



THE 2002 US ELECTION AND CANADIAN INTERESTS: OTTAWA MUST GET WITH THE REALITY OF A BUSH-DOMINATED WASHINGTON

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George W. Bush swept the US mid-term elections, leaving the Republicans in control of the White House and both houses of Congress for the first time since the Eisenhower era. No longer an accidental president, Bush is now a major political force with the power to shape the US policy agenda, from security to international trade. Ottawa needs to get its mind around this new reality, and get with the program of a Bush-dominated Washington. For those Canadians still waiting for winning coalitions in Washington, forget it, suggest the authors, two of Canada's leading voices on trade policy and relations with the United States. If Canadians want to change gestures into workable policies, they contend, they need to get Washington onside.

George W. Bush a triomphé aux élections américaines de mi-mandat qui a donné aux républicains les pleins pouvoirs à la Maison-Blanche comme aux deux chambres du Congrès : une première depuis Eisenhower. Du coup, il a fait oublier sa victoire électorale controversée et s'est imposé comme une force majeure pour toutes les questions clés, de la sécurité au commerce international. Ottawa devra donc se faire à cette nouvelle réalité d'une domination du président Bush sur la politique américaine. Quant aux Canadiens qui continuent d'espérer des coalitions gagnantes à Washington, mieux vaudrait qu'ils renoncent à leurs rêves, suggèrent les auteurs, deux spécialistes canadiens des politiques commerciales et des relations avec les États-Unis. Car pour transformer nos intentions en politiques concrètes, ajoutent-ils, nous devons mettre Washington de notre côté.

Will the results of the US 2002 mid-term election make a difference to the pursuit of Canadian economic, security and other interests with the United States? We believe they should, but only if Canadian leaders take active steps to make it happen. If, on the other hand, the federal government stays the course, Canada will become even more peripheral to US interests, a development that can only frustrate the pursuit of Canada's own interests in Washington. The election confirmed some fundamental developments in Washington that Canadians need to understand and factor into their approach, not only to relations with the United States, but also to foreign policy more generally.

Over the past decade, Canadians have become more comfortable about their close ties to the United States, a fact that is not reflected in attitudes among some members of the political class. Most Canadians are not bothered by the different political preferences of their southern neigh-

bours. They accept that we may have different priorities but that we share a continent and need to work together to make things work to our mutual benefit. Canadians tend to be more liberal in their political views than Americans. Not surprisingly, more Canadians, particularly among the chattering classes, feel an affinity for the politics of the Democrats than the Republicans. Perhaps this reflects the fact that we are a more urbanized society than the United States. The Democrats tend to appeal more to voters in the large urban conglomerations on the two coasts, while Republicans do better in smaller cities, towns and the countryside, particularly in the mid-West, the South, and the West.

Canadians thus tend to cheer for the Democrats and express disappointment when the Republicans do well. Fair enough. Unfortunately, the political class tends to translate these political preferences into assessments of who we can work with in pursuing Canada's own interests

in Washington. That's a mistake. The postwar record is very mixed as to what kind of US administration is more likely to be responsive to core Canadian concerns. Evidence from the last two Democratic administrations—the Carter and Clinton administrations—provides cold comfort for the cherished conventional wisdom that we do better with Democrats. Even more importantly, it runs counter to our interests to express any partiality. Canadian political leaders would never express preferences for political leaders of one stripe or another in Japan, the UK, or France, but it has become depressingly common to see them indicate whom they like in US elections. Call it part of the perils of proximity, a peril we need to manage better if we want to reverse the further decline in Canada's waning stock in Washington as a result of attitudes and policies evident ever since Mr. Bush was elected.

Too many people in and around the federal government clearly share the view of those who dismissed Mr. Bush as an affable oaf during the 2000 election, particularly on foreign policy matters. Whether you agree with that sentiment or not—and we don't—it has injected a corrosive and unhelpful element into the conduct of Canada-US relations. It also obscures the fundamental reorientation taking place in US foreign policy and undermines Canada's interest in managing deepening integration and interdependence. Since Mr. Bush's disputed election in 2000, the president's actions have demonstrated not only that he is made of sterner stuff than the facile caricature adopted by his critics, but that he can carry the country with his vision of the future. He made a vigorous start at implementing his agenda and, following the outrage of September 11, 2001, rose to the occasion to prosecute the war on terrorism as part of a redefined, but popular, security and foreign policy agenda. It was this that was uppermost in voters' minds this fall, and it is likely to remain there.

