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# **Emerging Issues in the Canada-United States Relationship**

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#### SPEAKER

### Governor James J. Blanchard\*

Here it is the two worlds of Albert Spear. I don't know what that has to do with my speech, but I know Henry was at Nuremberg, but when he says it is pretty tough to be wise, it is hard to even pretend to be wise when you are next to Henry King, Jr.

This is really official stuff here. I feel like I should do something Nixon or something. I don't know. I don't think I have seen so many flags since I don't know when.

Anyway I am delighted to be here, Henry, and I want to congratulate the institute on its 30th anniversary, Sidney Picker, also a junior, right, founder to the staff that has put this together, to Dan and Julie Krause, and I think I even met your student coordinator earlier. She was worrying about things. Catherine Johnson, thank you. All the staff here, thank you.

I am also with the firm of DLA Piper Rudnick Gray Cary. Obviously, we have a branding problem. I am sure nobody here heard of this name. It is going to be DLA Piper sometime in September. It is a set of mergers, and I should do a little advertisement for the firm.

We have 3,100 lawyers globally.<sup>2</sup> We are in 22 countries.<sup>3</sup> We are in 22 cities in the United States.<sup>4</sup> The good news, we are not in Canada and don't intend to go up there and compete with any of you just so you know that. We figure there are too many good firms and too many good lawyers in Canada, and we tried to work with a few of them, and it has always been a good relationship.

I know we have a number of Canadian clients. I see Bob Crow from Blackberry. We have just been through an incredible battle with them, with every law firm in town. Gee, I wish we had the fees that NTP collected.

<sup>&</sup>lt;sup>\*</sup> Governor Blanchard joined DLA Piper Rudnick Gary Cary upon conclusion of his duties as United States ambassador to Canada in April 1996. In recognition of his outstanding performance, Secretary of State Warren Christopher presented Governor Blanchard with the Foreign Affairs Award. Governor Blanchard was named ambassador to Canada in May 1993, after serving two terms as governor of Michigan (1983-1991) and four terms as a member of the United States Congress (1975-1983). In 1992, he chaired President Bill Clinton's successful campaign in Michigan. Governor Blanchard is also former chairman of the Democratic Governors Association and the National Democratic Platform Committee, as well as a former member of the National Governors Association's executive committee.

<sup>&</sup>lt;sup>2</sup> DLA Piper, http://www.dlapiper.com (last visited Oct. 10, 2006).

<sup>&</sup>lt;sup>3</sup> *Id*.

<sup>&</sup>lt;sup>4</sup> DLA Piper: Offices, http://www.dlapiper.com/us/offices/ (last visited Oct. 10, 2006).

Anyway – but I also want to acknowledge George Costaris with the consulate.

He reminded me the other day he actually started at the Detroit consulate at the same time I became governor and has done a wonderful job. It covers Ohio, Indiana, Kentucky, Michigan,<sup>5</sup> and I am glad you are here and have been a wonderful force for cooperation.

I am delighted that Margaret Broadbent is here. She is not related to Ed Broadbent. She is representing our U.S. Trade Office, which is a very important office. If I ever had a job, if I die and go to heaven, I want to be U.S. trade rep because it is a nice combination, foreign policy and economic policy.

We do have a very capable rep today in Rob Portland from Ohio, and I think a lot of you know Rob. He has had a talented career as well. I want to also acknowledge the Taylors are here from Midland, Michigan. Is anybody else here from Michigan? The Taylors, Midland. That sounds like a flying trapeze act, the flying Taylors. Anyway we are glad you are here.

Drew McIntosh, he is with our firm. Excuse me. I have to do a little advertising. Drew is from our Tampa office. He is actually originally from Ontario, Andrew McIntosh, excuse me. He has something in common with Henry King, Jr.

Drew, Andrew McIntosh, is the honorary consul in the Tampa area for Canada.

Is that right?

Now, his job is to escort members of parliament to Disney World or something like that. I don't know what it is. Somebody said this law firm, we are going to have a retreat if you can believe this in May, and it is in Orlando. It is a global retreat, and my guess is, it is there because they all want to go to Disney World. They don't care about the law firm.

Now, the theme of this conference is Comparative Aspects on Innovation with Canada and the United States. Believe you me, as you can appreciate, I don't know anything – I really don't know much about that subject at all. You are the experts.

I look at the panelists and the papers that have been presented, I am really – I'm not going to talk about that. I look forward to reading your reports. I am sure they are going to be very helpful, and I look forward to that. But what I want to do is just do kind of an overview of United States-Canada relations, and I have been involved with Canada-United States for maybe 30 years as a young Congressman, governor, ambassador.

