

MANAGING CANADA–UNITED STATES RELATIONS

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CANADA

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INTRODUCTION

This overview of the management of Canada–United States relations examines the relationship in general and focuses on current issues in five key areas: defence and security; trade and commerce; diplomacy and political representation; culture; and the environment and natural resources.

THE CANADA–UNITED STATES RELATIONSHIP

The United States is Canada’s most important international partner by far. Historic, deep, and complex, the binational relationship weighs heavily on every aspect of Canadian life. Government at all levels is involved, and an enormous number of policy areas and files can arise. The Canadian Internet pharmacy industry, to give but one example, was a campaign issue in the 2004 U.S. presidential election. Although generally cooperative, the relationship is also “conflictual in both its details and in some of its fundamentals,” note John Herd Thompson and Stephen J. Randall.⁽¹⁾

In seeking to maintain smooth relations, Canadian governments face a number of challenges. Ottawa must handle the problems and opportunities that arise at the binational level. It must also walk a fine line domestically. On one hand, if Ottawa follows U.S. policies too closely, it may be accused of subservience and of having sacrificed Canadian sovereignty. But on the other, too much divergence can complicate the pursuit of national interests south of the border and cause as much alarm.

(1) John Herd Thompson and Stephen J. Randall, *Canada and the United States: Ambivalent Allies*, 3rd ed., University of Georgia Press, Athens, 2002, p. 8.

The disparity or “asymmetry” in power makes the relationship all the more difficult to manage. According to all standards by which states are measured – economic power, military power, and political and cultural influence – America dwarfs Canada. But J. L. Granatstein and Norman Hillmer caution that this greater strength is not always to the United States’ advantage in dealing with Canada, and that sometimes, with skill and determination, Canada can work the margins and get its way.⁽²⁾ Nevertheless, Canada’s dependence makes many Canadians uneasy. They are occasionally unwilling to see that the United States treats Canada like any other country and approaches bilateral relationships in a hard-headed, national-interest way. According to Jennifer Welsh, it is a mistake for Canadians to imagine that Canada is America’s “best friend.” Instead, Canada should be identifying strategies to further its own national interests south of the border.⁽³⁾

Canadian leaders have tried to balance or complement the almost overwhelming weight of the United States through a variety of domestic and foreign policies. The key foreign policy approach, internationalism, calls for engagement with multilateral organizations and instruments as a way of broadening the expression of Canadian nationalism and ensuring that more than continental perspectives are taken into account. The United Nations, the Group of Eight, and the North Atlantic Treaty Organization are the key associations for Canada. Internationalists have sought to strengthen and build global confidence in these and other bodies.

But concentrating only on avoiding extremes and on maintaining the balancing act can have doubtful effects. It could result in reactive Canadian management of the Canada–U.S. relationship, or prevent Ottawa from articulating and pursuing a clear vision of the partnership it desires. Some argue that Canada’s traditional diplomatic approach may not be sufficient in the post-11 September 2001 world. For example, David Carment and others have contended that unless Ottawa develops a well-defined strategy for achieving its goals, Canada may find itself on the defensive, with the relationship driven by U.S. interests on a whole range of issues.⁽⁴⁾

(2) J. L. Granatstein and Norman Hillmer, *For Better or for Worse: Canada and the United States to the 1990s*, Copp Clark Pitman, Toronto, 1991, p. 318.

(3) Jennifer Welsh, *At Home in the World: Canada’s Global Vision for the 21st Century*, HarperCollins, Toronto, 2004, pp. 49-52, 60.

(4) David Carment, Fen Osler Hampson, and Norman Hillmer, eds., “Preface,” in *Canada Among Nations 2003: Coping with the American Colossus*, Oxford University Press, Toronto, 2003, p. xi.

DEFENCE AND SECURITY

The 11 September 2001 attacks on the United States focused attention on the threat posed by non-state actors to national and international security. In North America, there has been a push towards closer binational military cooperation and tighter domestic security.