On November 5, Mr. Bush should have lost big, as presidents typically do during mid-term elections, particularly in the face of a sputtering economy. As a direct result of his campaigning, however, he regained control of the Senate for his party and added seats in the House. For the first time since the Eisenhower years, a Republican president will be able to work with Republican majorities in both Houses.

The 2002 election confirmed what was evident in the 2000 election: Americans who care

enough to vote—generally, no more than two out of five eligible voters in mid-term elections—remain about evenly divided in their loyalties to the two parties. The big difference in 2002 was that the president proved he is a savvy campaigner with a message that resonated with enough voters to provide his party with an historic breakthrough. He is now a president with a high approval rating who can translate that approval into votes for his party. On things that matter, such as national security, he presides over a national consensus not seen since Ronald Reagan's second term. Mr. Bush is no longer the "accidental" president. As a result, he will face no serious challenge for the Republican nomination in 2004 and looks much more likely to be a two-term president.

To Washington power brokers, Bush is now a major political force; that, in turn, will strengthen, his ability to shape the evolution of the US policy agenda. With the election behind him, the president is now much better placed to pursue not only the war on terrorism, but also his domestic agenda and other foreign policy goals. The prosecution of the war on terrorism—in which he has shown a strength of character and determination that is key to understanding his consistently high approval ratings—occupied his political energies during the past year. He will now be able to devote more energies to his domestic agenda. The president made progress on his tax cut and education reforms during his first year in office. He will now turn to other aspects of his desire to transform the role of government. Like Ronald Reagan, Bush is a small-government, rather than antigovernment conservative. As one commentator put it, "Bush is the opposite of a status-quo conservative. Even without the benefit of a clear electoral mandate, he pushed for and largely achieved broad and even radical changes in education, fiscal policy, defence and foreign policy doctrine."

The president's ability to make further progress on these issues, however, should not be exaggerated. Party discipline as we know it in Canada does not exist in the United States. The US system provides no room for the development of dictators, friendly or otherwise. Senators and members of the House may give Bush the benefit of the doubt on close issues, but they generally have their own agenda and priorities. The wide dispersion of power resulting from Washington's Byzantine system of checks and balances means that the policy

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agenda is always in a state of flux, with thousands of issues clamouring for attention but only a few gaining enough support to become law or policy. In Washington, the name of the game is coalition, building on each and every issue. Most coalitions cross party lines. A president gets support for his program not on the basis of party discipline but because he builds issue-specific coalitions, and in turn lends support to those issues that are important to others but do not threaten his own agenda. The election, however, indicated that Mr. Bush is a much stronger coalition-builder than his critics thought, and has greatly strengthened his hand in pursuing his priorities.

Which brings us back to Canada and its issues. People in Ottawa need to get their minds around the reality of a Bush-dominated Washington. There are too many critical issues on the bilateral agenda. For example, Canada's contribution to North American security and to the global war on terrorism is high on the US list of priorities. Sending the right signals on this file is critical to ensuring a hearing on Canada's priorities, from administration of the border to resolving the usual array of irritants.

Since 1993, the Liberal approach to the United States has been to focus on matters on an issue-by-issue basis, without a strategic view to set priorities or provide overall direction. The theme has been co-operation if necessary but not necessarily co-operation, and an occasional poke in the eagle's eye for the benefit of the anti-American gallery. Compartmentalizing issues may have kept matters from coming to a boil, but it has also produced little headway on major files. Canada has gradually moved down the list of reliable allies and important partners. And it has failed to adapt to the changing realities of the US political landscape, global power realignments and deepening bilateral economic integration.

