

THE IMPOSSIBLE DEAL

Robin V. Sears

Based on historical evidence, political prospects for free trade between Canada and the United States were not very promising. In the nineteenth century, Macdonald's protectionist National Policy won him four consecutive elections from 1878 to 1891. In the twentieth century, Laurier's Reciprocity Accord with the US cost him the 1911 election. In the 1940s, Mackenzie King negotiated with the US, but only in secret. But then in the 1980s, along came the Macdonald Commission, recommending a "leap of faith" and Brian Mulroney willing to make it. Robin Sears, who was a senior adviser to Ed Broadbent in the NDP's campaign against free trade, recalls the powerful emotions and the political undercurrents, shaping the tumultuous events that began with the FTA in October 1987, on into the historic free trade election campaign of 1988.

Si on remonte dans l'histoire, les perspectives politiques de libre-échange entre le Canada et les États-Unis n'étaient guère prometteuses. Au XIX^e siècle, la politique protectionniste de John Macdonald lui vaudra quatre victoires électorales consécutives entre 1878 et 1891. Au début du XX^e siècle, l'Accord de réciprocité avec les États-Unis coûtera à Wilfrid Laurier les élections de 1911. Puis dans les années 1940, Mackenzie King négociera avec les États-Unis mais dans le plus grand secret. Viennent enfin les années 1980 et la Commission Macdonald, qui recommande de faire un « acte de foi », de même qu'un Brian Mulroney prêt à franchir le pas. Robin Sears était conseiller principal d'Ed Broadbent pendant la campagne du NPD contre le libre-échange. Il évoque l'extrême émotivité et les dessous politiques des événements orageux qui ont suivi la conclusion de l'Accord en octobre 1987 et qui se sont poursuivis jusqu'en 1988, pendant la campagne historique des élections sur le libre-échange.



In the fall of 1975, in a small, private Ottawa hotel dining room, two senior American political consultants were chatting amiably with three Canadians party officials. A Liberal, a Tory and a New Democrat party hack had been invited by the US Embassy to meet the two men who were to lead Ronald Reagan to the Republican party's biggest election victory in half a century. The small group shared war stories and predictions for their countries' political futures. Near the end of the lunch, one of the Americans, Ed Meese, who later became Counsellor to the President in Reagan's White House in 1981, stunned the group into silence.

What would you say if I told you that if Ronald Reagan wins the nomination, he is going to campaign on creating a North American free trade zone from Canada to Mexico? he asked.

The Canadians glanced furtively at each other before responding, not wanting to give offence, each hoping that someone else would be first to deliver the news to the naïve Americans. Finally, the most junior Canadian said simply, "Uh, that would be an impossible deal, politically. That will never happen in this country."

Full disclosure. I am quoting myself.

A decade later, "never" did arrive.

The debate that divided Canada more bitterly than any since the Conscription Act a half-century earlier crept slowly on to the national stage, before erupting into an often vicious battle that echoed through national politics for more than a decade. It was the Liberal Party that initiated the public debate in 1982 with the creation of the Macdonald Commission under the chairmanship of former Finance Minister Donald Macdonald. A well-connected former Bay Street corporate lawyer with left-leaning social values and a mildly economic nationalist bent, Macdonald was a popular choice for the task of painting a new direction for Canada.

The debate about the merits of greater continental economic integration had been bubbling under the surface of Canadian politics for some years, the enthusiasm of policy wonks and some bank economists. The percentage of American ownership of Canadian industry had been rising since the 1960s and some saw guaranteeing better access to US markets as an obvious policy response. The more convention-

al response, among all three of Canada's national political parties, was to call for a greater degree of economic nationalism and for protectionist defences.

Few national economies have the strange mix of advantages and disadvantages that Canada's does vis-à-vis its neighbour. Not only is the US our best friend, whether we like it or not, it also inevitably drags nearly all of our economic attention in its direction. Other small economies sit on the border of large global competitors. Some economies have even greater degrees of economic integration with their neighbour than Canada and the US, but none in the G8. Some large economies have deep trade and investment links, but none have a majority population that share the same language and culture. Nowhere are the social, cultural, historical and economic sinews of two sovereign and fiercely independent neighbours so inextricably enmeshed.