<sup>&</sup>lt;sup>5</sup> Detroit Consulate General, http://geo.international.gc.ca/can-am/detroit/menu\_148en.asp (last visited Oct. 10, 2006).

I mentioned to David Crane, who is here, there is nothing I am going to say you don't know. Disregard it. Let the others – maybe somebody here will hear something they haven't heard before, but I do want to say that, first of all, the job of U.S. Ambassador to Canada is one of the most interesting, exciting, challenging jobs anybody could ever have.

There is never a dull moment. It is one of the great political plums on the planet, and I speak as a person who all by age 50 have been a U.S. Congressman and governor of a major state, and the reason is you get to deal with virtually every issue. This relationship is the most overarching and yet multifaceted of any two countries on the planet.

You can name any issue from space station<sup>6</sup> to Haiti,<sup>7</sup> from trade to Great Lakes water quality,<sup>8</sup> from policing Kosovo,<sup>9</sup> to policing and fighting in Afghanistan,<sup>10</sup> and you will find that the United States and Canada are working cooperatively on it as we speak this very moment.

So it is not just that we were allies in World War I or World War II or Korea or the first Persian Gulf War or founders of the NATO or NORAD or the UN or partners at the OECD or the OIS or all those other alphabet agencies. This relationship today affects the air we breathe if you think about it, the water we drink.

Great Lakes water quality by the way, half the people in Michigan I might add drink that water,<sup>11</sup> similarly probably Ontario,<sup>12</sup> and, of course, our jobs. Millions of jobs are affected by this relationship, and most of you know it, but it is amazing when you talk to Americans and Canadians what they are working on, they think this is a nice connection.

But they are never really aware of how many connections there are. I did an e-mail to a law firm on a few occasions and said how many of you are working with different Canadian law firms, and several hundred responded. What was interesting is, they all kind of thought they were the only ones; that they were the only ones that had an issue, and they knew a lawyer in Toronto or Montreal or Calgary.

<sup>&</sup>lt;sup>6</sup> E.g., The International Space Station, http://www.shuttlepresskit.com/ISS\_OVR/ (last visited Oct. 11, 2006).

<sup>&</sup>lt;sup>7</sup> E.g., Tim Weiner & Lydia Polgreen, Facing New Crisis, Haiti Again Relies on U.S. Military to Keep Order, N.Y. TIMES, Mar. 7, 2004, at 118.

<sup>&</sup>lt;sup>8</sup> E.g., Bernard Gwertzman, Canadians Sign Pact With U.S. on Great Lakes, N.Y. TIMES, Oct. 17, 1983, at A1.

<sup>&</sup>lt;sup>9</sup> E.g., NATO to Delay Reducing It's Forces in Bosnia, N.Y. TIMES, Nov. 6, 1999, at A5.

<sup>&</sup>lt;sup>10</sup> E.g., Helen Cooper, NATO Chief Says More Troops are Needed In Afghanistan, N.Y. TIMES, Sept. 22, 2006, at A10.

<sup>&</sup>lt;sup>11</sup> David E. Rosenbaum, In Slap at Bush, House Votes to Bar Oil Drilling in Great Lakes, N.Y. TIMES, Jun 29, 2001, at A18.

<sup>&</sup>lt;sup>12</sup> About Ontario: Natural Resources, http://www.gov.on.ca/ont/portal/!ut/p/.cmd/cs/.ce/ 7\_0\_A/.s/7\_0\_252/\_s.7\_0\_A/7\_0\_252/\_l/en?docid=EC001033 (last visited Oct. 11, 2006).

They didn't realize everybody in the firm has had some contact, interaction. Maybe we want to coordinate that and think about it and learn from each other, it is fascinating. But if you just take the trade – I am not going to speak forever because I stand between you and the after dinner drinks, and I know what happens when Canadians are in the room.

I never seen a crowd that drank more I must tell vou. I think it is a Scottish heritage to be honest with you, whatever it is. I speak with some authority because I have been in northern Michigan, and it is a similar. But take the trading relationship; you hear it is the world's largest.<sup>13</sup>

Most of you know that. A lot of Americans don't, but, you know, it is probably a billion-and-a-half a day,<sup>14</sup> and still the Michigan-Ontario relationship is among the largest in the world<sup>15</sup>, other than maybe United States-Mexico at this point.<sup>16</sup>

Historically, it has been greater than United States-Japan.<sup>17</sup> We figure it supports the trade between two countries. It supports about five million iobs on both sides of the border.<sup>18</sup> Thirty-nine of our states, our greatest export country is Canada.<sup>19</sup> The U.S. exports more to Canada than we do to all the European Union added up.<sup>20</sup>

When people thought it was a mature relationship and wouldn't grow, it has actually doubled since NAFTA,<sup>21</sup> and it continues to grow.<sup>22</sup> But it is the jobs. It is the opportunity. It is the connections. But it is more than economic and trading relationship.