For those Canadians still waiting for winning coalitions in Washington on some of Canada's priorities, forget it. It's not going to happen. The Kyoto Protocol, for example, was already a loser in the Senate when the Democrats were in control. It is now in the deep freeze. Ditto the International Criminal Court, the Land Mines Convention and similar adventures in 'soft-power' multilateralism. The only coalitions for such policies can be found in the far-left reaches of the Democratic Party. And that's not enough. It takes two-thirds of the Senate to ratify treaties. Currently, not even

one-third of the senators are prepared to consider any of these issues.

Americans are indifferent to Canada's choices on these matters. If Canadian political leaders want to revel in what George Will has characterized as the "diplomacy of high-minded gestures," Washington will not get in the way. On the other hand, if Canadians want to change gestures into workable policies, they need to get Washington on side. To do that, we need to work with Americans, not against them. We need to tailor our priorities to complement theirs. And we need to stop poking sticks into American eyes for the sole purpose of short-term political gain, because that's a sure way to guarantee long-term bilateral pain.

More to the point, Canada's core interests do not lie in the never-never land of multilateral gestures. As Canadian trade negotiator Rodney Grey pointed out many years ago, Canadians can ill afford to dissipate their limited foreign policy coinage on issues that concern them primarily as members of the international community; instead, they need to harbour their limited resources, credibility, and leverage to protect Canada's vital trade and other policy interests, particularly with the United States.

For Canada, good bilateral relations with its giant neighbour to the south are a *sine qua non* for pursuing almost any other foreign policy issue. They should be pursued regardless of who occupies the White House or controls the Congress. In the new world order that has emerged over the past few years, the United States is in a league of its own. It so outdistances its rivals in power and prestige that it can rightly be considered a hyper power. Canadians would do well to catch up to this reality. The postwar world of strategic balance, mutually assured nuclear destruction, national economies, and strong multilateral rules and regimes has largely vanished. We now live in a unipolar world dominated by the United States, participate in a global economy in which transnational corporations have become major contributors to citizens' long-term prosperity and face security threats that arise from the unpredictable behaviour of nonstate actors and rogue states. In this world, the first and virtually only priority for Canadian diplomacy over the next few years is to work out the best way to pursue our interests in partnership with the United States.

That's the global perspective. On the bilateral front, Canada and the United States enjoy the

most intense relationship in the world. At any one time, dozens of issues occupy the time and energy of officials in Washington and Ottawa, and in federal, state, and provincial offices across the full breadth of the two countries. This is to be expected when two countries share a continent divided by a border more than 5,000 miles long. Most of these issues are resolved and managed on the basis of familiar routines. Two broad themes, however, now deeply colour relations and demand steps to reach a new accommodation. From Canada's perspective, the overarching issue is economic: how best to manage ever deepening and accelerating cross-border economic integration. From the US perspective, the dominant issue is how best to ensure the security of the continent in the face of new and much more diffuse threats.

Over the past two decades, as a result of both policy choices and technological and economic developments, the Canadian and American economies have become much more deeply intermeshed, not only through trade in goods, but also through trade in services, knowledge, and investment, cultural exchanges, the movement of people, deepening intercorporate links, a growing number of personal relationships and more. The result is a deep and irreversible degree of cross-border interaction and interdependence, an interdependence that is, as always, very asymmetrical, and thus of particular concern and interest to Canadians.

Seen from the US side, the issue of greatest import is security. For the United States, the world has become a much more dangerous place, and Americans have been saddled with responsibilities and burdens that they neither sought nor are eager to discharge. At the same time, most accept that the United States must discharge them or pay a heavy price. Americans see themselves at war, and are disappointed that those who were their allies throughout the Cold War years neither share this perspective nor appear willing or able to share the burden. Only the UK has shown much constancy, and even it is torn between the pull of its EU economic partners and that of its long-standing transatlantic security partner.

Within this new reality, the attitudes of their neighbours to the North are both puzzling and hurtful to many Americans. They see that Canada is quite willing to freeload on the US commitment to continental and global security and that Canada is even prepared to complicate

US efforts when it is politically expedient to do so. At the military level, Canadian and US forces enjoy deep and harmonious relations, based on years of joint training, similar equipment, and shared attitudes. But lack of political support has marginalized Canada's ability to make a material contribution. Americans do not need the Canadian forces to get the job done, but they see greater Canadian engagement on the security front as critically important in providing moral and political support in a dangerous world. Increased Canadian defence spending is thus symbolically important. Failure to grasp this point has had and will continue to have a caustic effect along the full front of Canada-US relations.

