

Talking Points  
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*Conference on*  
*North American Integration: Migration, Trade, Security*  
*Ottawa, April 1, 2004*

"A North American Perimeter: What are the Options "

Now, a little more than 2 1/2 years later, it is abundantly clear that the horrific events of 9/11 changed the world forever -- and nowhere more so than on the border between the world's two most friendly and economically integrated nations, the United States and Canada. Prior to 9/11, the shared concern was that we needed to improve the efficiency of the border to keep up with the increase on trade. Trade and the frequency and number of people crossing the border crossings had grown at a furious rate since the implementation of the US/Canada Free Trade Agreement in 1989 and the North America Free Trade Agreement in 1994.

The capacity of the border infrastructure had not kept pace. US exports to Canada, for example, grew over 2,000 percent from 1971 to 2000. The volume of two-way merchandise trade between the US and Canada increased by \$75 billion in just the two years from 1998 to 2000 -- an amount larger than our total bilateral trade with either Korea or France. Border crossings had risen to 200 million per year. Another related phenomenon was the development of "just-in-time delivery," a practice wherein inventory costs were reduced by manufacturing and delivering parts on order to be delivered within hours or minutes of their incorporation into finished products. This was a critical procedure in the auto and other industries, and depended on predictable border-crossing schedules.

On October 8, 1999, Prime Minister Chrétien and President Clinton launched the Canada-U.S. Partnership (CUSP), which brought together public and private-sector leaders from both countries to discuss how to improve management of the Canada-U.S. border. Out of those meetings came several proposals for "Building a Border for the 21st Century" in which the private sector played an integral role in the securing the supply chain.

The basic ideas discussed in the two CUSP meetings were to:

- **Adopt a risk-management approach to border inspections;**
- **Increase inspection efficiency through collaborative actions;**
- **Increase infrastructure and other border-crossing related resources; and**

- **Utilize advances in technology to facilitate travel and trade while enhancing security.**

Some of the ideas generated in the CUSP meetings included: programs utilizing smart-card technologies and "Intelligent Transportation Systems"; implementing "reverse inspections" (US customs would inspect on the Canada side of the border and *vice versa*), moving enforcement activities away from the border, and even re-locating controls from the land border out to our continental perimeter.

The timing of the CUSP idea was not fortuitous. The two *Canada-U.S. Partnership* meetings were held in April and June of 2000 just as it became apparent the period of unprecedented economic expansion in the United States was losing momentum. The CUSP final report, entitled "Building a Border for the 21st Century" was published in December 2000 as the stock market continued to plummet and weakening economic conditions in North America caused a slowing of US/Canada trade.

Before the economic downturn it had been very difficult for border stakeholders to call attention to their issues, basically arguing for more scarce resources to be spent on improving the efficiency of the world's most successful border. After the downturn, other priorities pushed border efficiency concerns to backburner.

### **The Attacks of 9/11**

The attacks accelerated the economic downturn -- causing a dramatic fall in consumer and business confidence and very real problems at US-Canada border crossings. Exports of Canadian goods to the United States fell more than 14 percent in September 2001 compared to results for September 2000. [Cross-border trade is just now above pre-9/11 levels.]

In the first days after 9/11, there were long lines of vehicles waiting to cross the border from Canada to the U.S. For trucks crossing from Windsor to Detroit on the Ambassador Bridge [the busiest land point of entry to the United States] there were delays of up to 15 hours. [But contrary to popular belief, the border was never closed].

In the days following 9/11, both the U.S. and Canadian customs and immigration services added temporary personnel to ease the congestion at bottlenecks, and the U.S. National Guard was called in to assist at major ports of entry. While wait times eventually returned to pre-9/11 levels, a new paradigm for border management was clearly required.

Fortunately, despite the reinvigorated focus on securing our borders, political leaders in both countries retained the basic concepts discussed in the final report on CUSP activities and those under girding the on-going U.S./Canada Shared Border Accord (which was implemented in 1995). *The public and private sectors together* would significantly beef up security at crossing points in ways that would also improve efficiency. Risk management, the use of advanced technology, moving inspection and targeting away

from the border, and improved infrastructure became the foundation for post 9/11 management of the border.

### **Phase One -- Post 9/11 U.S./Canada Border Management**

On December 12, 2001 the U.S. and Canada signed the “Smart Border Declaration” which stated the two nations would create “a Smart Border for the 21st century.” The Smart Border concept is based on four pillars:

- (1) The Secure Flow of People;
- (2) The Secure Flow of Goods;
- (3) Secure Infrastructure; and
- (4) Coordination and Information Sharing.

### **What is the "perimeter"?**

Since the days of the CUSP fora, the notion of a “Security Perimeter” had made the press with various interpretations of what that might mean in actual practice. At one point Canadian nationalists worried that the U.S. wanted to abolish the *border* and push out the American perimeter to the limits of Canadian sovereignty. In reality, however, the United States never sought to either abolish our borders or to build a militarized “Fortress America.” We were, and remain, interested in building a security system that works from the “outside-in” through effective global partnerships.

- For goods, the goal is to ensure supply chain security from manufacture to delivery.
- For visitors we want to more effectively vet visitors prior to arrival in the U.S. and to eliminate document fraud with the use of secure biometric identifiers.

Both of these objectives must be attained in a manner that does not interfere with the efficient movement of people, vehicles and goods into and out of our country. The use of advanced technology and the cooperation of our friends and allies were essential to the success of this vision.