In the months after the attacks, Canadian officials drafted a new proposal for the joint management of the Canada–U.S. border that saw security and trade as being mutually reinforcing, and not opposing, goals. U.S. officials subsequently accepted the Canadian draft almost unchanged. In December 2001, Canada and the United States signed the Smart Border Declaration and related 30-point action plan (which has since been expanded to 32 areas) to enhance the secure flow of goods and people and the transportation system, and to bolster intelligence and law enforcement cooperation. The action plan employs a risk-management approach that expedites low-risk traffic, allowing officials on both sides of the border to concentrate on higher-risk flows.⁽⁵⁾ According to Welsh, this demonstrates that Canada can shape the future of Canada–U.S. relations by acting proactively and applying its talents and energy to get what it wants.⁽⁶⁾ The government is engaged in detailed discussions with Mexico and the United States on a next-generation smart borders agenda. The negotiations will seek to strengthen strategies to reduce the number of transactions that are required at the border and include new areas such as food safety, cyber-security, public health, and marine and transport security.⁽⁷⁾

Since the terrorist attacks on the United States, Canada has had to demonstrate through specific new measures that it takes U.S. concerns about Canadian domestic security seriously. The government has created new perimeter security organizations, such as the Canadian Air Transport Security Authority (April 2002) and the Canada Border Services Agency (December 2003). More than \$8 billion has been invested in strengthened aviation and maritime transportation security measures, reinforced border and document security, and improved intelligence, security and law enforcement. Ottawa is also reviewing the immigration and

(5) House of Commons Standing Committee on Foreign Affairs and International Trade, *Partners in North America: Advancing Canada's Relations with the United States and Mexico*, Ottawa, December 2002, p. 94. Available at: <http://www.parl.gc.ca/committee/CommitteePublication.aspx?SourceId=37591>.

(6) Welsh (2004), p. 58.

(7) Government of Canada, *Securing an Open Society: Canada's National Security Policy*, Ottawa, April 2004, p. 46.

refugee process to control rising costs and enhance confidence in the system.⁽⁸⁾ After a series of consultations, the government decided to give the Canada Border Services Agency responsibility for the ongoing delivery of immigration operations at ports of entry in order to ensure stringent control of Canada's borders.⁽⁹⁾

The government has also created a new department and formulated a domestic security policy to strengthen Canada's security. Creation of the Department of Public Safety and Emergency Preparedness, which is similar to the U.S. Department of Homeland Security, was announced in December 2003. The first-ever Canadian *National Security Policy*, akin to the Homeland Security Strategy, was released in April 2004. The Canadian document includes \$690 million in new security spending, primarily in maritime security, intelligence capabilities, and cyber-security and documentation fraud.⁽¹⁰⁾

The government is in the midst of formal discussions with the United States about possible Canadian participation in the U.S. ballistic missile defence project. A decision on Canada's participation will be made once talks are complete and Parliament has been consulted. However, the government has dropped hints about its general direction with respect to ballistic missile defence. National Defence Minister Bill Graham said in September 2004 that it is important for Canada to be associated with any program dealing with continental defence.⁽¹¹⁾ Canadian public opinion is divided on this issue. If the government decides to participate, this will have to be reconciled with existing policy on non-proliferation, arms control and disarmament.⁽¹²⁾

Canada and the United States agreed in August 2004 to amend the North American Aerospace Defence Command (NORAD) agreement. The amendment authorizes NORAD to make its missile warning function – a role it has been performing for the last

(8) John Ivison, "The Weakest Security Link: Our Refugee System: Escalating Costs Forcing Ottawa to Think About Change," *National Post*, 28 August 2004, p. RB1.

(9) Canada Border Services Agency, "Government of Canada announces transfer of certain functions between Citizenship and Immigration Canada and the Canada Border Services Agency," News Release, 12 October 2004. Available at: <http://www.cbsa-asfc.gc.ca/newsroom/releases/2004/1012functions-e.html>. Accessed: 14 October 2004.

(10) Andre Belelieu, "Canada Alert: The Recent Evolution in Canadian Security Policy," *Center for Strategic and International Studies Hemisphere Alert 12.10*, Washington, D.C., 2 September 2004, p. 5.

(11) Mike Blanchfield, "Defence Minister Backs Missile Plan: We risk 'diminishing our sovereignty' if we don't join controversial program, Graham declares," *Ottawa Citizen*, 23 September 2004, p. A1.

(12) For further discussion of this topic, see James Lee, *Canada and Ballistic Missile Defence*, TIPS-132E, Parliamentary Information and Research Service, Library of Parliament, Ottawa, October 2004.

30 years – available to U.S. commands conducting ballistic missile defence.⁽¹³⁾ The amendment will preserve the institution's existing missile warning function after the U.S. missile defence system deploys in the fall of 2004. NORAD is the cornerstone of Canada's long and successful history of defence cooperation with the United States. The agreement is up for renewal in 2006.