Canada's greatest asset is its long, undefended border with the United States. Virtually every country envies the benefits that flow from Canada's proximity to the most dynamic, energetic, and productive nation in the world. Trade with the United States drives our economy. US investment helped to build our economy. US innovation and entrepreneurship provide us with both opportunities and competition. US popular culture dominates us, not because it is forced upon us, but because Canadians choose it. The US military provides us with a blanket of security. US warm weather cossets millions of Canadians each winter. The US presence pervades every aspect of Canadian life, most of it positively.

To be sure, proximity also brings frictions and problems. The United States is not always an easy neighbour. Power has its perks, and the United States is not shy about claiming them. Virtually every aspect of Canada's political, economic, cultural, and social life is measured in terms of the American yardstick. US developments spill over into Canada, whether appropriate or not. The sheer mass and energy of the United States tend to crowd out space for Canadian cultural expression, political innovation and other values. On balance, however, Canadians would not trade the benefits of proximity. Canadians like the border, but they do not want it to get in their way as traders, investors, snowbirds or anything else.

Proximity also brings with it complacency and misunderstanding. Americans tend to be blithely ignorant of things Canadian and rarely appreciate that Canadians are not governed from Washington. Canadians, on the other hand, tend to be too aware of the United States, sometimes malevolently so and, as often,

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ignorantly. Both Canadians and Americans tend too easily toward stereotypes, and both assume too readily that proximity has bred similarity. Canadians and Americans do share many values and aspirations, but they live in two different societies with different political lives and priorities. Close up, the differences loom large; viewed from afar, they are minor.

For too long, we have reveled in the tyranny of small differences. From a foreign policy perspective, both the similarities and differences demand a much more activist and deliberate effort at managing relations between the two countries in order to maximize the benefits of proximity and smooth out its perils. To reach a new accommodation with the United States, Canadians will need to take deliberate steps to bring the architecture of their relationship into line with the challenge and fact of deepening integration as well as with the political and security challenges ushered in by the events of September 11.

To do that, we need to build coalitions with those in Washington who have the greatest influence, starting with the White House and other Republican power centres, but extending also to Democrats, think tanks, state governors, and others in the complex world of US politics. For example, former governors Jim Blanchard and John Engler of Michigan, one a Democrat and the other a Republican, are both important players in their respective parties, knowledgeable about Canada, and prepared to work with Canadians. President Harry Truman famously said that if you want a friend in Washington, buy a dog. True enough. But it is possible to find issue-specific allies in Washington. They can be found among powerbrokers in both parties who share Canadian interests. They provide access to current office holders. Canada learned to make skillful use of such officials in the 1980s and into the 1990s. We need to regain those skills and put

behind us the unhelpful attitudes toward Canada shaped and fostered by Ottawa's attitudes toward President Bush and his colleagues. This is a major challenge, but one that we cannot afford to ignore. The 2002 election should help concentrate minds in Ottawa sufficiently to ensure that we put the drift in Canada-US relations behind us and return to a more constructive and proactive approach that recognizes our respective roles and interests.

The relationship with the United States is the indispensable foundation of Canadian foreign policy in all its dimensions. It is only with the Americans that Canadians have a relationship embracing virtually the whole range of public policy, economic development, and human contact. The principal foreign policy challenge for Canada is to manage the forces of silent integration drawing us ever closer to our giant neighbour and obtain maximum benefit from that integration. A new accommodation with the United States is essential to releasing the necessary political energies to chart a new course for global foreign and commercial policy for Canada. To do that, we need to build constructive rapport with the political leaders now in charge in Washington. The 2002 US federal election has clarified who they are. We need urgently to tell them who we are and why we matter to their agenda and thus rebuild the kind of relationships required to pursue the current agenda of issues to our mutual advantage.

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US Congress At-a-Glance Before and After the November 5 Elections

	Pre-election makeup			Projected new makeup		
	Democrat	Republican	Other	Democrat	Republican	Other
House	208	223	4	206	228	1
Senate	49	49	2	48	51	1