You take a look at the environment. The United States and Canada adopted the first environmental agreement between two countries in 1909.<sup>23</sup> This was an agreement negotiated, not finalized, but negotiated by Teddy Roosevelt and Sir Wilfred Laurier in the Founding Waters Treaty,<sup>24</sup> which

<sup>&</sup>lt;sup>13</sup> Office of the United States Trade Representative, http://www.ustr.gov/World\_Regions/ Americas/Canada/Section Index.html (last visited Oct. 10, 2006).

<sup>&</sup>lt;sup>14</sup> Id.

<sup>&</sup>lt;sup>15</sup> See Washington Canadian Embassy: State Trade Fact Sheets 2006, http://geo.international.gc.ca/can-am/washington/state\_trade\_2006/michigan-en.asp (last visited Oct. 11, 2006) (stating the large amounts of trade between Michigan and Canada).

<sup>&</sup>lt;sup>16</sup> United States International Trade Commission, http://dataweb.usitc.gov/scripts/ cy\_m3\_run.asp (last visited Oct. 11, 2006). Id.

<sup>&</sup>lt;sup>18</sup> Washington Canadian Embassy, *supra* note 15.

<sup>&</sup>lt;sup>19</sup> Id.

<sup>&</sup>lt;sup>20</sup> Canada, http://www.state.gov/r/pa/ei/bgn/2089.htm (last visited Oct. 10, 2006).

<sup>&</sup>lt;sup>21</sup> Id.

<sup>&</sup>lt;sup>22</sup> The Canada and US Trade and Investment Partnership, http://geo.international.gc.ca/ can-am/main/trade\_and\_investment/trade\_partnership-en.asp (last visited Oct. 10, 2006).

<sup>&</sup>lt;sup>23</sup> Our Shared Environment: http://geo.international.gc.ca/can-am/washington/shared\_env/ default-en.asp (last visited Oct. 10, 2006).

<sup>&</sup>lt;sup>24</sup> Integrating Canada and the US: The Historical Framework, http://www.isuma.net/ v01n01/randall/randall\_e.shtml (last visited Oct 10, 2006).

led to the creation of the LJC, International Joint Commission.<sup>25</sup> That's not a marijuana club.

It is not legal in Canada by the way. But anyway, that's another misconception of the Pat Buchanans of the world, but we have had about 40 different environmental cooperative treaties since 1909.<sup>26</sup>

The Boundary Waters Treaty was created to manage our boundary waters,<sup>27</sup> and I quote, "to prevent pollution therein."<sup>28</sup> So it was really way ahead of its time. There are still a lot of major countries that do not have an environmental agreement with their neighbors.

We take that for granted. Of course, one of the big ones was the acid rain accord actually negotiated by the Reagan people.<sup>29</sup> That, again, was the benefit of Reagan and Mulroney, was a real benefit at that time to Canada and the United States as well.

And then there is energy and probably most of you have learned probably most recently – but I will remind you – that Canada is our largest provider of energy.<sup>30</sup> What's interesting about that is it is not even close. It is overwhelming, but what's interesting, Canada is the largest provider of oil to the United States, slightly ahead of Saudi Arabia,<sup>31</sup> and then when you add coal,<sup>32</sup> natural gas,<sup>33</sup> hydroelectric,<sup>34</sup> and uranium<sup>35</sup> it is a very substantial amount of resources.

<sup>&</sup>lt;sup>25</sup> The Boundary Waters Treaty, http://www.thecanadianencyclopedia.com (last visited Oct. 10, 2006) (search "Boundary Waters Treaty" and click on the first hyperlink entitled "Boundary Waters Treaty").

<sup>&</sup>lt;sup>26</sup> Compendium of International Environmental Agreements, http://www.ec.gc.ca/international/multilat/compendium\_e.htm (last visited Oct. 10, 2006).

<sup>&</sup>lt;sup>27</sup> See What is the Boundary Waters Treaty?, http://www.ijc.org/rel/agree/water.html (last visited Oct. 10, 2006) (stating that, "the Treaty provides the principles and mechanisms to help resolve disputes concerning water quantity and water quality along the boundary between Canada and the United States.").

<sup>&</sup>lt;sup>28</sup> Id.

<sup>&</sup>lt;sup>29</sup> See Parliamentary Research Branch: Acid Rain, http://dsp-psd.pwgsc.gc.ca/Collection-R/LoPBdP/CIR/7937-e.htm (last visited Oct. 10, 2006) (referring to Reagan's "full endorsement to the Report of the Special Envoys on Acid Rain at the conclusion of ... a ...summit meeting with Prime Minister Mulroney" in 1986).

