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TRUE NORTH: FOREIGN POLICY

Media speculation on Canada-U.S. agreement on a continental perimeter border premature

By Brian Lee Crowley

The premature speculation in the media about a Canada-U.S. agreement on a continental perimeter border has already triggered predictable reactions. One columnist in *The Toronto Star* calls it, "another lose-lose deal. We give up much; we gain nothing." Maude Barlow opines that such a deal would constitute an "outrageous attack on the rights of Canadians." These over-the-top reactions are what mystery writers rightly condemn as "reasoning in advance of the evidence."

In politics, though, ferocious but factitious certainty often trumps the tentative search for reasonable and constructive compromise. Not so long ago discussion by ministers of perimeter borders was discouraged on grounds that it would ignite a just such a nationalist debate, so these early straws in the wind likely foreshadow the debate that will take place in parliament once any agreement is announced.

Criticism always focuses on "loss" of Canadian sovereignty, that such deals somehow involve unjustified and inexplicable surrenders of Canadians' right to decide things. The "loss of sovereignty" argument starts to lose its force, of course, once you see that negotiating away some sovereignty is only an issue when the other party is the U.S.A. I have never heard the nationalist critics complain about loss of sovereignty when we banned landmines, or other things they approve of. This whiff of hypocrisy robs their usual criticism of much of its force.

But their underlying question is the right one: what is sovereignty for? It is certainly not to repose in splendid isolation. Nor is it an end in itself. It is a means to more important goals.

Sovereignty is simply a rule that other countries don't get to force us (except in certain very special circumstances) to do what they want. We have to negotiate. And when we have reached a deal that is mutually satisfactory, we agree to abide by it.

Canada is one of the world's great exporting nations, for example. Other countries could throw up barriers to our exports, and vice versa. But the World Trade Organization agreements mean that we have all agreed not to do so and accept that there are penalties if we

do. Canada gave up some sovereignty to sign those agreements, but got something much more valuable in return.

It is also true, however, that countries do not have equal bargaining power. It is the fear of the stronger American bargaining power that gives critics of Canadian agreements with the U.S. their superficial plausibility.

Canada exports roughly one half of everything we make in the private sector, a huge degree of reliance on international trade. Of that, over four fifths goes to the U.S. market. By contrast, only about a quarter of the US economy depends on international trade, and that trade is more dispersed among more trading partners. So we need them more than they need us.

But that is not a reason to avoid trade entanglements with the Americans. On the contrary. It is because of our vulnerability that we want to get them to agree to have our trading relationship subjected to rules that we have negotiated. The alternative to negotiating is far worse: leaving the Americans to decide unilaterally, and on the basis of greater relative strength, how trade disputes or irritants will be handled. By engaging in broad negotiations that cover many sectors we can rise above particular disputes and areas of friction and reach agreement on rules that both side see as fair.

No agreement is perfect, and the original free trade agreement with the U.S. is no exception. No one is satisfied with the dispute settlement mechanism. The softwood lumber dispute, among others, keeps resurfacing. We didn't negotiate a further agreement binding the states and the provinces, leaving us vulnerable to the recent Buy America provisions. But the vast majority of Canada-U.S. trade takes place in a secure and predictable environment. If it is an example of the *Star* columnist's "lose-lose agreements" it is a good thing he is not representing Canada at the negotiating table.

The attacks of 9-11, however, stoked America's fears about its own security and unleashed a progressive thickening of the border, creating a new kind of uncertainty for our economy. The purpose of an agreement on a North American perimeter would be to reduce the risk of security-related unilateral US action at the Canada-U.S. border. If we can protect our trade relationship by convincing Washington that we can protect their northern flank better than they can, that is a prize worth having. Of course that's a big "if."

We have to see the final agreement and see what border openness we have won, and what we had to give up to get it. Only then will we have the evidence to reach a reasoned view. But the logic of such negotiation is not just sensible for Canada—it is imperative.

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