- A continent wide “tested-once” policy for biotech and pharmaceutical products— Now.
- Full labour mobility between Canada and the U.S.—By 2010

And many deep integration advocates would go much farther than the consensus articulated here.

Like so many aspects of the neo-liberal counterrevolution of the last two decades or more, of which it is a tool, deep integration is cloaked in an aura of inevitability. The only permissible debate is over the speed, scope and form that integration will take.

We of course reject this notion. Deep integration is neither inevitable nor irreversible; nor is it in our best interests. Maintaining essential policy space is fundamental to our democracy and must be the first principle of our relations with the U.S. It must not be subordinated to the powerful voices of market efficiency and competitiveness.


The Martin government, although it rejects the ambitious “big bang” approach, nevertheless appears willing to move down the path, albeit incrementally. While certainly preferable to the big bang, the danger of this approach is that the cumulative effect—many small deals, mostly away from public spotlight—will pave the way for easier acceptance of the ambitious integration schemes advocated by big business.

Historically, the metaphor of the pendulum has been used to describe our relations with the U.S.—periods of closer integration followed by periods of pulling back. In recent times the metaphor of the slippery slope is perhaps more appropriate—the farther we slide down the slope of diminishing policy autonomy the more difficult it is to claw our way back toward greater

independence. Many of us in the late 1980s argued that each new stage of integration would create conditions and pressure for further integration.

All of this raises questions about the challenges before us, many of which will be addressed by the speakers today.

- How far down the deep integration path before we lose the capacity to pursue independent preferences—democratically determined.
- How far down this path before erosion of policy freedom degrades our democracy and diminishes our capacity to give real weight to who we are and who we want to be? How much erosion can we endure before our ability to sustain disbelief about ourselves as an independent nation state becomes unsustainable?
- How far down this path of shrinking autonomy across many policy dimensions before there is major spillover into the political realm? Or is political integration—measured by the extent or degree of policy uniformity—already well advanced? What does policy harmonization mean if not bending our policies or regulations, or simply adopting U.S. policies and regulations?
- How can federal policy resist, reshape, or reverse where feasible, further integration and reclaim policy freedom?
- How can we keep in check the forces pushing for deep integration?
- What is the alternative to deep integration in conducting our relations with the U.S.?
- How can Canada (and Mexico) balance the need for co-operation on many fronts with our superpower neighbour, with the maintenance of national policy space necessary to chart a distinct national course commensurate with the democratic will of their societies?
- How should civil society be mobilizing to develop a counterweight to the deep integration agenda, and pushing along with allies in the U.S. and Mexico, for progressive change throughout North America?
- How do we work on our own, and in cooperation with other, jurisdictions to create virtuous circles of rising living standards, rising environmental and labour standards, falling inequality and poverty, and more sustainable economies in North America?

These and other issues will no doubt be debated and discussed today as we ponder the challenge of *Living with Uncle in this Time of Empire* in what I know will be a stimulating conference. 



CCPA

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