The Bi-National Planning Group is an important new defence cooperation instrument. Based on a December 2002 agreement, its purpose is to improve upon U.S.–Canada arrangements to defend against maritime threats and respond to land-based attacks. The Group has not been assigned standing forces. It prepares contingency plans to ensure coordinated responses to threats, attacks or civil emergencies.⁽¹⁴⁾ This work complements NORAD, which protected the continent from missiles and bombers during the Cold War. Now, with advent of the Group, some Canadians and Americans are envisaging an expanded NORAD protecting North American land, sea, and aerospace.⁽¹⁵⁾

TRADE AND COMMERCE

Gordon Giffin, U.S. Ambassador to Canada from 1996 to 2001, suggested in remarks to a Carleton University forum in February 2004⁽¹⁶⁾ that Canadians like to believe the binational link rests on trade. But in his view, this assumption should be reconsidered for the following reasons: (1) the relationship really hinges on people; (2) in the United States, security trumps trade every time; and (3) Canada may not be America's largest trading partner five years from now.

(13) Department of National Defence, "Canada and the United States Amend NORAD Agreement," News Release 04.058, 5 August 2004. Available at: http://www.forces.gc.ca/site/home_e.asp. Accessed: 20 August 2004.

(14) Department of National Defence, "Enhanced Canada-U.S. Security Cooperation and the Bi-National Planning Group," Background – 04.001, 29 April 2004. Available at: http://www.forces.gc.ca/site/home_e.asp. Accessed: 4 October 2004.

(15) Mike Blanchfield, "Bi-National Panel Rewrites Rules for Defending North America: NORAD serves as example for Canadian, U.S. co-operation," *Ottawa Citizen*, 30 September 2004, p. A13.

(16) Carleton University – Arthur Kroeger College of Public Affairs, Leadership Forum at the Chateau Laurier, Ottawa, 10 February 2004, CPAC Rebroadcast. Giffin and former Deputy Prime Minister John Manley spoke on "The State of the Nations: Issues and Institutions that will Define Canadian-American Relations."

Giffin was alluding, in his third reason, to the possibility that China will surpass Canada as the number one U.S. trading partner in the next five years – a possibility raised by the U.S. Customs and Border Protection Agency, which has analyzed the rate of growth in China–U.S. trade over the past five years. This does not mean Canada has lost its significance to the U.S. economy. Each day, US\$1.2 billion in trade crosses the Canada–U.S. border. In 2002, Canada supplied 16.5% of all U.S. imports of goods and services and bought 19% of all American goods and services.⁽¹⁷⁾ But Chinese exports to the United States have soared 111% in the past five years, to \$82 billion in 2003. This leaves China second only to Canada, whose exports totalled \$100 billion.⁽¹⁸⁾

Canada may need to review its approach to the United States in light of these developments. As Wendy Dobson has argued, if “there was ever a time for Canada to have both a North American strategy, as well as a long-term non-North American strategy, it is now.”⁽¹⁹⁾ The government is taking steps to deal with this issue. It is establishing a new secretariat in Washington to improve the management of binational relations (see the section on diplomacy and political representation, below). Ottawa is also striving to develop new trade opportunities in China and other countries. This is evident from comments made in September 2004 by Industry Minister David Emerson: “While we are deeply involved with the United States – will always be, should always be, must always be, we’ve got to start to develop other markets.”⁽²⁰⁾

Currently, there are few major Canada–U.S. trade disputes. The chief exceptions are the shutting of the U.S. border to Canadian live cattle exports since a case of BSE was found in May 2003, the imposition of stiff anti-dumping duties on hog imports from Canada, and the long-running softwood lumber dispute. In the last-mentioned case, the United States has mounted an “extraordinary challenge” to a decision by the North American Free Trade Agreement (NAFTA) dispute resolution system. Canada is concerned that the United States will not comply with its NAFTA obligations, or that it will comply but not repay the duties levied, or that it will launch a new legal challenge.⁽²¹⁾ Disputes are significant to specific industries and

(17) Foreign Affairs Canada, “Canada and the United States – Trade and the Economy,” 23 September 2004. Available at: <http://www.dfait-maeci.gc.ca/can-am/menu-en.asp>. Accessed: 9 October 2004.

(18) Eric Beauchesne, “China Set to Overtake Canada as Top Trader with U.S.: China’s Exports to U.S. Jump 111% in 5 Years,” *Ottawa Citizen*, 7 September 2004, p. A1.