<sup>&</sup>lt;sup>30</sup> Canada Energy Data, Statistics and Analysis – Oil, Gas, Electricity, Coal, http://www. eia.doe.gov/emeu/cabs/Canada/Background.html (last visited Oct 10, 2006).

<sup>&</sup>lt;sup>31</sup> See Crude Oil and Total Petroleum Imports Top 15 Countries, http://www.eia. doe.gov/pub/oil\_gas/petroleum/data\_publications/company\_level\_imports/current/import.html (last visited Oct. 10, 2006) (stating that "Canada remained the largest exporter of total petro-leum products to the US in July 2006").

 $<sup>^{32}</sup>$  See US Coal Supply and Demand, http://www.eia.doe.gov/cneaf/coal/page/special/feature.html (last visited Oct. 10, 2006) (stating that "US metallurgical coal imports were 1.8 million short tons in 2005, mostly from Canada").

<sup>&</sup>lt;sup>33</sup> See The Supply Challenge, http://www.fuelingthefuture.org/contents/MeetingtheChallenge.asp (last visited Oct. 10, 2006) (stating that "Canada provides ... about 97 percent of US imports" of natural gas).

Probably 90 percent of the natural gas we import comes from Canada,<sup>36</sup> about 20 percent of the oil.<sup>37</sup> One partnership line company in Canada, Enbridge, not to be confused with Enron – my wife wondered because I am the board of Enbridge,<sup>38</sup> and when Enron got into trouble, she said is that the company you are on? I said no, no, no.

Enbridge is based in Calgary, <sup>39</sup>also has operations in Houston.<sup>40</sup> Enbridge pipes twice as much oil to the United States every year than the United States has ever received in any one year to give you some idea of the depth of the power of the relationship.<sup>41</sup>

Of course, there is security, and that's the buzz word now, security, Homeland Security, border security, but the reality is as we speak – and this has gone on for many years – there are 300 Canadians – I'm sorry – there are 300 Americans and 100 Canadians working inside Cheyenne Mountain in Colorado Springs as part of NORAD.<sup>42</sup>

You see it as places in movies like <u>Failsafe</u>,<sup>43</sup> and they are monitoring the skies together. They can tell within two minutes if a missile has been launched anywhere on the planet.<sup>44</sup> And within seven or eight minutes, they

<sup>36</sup> The Supply Challenge, *supra* note 34.

<sup>&</sup>lt;sup>34</sup> See Foreign Affairs and International Trade Canada: Electricity, http://geo.international. gc.ca/can-am/main/right\_nav/electricity-en.asp (last visited Oct. 10, 2006) (stating that "Canada [is] the largest electricity supplier to the United States").

<sup>&</sup>lt;sup>35</sup> See Shooting down Canada's Peaceful Image, http://temagami.carleton.ca/jmc/cnews/ 19012001/n1.htm, (last visited Oct. 10, 2006) (stating that "about 60 per cent of Canada's uranium exports go to the US").

<sup>&</sup>lt;sup>37</sup> See North America: The Energy Picture, http://www.eia.doe.gov/emeu/northamerica/ engsupp.htm (last visited Oct 10, 2006) (displaying graphically, US net imports of oil from Canada as a percentage of US consumption).

<sup>&</sup>lt;sup>38</sup> Enbridge, Inc. – Directors Information, http://www.enbridge.com/investor/corporate-Governance/boardOfDirectors/directors-biographies.php (last accessed Oct. 9, 2006).

<sup>&</sup>lt;sup>39</sup> Enbridge, Inc. – Contact Us, http://www.enbridge.com/utility/contact-us.php (last accessed Oct. 9, 2006).

<sup>&</sup>lt;sup>40</sup> Enbridge Energy Partners, L.P., http://www.enbridgepartners.com/Home/Default.asp (last accessed Oct. 9, 2006).

<sup>&</sup>lt;sup>41</sup> See Enbridge, Inc. – Liquids Pipelines, http://www.enbridge.com/about/enbridgeCompanies/liquidsPipelines/ (last accessed Oct. 12, 2006) (discussing the Enbridge liquid pipleline system as the primary transporter of oil from Canada to the US).

<sup>&</sup>lt;sup>42</sup> NORAD: About Us – Cheyenne Mountain Directorate, http://www.norad.mil/about\_us/ cmoc.htm (last accessed Oct. 9, 2006).

<sup>&</sup>lt;sup>43</sup> See IMDB, http://www.imdb.com/title/tt0058083/ (last accessed Oct. 9, 2006) (describing the plot of the 1964 movie Fail-Safe).