This uniquely intertwined — and often combative — relationship between the two countries was what made the free trade debate so bitter and so ferocious when it erupted. Americans might own three-quarters of Canada's oil and gas industry, but it was our energy and we would sell it to whomever we liked was a common Canadian claim. We let you sell 90 percent of the cars you make in Canada, duty-free, in our market — What's your problem? was an American politician's typical rejoinder to Canadian trade complaints.

The English Canadian electorate was especially sensitized to nationalist grievance in the early 1980s. The election of a separatist government, the corrosive effects of the first referendum in 1980, followed by a bitter debate over Canadian identity in the Charter of Rights battle in 1981 and later Meech Lake in 1987, left a lot of political wounds open or barely healed. That French Canadian popular reactions to

the early speculations about a free trade deal were mildly positive was additionally wounding to English Canadian nationalist sensibilities.

Early private polling done by the government and some of the political parties and business groups was surprisingly mixed, and in some cases even enthusiastic about a deal. As one pollster put it to a highly disgruntled,

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anti-free trade client, incredulous and unhappy with these results: "Look, when you put 'free' and 'trade', one of the most popular with one of the most positive words in the English language, together in a question, what did you expect people to say?"

Considered in the abstract, the concept of greater freedom to trade, reducing the barriers for everyone to sell internationally, was attractive. It was especially attractive to Western Canadians whose economies were

increasingly aligned north-south, and not with central Canada anyway. It was similarly appealing to many Atlantic Canadians, who, bitter at what they saw as the bad deal they had in terms of trade with Ontario and Quebec, were prepared to believe they could get a better deal with the US. Quebecers often said they saw their province and its resource economy increasingly as a player on a global stage, and access to a free trade deal would provide good leverage.

Sir John A. Macdonald's National Policy of protection for Canadian manufacturing, opposed by the continentalist vision of Sir Wilfrid Laurier's Liberals, had been highly successful politically, securing his election and re-election from 1878 to 1891. In the great Reciprocity Election of 1911, the Liberals again fought for free trade and "open reciprocity." Robert Borden's anti-free trade rhetoric foreshadowed the language of the debate nearly 70 years later:

We are opposed to this agreement because its tendency is to disintegrate this Dominion... to check intercourse and commerce between the provinces and between east and west. The Dominion of Canada was conceived in audacity!

He won a thumping majority.

Of course, the freedom to trade — to do away with the duties that encumbered trade on both sides of the border — was never really what the modern free trade debate was about. Since the Tokyo Round of the GATT (General Agreement on Tariffs and Trade) in the 1960s, ordinary duties and tariffs have been coming down among the industrial economies at an increasing rate. By the late 1970s, tariff barriers to trade were a small component of trade frictions between economies as integrated as Canada and the United States. As a "price taker" in interna-



CP Photo

In the defining moment of the 1988 leaders' debate, John Turner tells Brian Mulroney: "I believe you have sold us out" to the United States over the Free Trade Agreement. Turner's performance earned him "the silver medal" of the campaign, writes Robin Sears, but in the end Mulroney rallied to win the gold.

tional resource markets, Canada had, in any event, never had a great ability to dictate its terms of trade. It had the advantage of propinquity and reliability where its rocks and logs and oil and gas deliveries to the United States were concerned. American tariffs were an irritation, at worst, to most sectors.

The real issues were in the soon-to-be-famous non-tariff barriers that nations increasingly used to channel and shape trade flows: regulations on health and safety standards, inspection and liability regimes, competitiveness and anti-monopoly legislation, anti-dumping protections, and simple obfuscation and delay. (High on the list of the foolishnesses that national politicians indulged in during these years, attempting to defend alternatives to the now unfashionable duties and tariffs, was the Japanese minister who explained that it was not safe to use French skis in his

country "because Japanese snow was different than European snow...").