(19) Wendy Dobson, “Taking a Giant’s Measure: Canada, NAFTA and an Emergent China,” *C. D. Howe Institute Commentary* 202, September 2004, p. 1.

(20) Cited in Beauchesne (2004).

(21) For more information on this dispute, see Peter Berg, *The Canada-U.S. Softwood Lumber Dispute*, TIPS-98E, Parliamentary Information and Research Service, Library of Parliament, Ottawa, June 2004. For a more detailed analysis of trade and NAFTA, see Peter Berg, *Key Canada-U.S. Economic Integration Issues*, TIPS-13E, Parliamentary Information and Research Service, Library of Parliament, Ottawa, June 2004.

regions, but they represent a fraction of the economic exchanges in a sea of issues that play out smoothly. NAFTA has been in place for over a decade and appears to have gained substantial public acceptance, although groups in all three countries have called for it to be reviewed. The Council on Foreign Relations in the United States has launched an independent task force to identify inadequacies in the current NAFTA arrangements and suggest opportunities for closer cooperation on areas of common interest.⁽²²⁾

DIPLOMACY AND POLITICAL REPRESENTATION

The government has been urged to enhance Canada's lobbying capacity in Washington, D.C. For example, the December 2002 report by the House of Commons Standing Committee on Foreign Affairs and International Trade said that Ottawa needs to ensure a "strong, clear, and coherent Canadian message is being delivered in the United States on a day-to-day basis." Forging closer links with Members of Congress was considered as important as cultivating links with the executive, if not more so. The Committee recommended that the government expand the number of foreign affairs personnel resident in Washington, the number of consulates, and the advocacy funds available to the Department of Foreign Affairs. It also called on Ottawa to consult with industry groups and others in the design of targeted and coordinated information campaigns.⁽²³⁾

Ottawa has been expanding Canadian representation in the United States. The objective is to ensure that messages can be communicated and Americans reminded of the potential mutual benefits arising from a collaborative relationship with Canada. In April 2004, Ottawa released details on the public advocacy and legislative secretariat soon to be established at the Embassy in Washington, D.C. "The government has made [it] very clear that we are committed to improving the management and coherence of our relations with the U.S.," said Prime Minister Paul Martin in a news release. "The new secretariat will enhance Canada's overall advocacy efforts in the United States, while supporting a single Canadian voice."⁽²⁴⁾

(22) Council on Foreign Relations, "Council Joins Leading Canadians and Mexicans to Launch Independent Task Force on the Future of North America," Press Release, 15 October 2004. Available at: http://www.cfr.org/pub7454/press_release/council_joins_leading_canadians_and_mexicans_to_launch_independent_task_force_on_the_future_of_north_america.php. Accessed: 27 October 2004.

(23) House of Commons Standing Committee on Foreign Affairs and International Trade (2002), pp. 220, 230-231.

(24) Prime Minister's Office, "Prime Minister Announces Details of Secretariat at Washington Embassy," News Release, 29 April 2004. Available at: <http://www.pm.gc.ca/eng/default.asp>. Accessed: 10 October 2004.

The Secretariat, which became operational in fall 2004, will assist provinces, territories and individual Parliamentarians to plan and support outreach activities directed at members of the U.S. Congress, both on Capitol Hill and in their districts. It will also allow the Canada–U.S. Inter-Parliamentary Group to have an expanded role, in order that its members may undertake more frequent advocacy activities in Congressional districts. Colin Robertson, formerly the Consul General in Los Angeles, heads the Secretariat and reports to the Ambassador.⁽²⁵⁾

The Secretariat will complement Canada’s Enhanced Representation Initiative, which stretches across the United States and is part of the Martin government’s plan to implement a new, more sophisticated approach to the management of Canada–U.S. relations. In addition to its embassy, Canada has 12 consulates general in Atlanta, Boston, Buffalo, Chicago, Dallas, Denver, Detroit, Los Angeles, Miami, Minneapolis, New York and Seattle; it has consulates in Houston, Raleigh, San Diego and San Francisco; and it has trade offices in San Jose/Silicon Valley and Princeton. New consulates opened in the fall of 2004 in Anchorage, Philadelphia and Phoenix, bringing representation to 22 offices. The government has invited provinces and territories to assign staff to any one of the consulates to add their expertise and influence to Canada’s message.⁽²⁶⁾