<sup>&</sup>lt;sup>44</sup> See generally Federation of American Scientists, NORAD at 40 Historical Overview, http://www.fas.org/nuke/guide/usa/airdef/norad-overview.htm (last accessed Oct. 12, 2006) (discussing the cooperation of the US and Canada in the formation of NORAD and its capabilities).

know its ultimate destination, time of arrival, and a lot of other things.<sup>45</sup> That's the kind of cooperation we have had.

Now, that doesn't mean we agree on everything, and when I was in Canada the only real disagreement I might add, it was a good time to be there because the Canadians grew to love Bill Clinton. Initially, they were not sure. The only disagreement we had probably was Cuban policy, and we just agreed to disagree.<sup>46</sup>

But my thinking on the relationship overall is that if you are not working to improve it – first of all, it absolutely can be taken for granted it has been – or as they say in Ontario – has been taken for granted by both sides on a regular basis.

But if you are not working to improve it in groups like this and others, it is going to slide. There is no way to have a status quo. It either gets better or starts to slide and problems erupt. It is also a situation where because we are so close physically and so much going on, a little dispute, if not managed properly, can really become a big deal.

I know when I was there we were looking for an agenda, and, yeah, we had to finalize NAFTA. The two things we did that were probably most worthy, we were able to bring about the Open Skies agreement,<sup>47</sup> and that involved having the Prime Minister's office<sup>48</sup> and the White House directly support it.<sup>49</sup> The other thing was the United States changed its position somewhat on the Quebec issue.<sup>50</sup>

We played a helpful but not meddlesome role in the 1995 in the 1995 referendum,<sup>51</sup> which was very close.<sup>52</sup> But the fact is with all this cooperation, with all these connections and a lot of families, students, friends, it is not

<sup>&</sup>lt;sup>45</sup> Id.

<sup>&</sup>lt;sup>46</sup> See generally Close Up Foundation Civics Education, U.S. Policy Toward Cuba, http://www.closeup.org/cuba.htm (last accessed Oct. 9, 2006) (describing the US relationship with Cuba and the response of the international community).

<sup>&</sup>lt;sup>47</sup> Press Release, U.S. Dep't. of State, U.S. and Canada Initial Open Skies Agreement (Nov. 10, 2005), http://www.state.gov/e/eb/rls/prsrl/2005/56920.htm.

<sup>&</sup>lt;sup>48</sup> Diplomatic Note from David Michael Collennette, Minister of Transport, Can. Dep't of Foreign Aff. and Int'l Trade, to Gordon D. Giffin, Ambassador of the U.S. (Jan. 20, 2000), http://www.state.gov/documents/organization/64446.pdf.

<sup>&</sup>lt;sup>49</sup> Diplomatic Note from Embassy of the U.S. to Embassy Can. (June 12, 2000), http://www.state.gov/documents/organization/64435.pdf.

<sup>&</sup>lt;sup>50</sup> See generally John E. Trent, A Practical Guide to the 1995 Referendum, Dialogue Canada, http://www.uni.ca/dialoguecanada/trent\_guide.html#4a (detailing the 1995 referendum including the US position).

<sup>&</sup>lt;sup>51</sup> Id.

<sup>&</sup>lt;sup>52</sup> Gov't of Canada, Privy Council Office, Questions and Results 1980 and 1995 Referenda, http://www.pco-bcp.gc.ca/AIA/default.asp?Language=E&Page=consfile&Sub=ReferendaQuestionsandRes (last accessed Oct. 12, 2006).

business or environmental treaties, but with all these connections, there are differences.

And I used to have a list and read them off in speeches, and I am not going to do that tonight because that would extend the speech considerably, but the reality – people used to say then what are the differences other than the way they pronounce words and things.

The biggest difference is when Canadians wake up in the morning you – and you know who you are – look at the world differently. It is just that simple.

Even right across 16 miles from my home, in Windsor, when people wake up in Windsor, they look at the world totally a lot different than Americans. So it is not just a different geography history; it is a different point of view, and the political system is totally different, totally different.

I found myself – I still find myself trying to interpret, and I don't understand always everything that is going on but trying to interpret what's going on in Ottawa or Toronto or Edmonton or Victoria to my clients or friends or members of Congress in Washington or Lansing, Michigan, or wherever, Columbus, trying to explain things.

You know, even the word table, when you table something in Canada you present something, and here you trash it and goes on and on. I found myself as an ambassador being an interpreter of what things mean and how they are going to be handled and what the order is and what the process is, and so, of course, the cultural differences are very, very substantial, but people don't think about that.