Increasingly more important to multinationals than trade, however, was the freedom to invest in and acquire businesses in the others' markets. As continental integration and globalization developed their early momentum, first American, then European and Asian multinationals recognized that they needed to be closer to their end markets and end consumers. Automotive, pharmaceutical and consumer goods manufacturers wanted the ability to tweak global brands to local preference, to source local inputs for local assembly and manufacture, to produce on a large scale and, most importantly, to compete on a level playing field. This demand that foreign companies be treated as local competitors in all respects — what became known as

"national treatment" in subsequent debates — was one of the biggest bones in the throat of Canadian nationalists.

"How could a small Canadian company compete in its own national market against US giants, given all their advantages of scale and marketing?" was the frequent angry demand of the anti-free trade community.

Underneath the shoving and pushing of economic and political rhetoric about trade and investment lay a far more powerful political current. From the days of the United Empire Loyalists' challenge to the comfortable oligarchy of the Family Compact, many Canadian opinion leaders had an abiding fear of being overwhelmed by American cultural values — and money.

This anxiety ran the gamut from a somewhat defensible concern about the ability of Canada to preserve and tell its own stories, grounded in a dif-

ferent set of traditions than the American national narrative, to a blatantly offensive and near racist view of Americans and their culture. The free trade debate touched all points along that arc, ending embarrassingly close to the “Americans are vulgar, warlike and racist” end of the continuum.

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tions on the debate, Bob Rae’s 1987 Ontario campaign and Ed Broadbent’s national battle a year later. As the rhetoric on each side escalated to the absurd, the atmosphere in each election became as poisonous as any since the conscription battles of the First and Second World Wars. Some friendships have never recovered from the insults and wounds of that period. For many partisans on the losing side especially, the 1988 federal election is still regarded as the most painful defeat of their lives. With the benefit of two decades of reflection it is hard to recreate the emotional *sturm und drang* of those times.

I had recently returned from several years’ working with the senior leadership of Europe’s social democratic parties. For many of them the key battle, the greatest achievement of the early 1980s, was winning the fight to create a common economic zone within what was then the European Community — in other words, a European free trade agreement.

In Europe, it was French and British Conservatives who led the resistance to breaking down national barriers to continental trade and investment. It was the small countries who fought for equal access to the markets of the European giants. And it

was the left that saw the merit for working people in breaking down national oligarchies and stimulating price competition across all markets. Part of their success was winning tough social protection measures for the weakest in any country, and for the weakest national economies in Europe.

It was, needless to say, a little complicated to explain to former European colleagues why a Canada-US Free Trade Agreement was a threat to social democ-

racy, sovereignty and our way of life.

Like most Canadians who paid any attention to the detail of the FTA, I fixated, along with most Liberals and New Democrats, on the sovereign risk parts of the deal: the apparently weak protections for our cultural independence, the ambiguous defence of the ability of Canadian governments to purchase private assets, the doubts that hung over our ability to resist pressure to sell resources — most troubling being an apparent power to demand Canadian freshwater exports, etc. We attacked the weakness of the environmental provisions and the absence of labour protections. The core of the deals — the Canada-US Free Trade Agreement of 1987 and the subsequent addition of Mexico in the North American Free Trade Agreement of 1992 — were mechanisms to facilitate economic integration through easier trade and investment rules, backed by unprecedented supra-national remedy panels. Curiously, these unprecedented concessions of sovereignty took a back seat in the debate, on both sides.

Lobby groups such as the Business Council on National Issues, now the Canadian Council of Chief Executives, rang alarms of doom on national television and in full-page newspaper ads. Their message was

basically that Canada needed to make this deal or the door would slam shut on access to the US market. Where Americans were going to buy their cars, natural gas and softwood lumber from was never entirely clear. They painted a vision of a conflict-free economic colossus, taking on the world, locked arm-in-arm.

