

Canada-U.S. Integration: A Chronology

Closer ties with the United States inevitably beg the question of “how close is too close?” If it means lowering our food safety standards, surrendering civil liberties in the name of “security,” risking our natural resources by signing pacts that will give unfettered access to oil, gas and water reserves, and losing even more economic stability for average Canadians with unfair trade agreements – then that is too close.

Aren't you being anti-American?

The reality is that Canada exists in close proximity to the United States, a country with strong economic, social and political policies. In a more globalized world, being next to this superpower logically raises the question of how much we, as Canadians, want our government's policy and future shaped by the U.S. Do we want to pool our resources, get rid of our shared border, and link our destiny to the U.S. administration? Or do we want to take a different path? We are not saying that Canada shouldn't work with the United States on joint concerns, but we believe that each country should be able to set independent policies and regulations.

What can I do about deep integration?

Getting informed is the first step. In this booklet, you will find fact sheets about deep integration, the Security and Prosperity Partnership of North America, the North American Competitiveness Council, military integration, water, energy and public health. You will also find our key demands for the Canadian government, most importantly a moratorium on deep integration.

But these demands are no good without public pressure behind them. We need you to help us spread the word about deep integration, whether that's by contacting your Member of Parliament, writing a letter to the editor, coming out to a Council of Canadians event, or signing a petition. The main thing is to take action and make your voice heard!

The Canadian corporate sector's push for deeper economic and political integration with the United States has developed in several phases, with both Liberal and Conservative government backing.

The Big Idea

In April 2002, the C.D. Howe Institute launched their “Big Idea” in a report by Wendy Dobson called *Shaping the Future of the North American Economic Space: A Framework for Action*. The report argued that Canada should entice the U.S. government into deeper economic integration by fully joining its “War on Terror,” offering more control over Canada's energy resources, and hinting at the possibility of greater access to Canadian water.

The corporate bandwagon

In 2003, the Canadian Council of Chief Executives (CCCE) released the North American Security and Prosperity Initiative, a 40-page position paper recommending that Canada participate in a North American Security Perimeter and that we harmonize several regulatory policies with the U.S. The paper preceded the launch in September 2004 of the Task Force on the Future of North America. A joint venture between the U.S. Council on Foreign Relations, the Mexican Council on Foreign Relations, and the CCCE, and co-written by former finance minister John Manley, the task force met in Toronto, New York and Monterrey between October 2004 and February 2005, and released a preliminary report called *Building a North American Community* in early 2005.

Security and Prosperity Partnership of North America

In March 2005, Paul Martin, George W. Bush and Vicente Fox met in Waco, Texas to ratify the Security and Prosperity Partnership of North America (SPP), which integrates recommendations from both the CCCE's Security and Prosperity Initiative and Manley's Task Force on the Future of North America. Despite a lack of public awareness or input, the three leaders agreed to take steps toward regulatory harmonization, a continental resource pact, and a North American security perimeter. Working groups were formed to put this "partnership" into action, and to date only industry "stakeholders" have been consulted. The next meeting of the SPP is planned for Canada in 2007.

Smart Regulation

In March 2005, former Treasury Board minister Reg Alcock launched the Canadian government's "Smart Regulation" agenda. The plan is to work with U.S. regulators to review, revise and harmonize regulations in order to integrate markets. Our fear is that regulations will be based on the lowest standard with the aim of boosting corporate profits, not improving the health and safety of Canadians. Smart Regulation is boosted by the federal government's Policy Research Initiative (PRI), a think tank close to the Privy Council Office, which has produced non-critical reports in favour of regulatory harmonization with the U.S., even as deregulation increases at an alarming rate in that country.

Atlantica and the Emergence of Cross-Border Regions

The PRI has also released a series of discussion papers on what they call "cross-border trading zones," where the effects of the Canada-U.S. border are to be minimized and cooperation intensified. In Eastern Canada, the Atlantic Institute for Market Studies, a right-wing think tank, and the Atlantic Region's Chambers of Commerce have called their trading zone "Atlantica." In June 2006, an

Atlantica conference for Canadian and U.S. business leaders recommended eliminating as many non-tariff barriers to trade as possible, including labour laws, environmental regulations and other public policies that interfere with corporate profits.

The North American Competitiveness Council

The North American Competitiveness Council (NACC) was created at the second SPP meeting in Cancun, Mexico in March 2006 and announced by the three North American trade ministers in June. The NACC formalizes the involvement of the corporate sector in directing Canada-U.S. relations and puts huge multinationals – Lockheed Martin, Wal-Mart, Chevron, Scotiabank, Power Corp, Canfor, to name a few – in a position to bypass the democratic process

and realize their dream of an integrated, deregulated North American market. Ron Covais, CEO of Lockheed Martin, explained the role of the NACC to *Maclean's* magazine this way: "The guidance from the [three trade] ministers was, tell us what we need to do and we'll make it happen."