But if you talk to people with a lot of experience from Europe or the U.K. who work in the United States and Canada, it is really a quite different place as I learned living in Ottawa, which by the way was a great job.

But the point is, if something is not managed, it can become very high profiled, and that gets you into the issue of lumber. As Bush said privately the other day, you know, lumber is the most important thing to you, Mr. Harper.<sup>53</sup> To me, it is like No. 100. So we ought to be able to settle it.

By the way, I think they will be able to settle it, but this dispute over lumber has dragged on now for five years.<sup>54</sup> John Kennedy mentioned it in his speech to the University of Brunswick in 1957.<sup>55</sup> There have been arguments over this for many, many years.

<sup>&</sup>lt;sup>53</sup> See Press Release, White House, President Bush and Prime Minister Harper of Canada Deliver Remarks in Mexico (March 30, 2006), http://www.whitehouse.gov/news/re-leases/2006/03/20060330-8.html (stating President Bush's remarks about lumber).

<sup>&</sup>lt;sup>54</sup> See generally Gov't of British Columbia, Canada-U.S. Lumber Trade Disputes, http://www.for.gov.bc.ca/het/softwood/disputes.htm (last accessed Oct. 9, 2006) (describing "Lumber IV", the Canada-US lumber trade dispute beginning in 2001).

<sup>&</sup>lt;sup>55</sup> John F. Kennedy, Remarks at University of New Brunswick upon receipt of Honorary Degree (1957).

I think the recent agreement expired in 2001,<sup>56</sup> and no one was happy with it, and we have been at loggerheads ever since. By the way, I absolutely predict that probably within 60 days, if the intention of our leaders is implemented, it will be solved. I absolutely believe that. I have never seen an agreement that is so ripe for a solution, and it will have to be a negotiated settlement.

There is no way anyone is going to win legally or have a dispute mechanism as successful as it has been. It is going to have to be negotiated, and if it is not because the parties on our side can bring a lawsuit the next day if they are not happy with the agreement, but it will get solved.

Of course, the other big disagreement in recent years is Iraq.<sup>57</sup> I am not even going to get into that because my point of view is not similar to the Canadian point of view and you don't need that from me.

But that created some static at the top, at the top of our two governments, and I should say regardless of how that all came about, the day-to-day working relations between American and Canadian department heads, agency heads, day-to-day working relations between our two governments, which is an incredible relationship as I pointed out, have always been very good.

I wouldn't want anyone to think that any static has happened between the Prime Minister and the President or visa versa and really affected that because I don't think it did. For those of you that don't follow it, Mulroney, Reagan and [George H. W.] Bush had a close relationship. They got along famously, so much so that Mulroney was constantly criticized for getting along too well with Reagan and Bush.<sup>58</sup>

So when Clinton was elected and Jean Chrétien of the other liberal party became Prime Minister, I was going to Canada as Clinton's ambassador. All my friends, including my pal David Peterson who had been Premier of Ontario, said "Oh, boy. It is going to really, really be tough for you." Chrétien just bashed Mulroney for being so close to Bush and Reagan.<sup>59</sup> They are really going to be hard on you. Well, it is true for the first few months Chré-

<sup>&</sup>lt;sup>56</sup> Softwood Lumber Agreement, Can.-U.S., May 29, 1996, 1996 Can. T.S. No. 16, *available at* http://www.dfait-maeci.gc.ca/eicb/softwood/pdfs/treaty-e.pdf; *See also* Softwood Lumber Agreement, U.S.-Can., May 29, 1996, 35 I.L.M. 1195.

<sup>&</sup>lt;sup>57</sup> See Briefing and Hearing Before the Subcommittee on the Western Hemisphere of the Committee on International Relations House of Representatives, 109<sup>th</sup> Cong. 5 (2006) (statement of Rep. Elliot L. Engel), available at http://www.internationalrelations.house.gov/ 109/27812.pdf (explaining the areas in which Canada and the United States disagree over Iraq).

<sup>&</sup>lt;sup>58</sup> See Joe Chidley, Mulroney on the Record, CANADIAN BUSINESS ONLINE, Sept. 11, 2006, http://www.canadianbusiness.com/managing/ceo\_interviews/article.jsp?content=20060911\_15 2707\_5096 (discussing the criticisms of Mulroney's relationship with Reagan and Bush).

<sup>&</sup>lt;sup>59</sup> See Craig Turner, 'Open Skies' Deal Likely to Mean More, Cheaper Flights to Canada, CHI. SUN-TIMES, Feb. 25, 1995, 41 (discussing Chrétien's criticisms of Mulroney).

tien privately kept distance, but privately was very welcoming, very supportive, very, very helpful, really wonderful to me and my wife, treated me - I remember the family like a crazy cousin – but nevertheless a member of the family, and in a year – within the year, I couldn't get Clinton and Chrétien apart.