Each side conveyed improbable horror stories about the consequences of accepting or rejecting the deal that, one suspects, left most Canadians bemused. The height of the tit-for-tat foolishness was a Liberal TV ad showing the Canadian border being erased. The Conservatives reversed the blip in momentum Turner received from his TV debate

performance by succeeding where the New Democrats failed: they moved the ballot question from free trade to Turner’s credibility vs. the Mulroney government’s record.

John Turner admitted, on the 10th anniversary of the FTA’s implementation, that his 1988 campaign pledge to “rip up” the deal if elected was “perhaps a flamboyant phrase. It’s a lot harder to get out of this kind of agreement than it is to sign it” he told the *Financial Post* in 1999. We will never know what might have happened if the FTA and NAFTA had not been consummated, but we do know that despite the deals the demise of Canada was avoided. Like Turner, Jean Chrétien promised to “walk away” from the NAFTA agreement in his leadership battle, only to have to eat his words in the 1993 election.

Canadians had had a long and mostly successful experience with managed trade — or, as its proponents preferred, fair trade — with the United States. The system of Imperial Preferences encouraged American giants as diverse as General Electric and the Ford Motor Company to begin manufacturing in Canada in order to sell into Britain and the rest of its empire duty-free. The Autopact, negotiated by the Liberals in the 1960s,

secured Canadian access to US markets and blocked access to Canada by the Europeans then, and the Asians later. Even the various controversial Softwood Lumber Agreements, won by Liberal and Conservative ministers, were negotiated settlements between governments acting on behalf of their most powerful business competitors to divide the North American market between them. Free trade agreements they never were.

Indeed, some purist free trade critics point to the various restrictions on market access that NAFTA imposes on international competitors, the somewhat opaque dispute settlement mechanisms, and the exclusions such as the cultural industries and national security provisions of first the Canada-US FTA and then NAFTA, and say that the deals were far closer to bilateral agreements on the management of trade and investment than they were anything like free trade.

In the view of many international trade specialists, champions of global multilateral deals such as the one now stuck undelivered in the Doha Round of the WTO are far preferable to the mushrooming regime of bilateral national deals now sweeping the world. NAFTA-like deals, their argument goes, leave out developing nations and distort trade and investment decisions in the developed world.

Those few Canadians who took the time to read even the summaries of the original deal, the October 1987 draft free trade agreement between Canada and the United States, would have been hard-pressed to see vindication for the inflamed claims and counter-claims of either side. And as painful as it may be for the opponents to acknowledge, the economic outcome is clear: Canada won. It was always the social and cultural impacts that were the real drivers of opposition, however, and here the outcomes are more mixed.

Economists differ, inevitably, about the extent of the victory, but there is agreement that it was an employment generator, producing between 2 and 3 million jobs in the first decade. It was a massive trade and export generator, with Canadian exports doubling both as a percentage of GDP and in absolute dollars.

NAFTA did have the impact of shifting trade from east-west, and internationally from Europe and Asia, to north-south. Again, economists disagree about the improvement in the value of the terms of trade this represented for Canadians, but it did serve to limit Canadian business horizons from a global to a continental perspective, if, hopefully, temporarily.

Whether the Americanization of the Canadian market for television drama and cinema would have been different is unknowable. It is interesting that Canadian popular music, books and the performing arts all blossomed at the same time. The predicted constraint on publicly delivered health care never happened, and indeed all of American public opinion appears to be

Progressive Conservative Party were sown in these years. The division between the NDP and its labour allies became unmanageable as a result of the attacks launched in this fight. And the Liberal Party's vicious civil war throughout the nineties got a new injection of venom as a result of internal divisions and acrimony over its management of the debate.

The Conservative Party should have been the beneficiaries of the debate, having had the guts to seize on the Macdonald Commission recommendations, fight a tough battle with a series of American negotiators and then force passage of the bill. But it was Brian Mulroney's too-triumphalist defence of the deal, combined with his bosom-pal partner relationship with an American president many Canadians found contemptible, that helped lead to the party's near destruction in the 1993 campaign. While the Reform Party dissidents who triggered the party's destruction were mostly free traders, Ontario Red Tories were divided. Many defected in droves in 1993, and some had already left their natural home to

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moving closer to support for a Canadian-style medicare system.