### **Phase Two -- “Moving U.S./Canada Security Cooperation to the Next Level”**

Some academic commentators have praised U.S./Canadian cooperation on the Smart Border Action Plan but noted that most of its objectives have been achieved as originally envisioned and wonder what is coming next. Others have focused on constraints to success resulting from sovereignty, privacy, cultural, and other concerns. Both the Canadian and U.S. governments have also been considering how to deal with these issues

after the initial period of implementation and move their security cooperation to "the next level."

We are already moving in that direction. The December 2003 reorganization of most of Canada's security-related agencies into Public Safety & Emergency Preparedness Canada was itself a major step up to the next level of our bilateral cooperation. This profound change, similar in many ways to the stand up of the Department of Homeland Security, will result in a more efficient institutionalization of the very personal relationship that had developed between Deputy Prime Minister John Manley and Secretary Tom Ridge and that has continued with Deputy Prime Minister Anne McLellan.

During the first meeting between Secretary Ridge and DPM McLellan they reviewed the accomplishments and shortfalls of the Smart Border Action Plan and discussed next steps. While discussions are still ongoing, a general outline of what "Phase Two" might look like has been shaping up.

We can probably expect to see an emphasis on four basic areas:

- International consensus on biometric travel documents;
- Better coordination on screening visitors to the U.S. and Canada;
- Infrastructure investment and protection; and
- Implementation of US-VISIT at land ports of entry.

## BIOMETRICS

- We should work together to push the international consensus on standards for biometric identity/travel documents.
  - The efficient international movement of people in the post 9/11 era is dependent on being able to instantly identify the bearer of a travel document as the same person to whom it was issued and to check that identity against watch lists and terrorist databases.
  - All visitors to the United States who need visas are required to have biometric visas before the end of October of this year. Nationals of countries participating in the Visa Waiver Program will also be registered under the US-VISIT program. [The Administration has requested Congress to postpone the deadline for VWP countries to begin issuing biometric passports by that time.]
  - Biometrically enabled travel documents have raised privacy and cultural concerns. Most people are NOT used to the idea of widespread use of digital finger scanning and consider it the same as fingerprinting for

criminal purposes. Many are also worried about the use to which their biometric data will put and how long it will be archived.

- It is critical to deal with these concerns so that we can continue efficiently moving people into and out of the United States and around the rest of the world in this new era of heightened world concern over terrorism, transnational crime, and the smuggling of people, drugs, and weapons.
- The U.S. and Canada should work together with our European allies to establish international biometric standards -- e.g., the use of facial recognition, finger and iris scans -- for use in travel documents as quickly as possible.

#### SCREENING OF VISITORS

- Clearly, a person whom the Americans consider a heightened security risk to the United States should be considered a heightened security risk by Canadians, and vice versa.
  - While progress on convergence of visa requirements and other screening procedures has been achieved, more needs to be done.
  - While recognizing the complexities and sensitivities surrounding this issue, we must all agree that success in keeping dangerous foreigners out of each of our nations is the ultimate exercise sovereignty.
  - Given the realities of our "undefended" border and the enormous flow of people goods between the U.S. and Canada, neither country can secure its homeland or act responsibly as a good neighbor without the closest cooperation possible on effective screening of those seeking to enter either country.
  - We should also coordinate more closely on visa interviewing procedures, routinely sharing visa refusal information, sharing lost and stolen passport data, and sharing and maintaining watch lists.

#### INFRASTRUCTURE

- All of the technical and procedural advances in processing people and goods as they cross the land border are of little consequence if they cannot make it to the border either because the bridge or tunnel has been damaged or the flow of traffic has created long delays.
  - We should rank critical cross border infrastructure in priority order for improvements; develop proposals to expand capacity; and identify the financial responsibilities of each jurisdiction involved.

- We should re-focus and accelerate our efforts to protect that infrastructure against attack and to manage the consequences in the most efficient manner should an attack occur.

## US-VISIT

- For many years before 9/11, the U.S. Congress sought to legislate a requirement that entries and exits of all foreigners visiting the United States be recorded.
- The realities of the huge volume of visitors crossing the Canadian and Mexican borders have made that objective extraordinarily difficult to achieve on the land borders.
- However, in the post 9/11 era, the cataclysmic objectives of our terrorist enemies and their proven success at entering North America demand that we minimize this vulnerability.
  - The US-VISIT program will be the vehicle by which we achieve that daunting objective.
  - US-VISIT is in place at nearly 130 airports and seaports across the U.S.
  - Using digital finger scans and digital photographs, US-VISIT in its first few months has already exposed hundreds immigration and criminal violators without causing significant delay in the inspection process.
  - We expect to expand US-VISIT to the 50 busiest land ports of entry on our borders with Canada and Mexico by the end of 2004.
  - It is essential that Canada and the U.S. work very closely together to implement the US-VISIT program on our land border in the most efficient manner to avoid any adverse impact on commerce.

## CONCLUSION

The “smart border” processes that we are jointly instituting Canada and Mexico are in many ways the prototype for our global security efforts. Terrorists, drug traffickers, and human smugglers watch our agencies and officers, looking to spot weaknesses they can exploit. No one nation can deal with these threats unilaterally. Security will come as a result of cooperation and collective action. That is why we work with our neighbors every day to improve our security and expedite legitimate trade and travel. Together, we will achieve our security goals and continue to move people and goods efficiently, protecting our lives and prosperity while protecting our freedoms and democratic way of life.