All they wanted to do is talk about going golfing together. They worked marvelously all that time. It got a little tense briefly when [George W.] Bush was running. A comedy talk show caught him in Michigan and said this hour – is it this hour that has 22 minutes – and said we want to tell you, Governor, that the Prime Minister of Canada Jean Poutine, which is a snack, has endorsed you, and what do you think?

And he graciously accepted the endorsement, and they made Bush look bad in Canada, but it also made Chrétien look bad because Bush didn't even know the name of the Prime Minister of Canada, so that was a bad start. But then later one of Chrétien's staffers, press secretary, called Bush a moron. So that didn't really help either.

Then Chrétien didn't even fire her right away, which everybody told him to do, so by that time Bush didn't want to hear about lumber, and then the Iraqi War started, but the truth is when Chrétien and Bush were together, they got along very well, but when Paul Martin came in, he insisted he would do much better with America than Chrétien.

And that was going along very well until he got into the campaign, and I don't know all the things that happened, but the fail got into the campaign and I don't know all the things that happened, but the failure to abide by the lumber panel, the extraordinary challenge on lumber that all of you – how many of you follow this lumber thing? Some of you. And how many of you are tired of it?

Anyway when the United States failed to abide by the extraordinary challenge panel decision in August of 2005,<sup>60</sup> that really put enormous pressure on Paul Martin, so much for that.

But the fact is the day-to-day relationships have been very good, and reality is that while the United States it is really never a problem to be pro-Canada and get along with Canada and you don't, people figure there is something wrong with you, either intellectually or morally wrong with you, if you can't be friendly with Canada.

In Canada, the fact is Prime Ministers have to show some independence. If they don't, they will get no credibility in their country, and while Stephen Harper's election victory was viewed as a good thing for President Bush in the United States or somehow a slap at Paul Martin for being critical of the

<sup>&</sup>lt;sup>60</sup> See Susan Delacourt, *PM to Warn U.S. Lumber Clash Risky*, THE TORONTO STAR, Oct. 6, 2005, A08 (discussing the United State's failure to comply with the Extraordinary Challenge Panel's decision).

United States, I think the reality is that Mr. Harper wanted to be because they were tired of 12 years of liberal rule.

They wanted a new Government, and Harper tried once and lost narrowly, and finally, he won a minority, but look at what happened. I think he ran a good campaign. People were really ready for an alternative, and that usually happens in any country, including the United States.

And I think that's what happened, but, of course, the Bush people haled the arrival of Harper as a new era, and the truth is, it is a new era because anytime you have a new Prime Minister or a new President, it is a time to refresh and renew relations, and that's what was going on.

But that's what's going on. That's what was going on last week in Cancun when Stephen Harper was down there with Vicente Fox and President Bush,<sup>61</sup> but I was asking myself as Harper celebrated his victory, how is he going to distance himself early so he can have a good cooperative relationship with President Bush?

Sure enough within the week he had attacked our Ambassador David Wilkins, who, by the way, I think has the potential to be a magnificent ambassador. I think he is already a good one, but he attacks our ambassador for making a standard policy comment on the Northwest Passage where Canada and the United States kind of have agreed to disagree for about 50 years, what that involves up in the Artic region.<sup>62</sup>

And so he has gotten that out of the way. I think we can settle down and get back to business. As I said, it is not only a good time to renew relations, but I do predict that Stephen Harper will enjoy a real honeymoon with President Bush from what I can tell.

Again, I need to say this: I do not speak for the U.S. Government, and obviously, I don't speak for the Canadian Government. The only people who speak for the U.S. Government on this one are David Wilkins, our ambassador, or Condoleezza Rice or our President.

So everything I say is just Jim Blanchard as a friend of Canada, as a student of United States-Canada relations. I think it is going to be a good relationship. They are off to a good start as I said with Cancun.

We have two new ambassadors, David Wilkins, Speaker of the House in South Carolina.<sup>63</sup> He is up in Ottawa, a seasoned veteran, politician, under-

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<sup>&</sup>lt;sup>61</sup> See Patty Reinert, Summit Wrap-Up Stresses Border Security, Trade Issues, THE HOUSTON CHRONICLE, April 1, 2006, A17 (discussing the meeting between Bush, Harper, and Fox in Cancun).

<sup>&</sup>lt;sup>62</sup> See Rebecca Dube, *Tiff over Northwest Passage Heats Up as Ice Melts*, USA TODAY, April 4, 2006, 10A, *available at* http://www.usatoday.com/news/world/2006-04-03-nwpassage-debate\_x.htm (discussing the dispute between Canada and the United States over possible trade routes).