The threatened dumbing down of environmental and health and safety regulations was a non-starter as well. The Clinton administration toughened them, and the Bush regime knocked them back down. Canadian regulation was and continues to be stronger in some areas, and weaker in others.

The partisan legacy of the debate for each of Canada's political parties was grim. The seeds of the split in the

vote Liberal in the 1987 Ontario election, partly out of anxiety over free trade. While the integrated and more competitive North American economy is probably Brian Mulroney's greatest historical achievement, more than any other political decision, it cost his party dearly in the 1993 election.

John Turner got the silver medal in the 1988 campaign for his late but vigorous attack on free trade. After a lacklustre term as opposition leader, and a weak campaign opening, he redeemed himself



UNE SOLUTION TOUTE CANADIENNE POUR
UNE VÉRITÉ QUI DÉRANGE :
SI LE RESTE DU MONDE
S'OCCUPAIT DES FORÊTS COMME
LE FAIT LE CANADA, LES GAZ
À EFFET DE SERRE DE LA PLANÈTE
DIMINUERAIENT DE 20 %

Un rapport récent de l'ONU a établi que la déforestation, reconnue comme l'un des principaux facteurs contribuant aux changements climatiques, demeure un réel problème en Amérique du Sud et dans certaines régions d'Asie, où les industries forestières et agricoles sont en croissance. Le rapport note aussi qu'au Canada, l'un des pays producteurs forestiers les plus grands et les plus performants, *le taux de déforestation est nul*, ce qui est principalement dû à une industrie forestière convaincue de l'importance de l'aménagement forestier durable, du recyclage et du rendement environnemental.

Soutenons l'industrie des produits forestiers au Canada : c'est bon pour les communautés rurales et c'est bon pour l'environnement.



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in the televised debates and won the crown as the defender of Canada in the eyes of many Canadian nationalists. But this too was a Pyrrhic victory, as he was forced out of office in less than two years, bequeathing a party bitter over its inability to block the deal, then forced to acknowledge it would need to maintain it in government. Many of John Turner's Bay street colleagues, including Donald Macdonald, had cautioned him against a scorched earth attack on the deal, precisely because it would be impossible to revoke following passage. The bitterness that marked the Chrétien-Martin years had its roots in the personal animosity between the two leaders, and their very different view about how to manage the national question. The field of distrust and suspicion that was the landscape of the Liberal Party was, nonetheless, tilled by the earlier divisions over free trade.

New Democrats arguably suffered the most serious and lingering consequences of this political civil war. The Canadian Auto-Workers Union, reliably the most hypocritical player on the left's political stage, performed its self-anointed role as national saviour with passion and muscle. Pouring money into Liberal-affiliated anti-free trade groups, denouncing the NDP as weak sisters in the battle and consuming so much political oxygen that a foreign observer could be forgiven for thinking that he was the Leader of the Opposition, Bob White and the powerful machine that is the CAW in battle demoralized NDP workers and supporters and pumped new life into the Liberal campaign.

The hypocrisy operated on several levels. The CAW's perennial enemy in the battle for leadership of the Canadian labour movement, the United Steel Workers, is an international — "you mean American," sneer CAW activists — union. Though most of its Canadian members worked for Canadian employers, unlike the overwhelmingly American

employers of the CAW, Steel was regularly denigrated as not being "really Canadian." That the CAW members were beneficiaries of a previous generation's managed trade agreement, the Autopact, was turned magically into a virtue. The CAW's pretzel logic was that the Autopact was good and its successor was by definition bad.

Former Liberals, aging academic Marxists and even some New Democrats joined social activists and cultural nationalists in an anti-free trade coalition whose beneficiary — intentionally or not — was, initially, the Liberal Party. In both the 1987 Ontario election, where David

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Peterson could barely conceal his ambivalence about the deal, and in the federal election a year later, when John Turner was transmogrified from a business Liberal lawyer to Captain Canada, the anti-free trade forces laid the seeds for the NDP's destruction in the nineties.