The government has also established a Canada–U.S. cabinet committee. The mandate of the committee, which is chaired by the Prime Minister, is to ensure an integrated, government-wide approach to Canada–U.S. relations.⁽²⁷⁾ The cabinet committee is supported by a new Privy Council Office secretariat. The Parliamentary Secretary for Canada–U.S. Relations, who supports the Prime Minister in developing the coordinated Canadian approach, is invited to attend meetings at the call of the chair.⁽²⁸⁾

(25) *Ibid.*

(26) *Ibid.*

(27) Privy Council Office, “Information Resources – Cabinet Committee Membership,” September 2004. Available at: http://www.pm.gc.ca/grfx/docs/Cab_committee-comite.pdf. Accessed: 10 October 2004.

(28) Prime Minister’s Office, “Changes to Government – New Structures in the Prime Minister’s Office and Privy Council Office,” News Release, 22 December 2003. Available at: http://pm.gc.ca/eng/chgs_to_gov_1.asp. Accessed: 10 October 2004.

CULTURE

Maintaining and projecting Canada's distinctive identity in North America remains an important policy objective. In addition to making Canada's voice heard in the United States, controlling the amount of American content on Canadian television and radio and in our print magazines has been a perennial concern, even if it is not a burning issue at the moment. The government is struggling with the dilemma of how to protect Canadian culture while not violating international trade agreements, which generally work on the principle that domestic products should not be favoured. For years it has focussed on the creation of a new multilateral accord that recognizes the importance of cultural diversity and the right of states to protect it.⁽²⁹⁾

Another sensitive topic relates to the Canadian fear that continental integration will smother our nation's distinctiveness. Michael Adams believes that this is not, in fact, taking place. Based on Environics polls conducted over a decade on both sides of the border, he argues that Canada and the United States are diverging in terms of the basic socio-cultural values motivating their populations, and therefore that the assimilation of Canada's way of life into the United States is not inevitable.⁽³⁰⁾ In addition, in a public opinion survey conducted by the Centre for Research and Information on Canada in July 2002, a clear majority of Canadian respondents said their country should not make its health care, immigration and refugee, taxation, environmental, and banking policies more like those in the United States.⁽³¹⁾

Currently, the leading cultural issue is U.S. disquiet over "runaway" movie and television productions, some of which have been going to Canadian locations. Like many other countries, Canada has lower production costs than the United States, and the Canadian government has sought to capitalize on this by offering companies incentives to film in Canada. In response to Canada and the other countries employing this technique, U.S. Senator Blanche Lincoln (Democrat-Arkansas) has reintroduced federal anti-runaway-production legislation in the form of a tax credit bill (S.1613). It is aimed at productions budgeted under

(29) Stephen Azzi and Tamara Feick, "Coping with the Cultural Colossus: Canada and the International Instrument on Cultural Diversity," in Carment, Hampson, and Hillmer (2003), pp. 100-101.

(30) Michael Adams, *Fire and Ice: The United States, Canada and the Myth of Converging Values*, Penguin, Toronto, 2003, p. 140.

(31) Centre for Research and Information on Canada, "Canada and the U.S.: An Initial Comparison," in *Canada and the United States: An Evolving Partnership*, Centre for Research and Information on Canada, Montréal, 2003, p. 4. Available at: http://www.cric.ca/pdf/cahiers/cricpapers_august2003.pdf. Accessed: 27 October 2004.

\$10 million and is reacting to perceived losses to the U.S. economy owing to runaway productions. Prospects for passage of the bill are weak, given the current economic situation and overall lack of support. However, under the American Job Creation Act, which won Congressional approval in October 2004 and which will be the largest overhaul in corporate income tax in two decades, the American film industry will be eligible for tax cuts of at least 50% of some salaries for work performed in the United States.⁽³²⁾

THE ENVIRONMENT AND NATURAL RESOURCES

Among the leading issues are the following:

A. Great Lakes Water Quality

Canada and the United States are mandated to review the 1978 Great Lakes Water Quality Agreement after every third report on water quality by the International Joint Commission. The third report was released on 13 September 2004, triggering the latest review. Canada is proud of its domestic clean-up program, though it is different from that in the United States, and of the level of binational cooperation. Ottawa would like to see U.S. legislation acknowledge and defer to the Agreement to guide future clean-up efforts.