The problem for the NDP then was similar to its strategic nightmare today. Carving votes away from support for the deal was more likely to deliver them to the Liberals, as the larger stronger opposing party, than it was to elect New Democrats. Not surprisingly, therefore, the leaders and their strategists attempted to deliver a broader agenda as a ballot choice in those campaigns and to

attack Liberal hypocrisy. The party held on to Opposition in Ontario and won power three years later. The federal New Democrats had never won so many votes, or elected such a large caucus, as the 1988 election delivered — and have never come close since.

Yet in each case Bob Rae and Ed Broadbent were roundly attacked by the anti-deal coalition as "traitors" and "opportunists" for not encouraging their supporters to vote Liberal in a strategic voting act of political *hara-kiri*, to save Canada from national humiliation. Exhausted, and partly in disgust at the post-election finger pointing by erstwhile friends, Broadbent quit the following year.

The party was seen to have abandoned its friends in the social movements, captured by political consultants and backroom boys more interested in power than in defending Canada, and therefore deserving of punishment. The failure of the British Columbia and especially the Ontario NDP governments to understand the disciplines of power contributed heavily to the federal party's ignominy in the nineties, as did two federal leaders promoted way above their level of competence, but the seeds of the federal party's fall from the heights to which

Ed Broadbent had guided it were laid mainly by its friends in the anti-free trade movement.

Punished it was, falling to 9 percent in popular support, a low not seen since the Diefenbaker sweep nearly a half a century before.

Given the hilariously inflated claims about the impact of free trade, it should not be surprising, perhaps, that few of its proponents', or its enemies', more impassioned predictions came to pass. The English Canadian cultural sector became stronger and more vibrant than ever in the country's history, instead of drowning under the predicted wave of vulgar



The White House

Brian Mulroney and Ronald Reagan in the Rose Garden at the White House in 1984. It was Reagan who proposed a vision of North American free trade in the 1980 election, and was talking about it as early as his unsuccessful run for the Republican nomination in 1976. "That will never happen in this country," author Robin Sears told Reagan adviser Ed Meese in 1975. In 1987, Sears writes, "'never' did arrive."

Americana. The level of Canadian investment in the US outpaced the flows northward. The balance of trade between the two economies was tilted so strongly in Canada's favour by the end of the 1990s that some American commentators were complaining about the persistent imbalance.

The Canadian resource sector boomed, and Canadian players grew to be first North American and then global leaders in oil and gas, gold, uranium and diamonds. The Ontario auto sector thrived, ironically not as a result of the American Big Three (who were privileged by the two deals for nearly a decade after their implementation) but by savvier Asian competitors who upped their investment in Canada, assured of US access by the agreements. Canadian retailers, small manufacturers and some agricultural producers were sideswiped not only by the agreements, but also by the Liberal government's failure to deliver on the promised economic

adjustment assistance and the nineties' waves of globalization.

Neither the laws of gravity nor of politics were repealed by the deals, however. American special interests continued to attempt to twist the dispute regimes to secure their advantage. The latest softwood lumber deal, laboriously negotiated by Liberal and Conservative governments over a decade, lasted ten months before US producers cried, "Foul!" and demanded countervailing action. Canada's rivers were not diverted to flow south into parched American farms. Canada continued to protect its national banking oligopoly, its phone monopolies and its rich-as-Croesus cable barons from American investors' claws. Washington continued to fight off attempts to undermine its national economic security by ensuring that neither Brazilian sugar nor Canadian corn could breach their massive farm subsidy walls.

By the fifth anniversary of the NAFTA in 1999, Canadian exports to the US had doubled but domestic demand had risen only 20 percent. US investment in Canada reached nearly \$150 billion, while Canadian southbound investment was more than \$270 billion to the US and only \$1.4 billion to Mexico. Five years later, on the tenth anniversary in 2004, the statistics were even more compelling: trade among the three countries had more than doubled.

On that anniversary, Brian Mulroney acknowledged another reason that the deal was so provocative to Canadians on the liberal left. Commenting on the impact of the deal, he said, "It was a package of attitudes: free trade, getting rid of FIRA, getting rid of the National Energy Program, privatizing Air Canada, Canadair, Petro-Canada and so on. Deregulation and all of those things."

It's debatable whether that conservative political menu was necessarily part of

a free trade agenda; Mexico certainly didn't buy the whole package as part of its agreement. But constraints on the government's decision-making freedom around the economy, feared by many progressives, was far less than advertised.

Even the controversial Chapter 11 provisions of NAFTA, giving corporations in the signatory countries the right to sue any of the governments involved, turned out to be a rather toothless tiger. Indeed, this year the US Supreme Court struck

passivity," then ape it when returned to power. Conservatives will denounce Liberal hypocrisy to no avail. New Democrats will claim to be wrapped in a bigger, more patriotic flag, blushing only mildly while their provincial governments aggressively compete for more US investment.

No matter what version of our nationalist longings we indulge 10 years from now, the free trade deals will likely remain our number one

Prosperity Partnership." Such silly newspeak does cause a reasonable person to wonder what is hidden behind the bland bureaucratise.

In reality, the SPP is widely disparaged by friends and foes as a meaningless talk shop, whose lack of political capital is embarrassing to the participants. It is, as a former adviser to the Department of Foreign Affairs, David Dymment, observed, "much less than its boosters want and its detractors fear."

The kinds of concessions required of each country to move to a higher level of economic, political and military integration can only happen at the level of first ministers. None of the member countries' leaders has been willing to risk any of their political capital yet on such a risky new enterprise.

Ironically, free trade continues to divide the American Liberal left far more than Canada's. "Rewriting" NAFTA has become a clarion call again among many of the Democratic presidential candidates.

Younger Canadians still basking in the rewards of privileged access to the world's economic engine in 2017 will be puzzled by this overheated rhetoric. Their parents will smile with bemused nostalgia at reminders of this rare Canadian political rage. For neither Tom D'Aquino's trade conflict-free nirvana nor Maude Barlow's humiliating colonial hell was delivered.

For Canada, "the impossible deal" delivered a far more Canadian outcome: mildly beneficial long-term economic benefits, irritating short-term side effects, and just enough continuing trade friction to satisfy grumpy nationalists about the perfidy of free trade.

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down a UPS claim that Canada Post was an unfairly subsidized competitor, after a seven-year battle by the American express freight industry to attack the Canadian public postal monopoly.

Once a decade or so, when we are not scratching our perennial constitutional itch, we revisit our nationalist angst about the United States. In 1963 it was the Bomarc crisis about basing American nuclear weapons on Canadian soil. In the 1970s, it was Canadian economic nationalism and foreign investment, with the Liberals again successfully seizing the role of defender against the sale of Canada. The 1980s saw the free trade debate first empower and then destabilize the Tories. Jean Chrétien regularly tweaked the American eagle's tail feathers, triumphantly returning to the anti-American well, in campaign after campaign.

Today it appears that we will return to the old favourite — who sold Canada? — as one national champion after another falls to an American predator. The Liberals in opposition will bewail Conservative "treacherous

bogey to many. Veterans of the great battle of 1980s Canadian politics will continue to appear, older and greyer, on TV panels, asked to comment on the latest outrageous American undermining of our national sovereignty, or the sale of one more national icon. For the CAW, Maude Barlow and the Council of Canadians, *La luta continua!*

With the same hysterical rhetoric of the original battles, Barlow's council this summer attacked the ongoing economic and security integration talks among Canada, Mexico and the US as a process committed to "eliminating Canada's ability to set its own independent regulatory standards, environmental protection measures, energy security, foreign, military, immigration and a *frighteningly wide range of other policies.*" (Given that comprehensive list of treacheries, one wonders what would be left to sell out...)

The process which grants Mexico's and Canada's treasonous leaders this opportunity does have a curiously Orwellian moniker: "The Security and