B. Oil and Gas Drilling in the Arctic National Wildlife Refuge

Canada opposes the U.S. proposal to open up the Arctic National Wildlife Refuge calving grounds of the Porcupine Caribou herd to oil and gas drilling. The proposed U.S. action would be inconsistent with the 1987 bilateral agreement on the conservation of the herd. The Gwich'in, an indigenous First Nation people of both Canada and the United States, depend on the herd for their sustenance, culture, and way of life. Canada would like the United States to provide permanent protection to this area, but so far the U.S. government has been resistant. The issue of environmental protection versus the need for secure energy resources has been very politically divisive within the United States.

(32) Peter Morton, "U.S. Socks Hollywood North," *National Post*, 12 October 2004, p. FP1.

C. Energy Policy

The government's policy is to raise Canada's profile as a critically important component of U.S. energy security, and avoid the creation of market access barriers to energy products and services. Concerns have been raised in Canada and the United States about rising energy prices and North America's reliance on supplies located in unstable parts of the world. This has produced calls for the negotiation of a Canadian energy policy and the future development of a continental energy policy.⁽³³⁾

D. Devils Lake Outlet

Tension also surrounds the U.S. federal and North Dakota state desire to deal with flooding of Devils Lake by building an outlet to the Sheyenne River, which flows into the Red River. Canada is concerned about the impact on Manitoba water resources and the diversion of poor-quality water and invasive species from Devils Lake into the Red River Basin. The federal government has asked the United States to refer its proposals to the International Joint Commission. Ottawa is particularly concerned that construction is proceeding on the North Dakota state-funded outlet, against which Manitoba has launched a lawsuit.

E. Bulk Water Exports

The International Joint Commission's August 2004 report, *Protection of the Water of the Great Lakes*, commended Canada for passing federal legislation banning the bulk removal of water from the Great Lakes. It noted that an inter-state agreement between U.S. Great Lakes governors is being negotiated which should have much the same result.⁽³⁴⁾ But the Commission also found that, while there are no active proposals for diversions outside the Great Lakes basin (except to communities at the basin's edge), this situation could change.⁽³⁵⁾ Concern has been raised about Annex 2001, an agreement reached by Ontario, Quebec and the

(33) Claudia Cattaneo and Kate MacNamara, "Continental Divide," *National Post*, 5 October 2004, p. A14.

(34) "Bulk Water Ban Praised," *Windsor Star*, 2 September 2004, p. A3.

(35) International Joint Commission, *Protection of the Waters of the Great Lakes: Review of the Recommendations in the February 2000 Report*, August 2004, pp. 1-2. Available at: <http://www.ijc.org/php/publications/pdf/ID1560.pdf>. Accessed: 11 October 2004.

Great Lakes governors.⁽³⁶⁾ The Commission called for implementation of Annex 2001 in a manner conforming to the recommendations in its February 2000 report on the preservation of the Great Lakes Basin water resources and ecosystem.⁽³⁷⁾

F. North American Air Quality

Canada and the United States are making progress through the Air Quality Agreement and the Ozone Annex in achieving reductions in both acid rain and ground-level ozone. Canada continues to support U.S. efforts to reduce emissions, and is encouraging the Environmental Protection Agency to finalize caps with targets and timetables that are as aggressive as possible, and are implemented as early as possible.

CONCLUSION

The future of Canada–U.S. relations can never be taken for granted. Granatstein and Hillmer have pointed out what is perhaps the only certainty: the relationship is characterized by constant tension between conflict and cooperation, and both outcomes are inevitable.⁽³⁸⁾ As this tension plays itself out, North American integration will continue, though the pace, final result and implications are uncertain. Some have argued for a major new initiative (the so-called “big idea” – a comprehensive arrangement beyond NAFTA, possibly involving a customs union, common security perimeter, or common market). Other have argued that Canada’s interests are best served through a more incremental approach and through avoiding further integration and linkages that may disadvantage Canada. Virtually all agree, however, that effective management of the Canada–U.S. relationship is one of the most important priorities facing the Canadian government.

(36) Ralph Pentland, “Great Lakes Compact – Water for Sale?” in *One Issue, Two Voices*, Woodrow Wilson International Center for Scholars, Washington, D.C., September 2004, p. 2. See also Sara Ehrhardt, “Bulk water exports would be a negative,” Letter to the Editor, *Windsor Star*, 8 September 2004, p. A7. The author was affiliated with the Council of Canadians.

(37) International Joint Commission (2004), p. 2.

(38) Granatstein and Hillmer (1991), p. 317.