<sup>&</sup>lt;sup>63</sup> See Biography of David H. Wilkins—U.S. Dept. of State, http://www.state.gov/r/pa/ei/ biog/49026.htm (last visited Oct. 10, 2006) (describing David H. Wilkin's appointment and

stands Government.<sup>64</sup> He has had his fill of lumber stories. But I think he is doing great, and Canada has just blessed the United States with the appointment of Michael Wilson, who has been a long time statesman really in Canada, who, as many of you know, served as finance minister previously, trade minister, successful businessman.<sup>65</sup>

I think Canada is set for Washington's finest. It is a real home run. And I am glad that President Bush sent a seasoned politician, who has been a close friend of the Bush family, to Ottawa because ambassadors with political experience and Government experience, as distinguished from being a fund raiser, with political and government experience, is enormously necessary in such a multifaceted relationship, and we have that.

As I said, if we are going to settle lumber – there are some practical issues I am worried about as I conclude that I think are really important. There is a requirement and some of you are aware of it, it is called the Western Hemisphere Travel Emissions.<sup>66</sup> How many of you are aware of that? Raise your hand. Okay.

Yeah. Bob Crow raises his passport. That's right. I call it the Passport Bill law, but buried in this thick log of whatever it is, Homeland Security Act of 2004, is the provision that says as of December 31st, 2007 -or I guess you could say January 1, 2008 -it will be required when people go back and forth from United States to Canada, the land borders, they will be required to have a passport or other secure document.<sup>67</sup>

Now, I just got my passport renewed. If I told you what I went through to do that, first, they ask you to send your passport in, the old one, and then they will mail you one in a few weeks. Well, if you go back and forth every day – so anyone who has looked at this, the percentage of people who go back and forth – there are 500,000 people that go back and forth every week,<sup>68</sup> several million every year.<sup>69</sup>

<sup>69</sup> See U.S. Dep't of Transportation: Bureau of Travel Statistics, Canada-U.S./U.S.-Canada Travel by Trip Purpose, http://www.bts.gov/publications/north\_american\_trade\_and\_travel\_trends/tables/table\_10.html (last visited Oct. 11, 2006) (quantifying the number of people

achievements).

<sup>&</sup>lt;sup>64</sup> Id.

<sup>&</sup>lt;sup>65</sup> See The Honourable Michael Wilson, Canadian Ambassador to the United States of America, http://geo.international.gc.ca/can-am/washington/ambassador/default-en.asp (last visited Oct. 10, 2006) (describing Michael Wilson's appointment and prior experience).

<sup>&</sup>lt;sup>66</sup> Media Note, U.S. Dep't of State, New Passport Initiative Announced To Better Secure America's Borders (Apr. 5, 2005), *available at* http://www.state.gov/r/pa/prs/ps/2005/ 44228.htm.

<sup>&</sup>lt;sup>67</sup> Id.

<sup>&</sup>lt;sup>68</sup> See The Centre for Research and Information on Canada: Background on the Canada-U.S. Border, http://www.cric.ca/en\_html/guide/border/border.html#faqs (last visited Oct. 11, 2006) (stating that more than 300,000 people move across the Canada-United States border each day).

People go there for dining, casual shopping, and they go to Toronto for a weekend, whatever it is. There is no way today in my opinion, however well intentioned that law is, there is no way our passport law could administratively get ready to be implemented. This is a train headed right down the track, and if we don't find a way to make this work or modify it in a way that is workable or delay it, we are going to be building an unfriendly wall between the United States and Canada.

We are going to turn the United States into a gated community, and this will be a disaster. Trust me on this. People will be lined up for miles. They will stop going [to Canada]. It already has had a chilling effect on tourism on both sides. It is a huge problem.

We are going to have to find a balance between security and our way of life, our quality of life. Now, let me just tell you this: I never met a single member of Congress who knew that was in the law that was passed. This bill was like that. And I can assure you, I am confident – I shouldn't say assure you – I am reasonably confident the President of the United States did not know it was in the bill either.

But on our side, the Administration hides behind, well, Congress passed this, by God, and [the President] would have to enforce it.

Well, that is very disingenuous because I haven't met anybody along the northern border from Congress of either party who thinks this is a good idea, and there has to be a way to do this different. I mean it is very serious and a serious issue.

The good news is that our Ambassador has wisely said it is a work in progress. The Canadian Government's official position is, we will work with the United States on this and point out all the different things that need to be managed, and if those aren't all managed properly, then we will seek a delay.

So there is a lot of diplomacy, and there is a lot of room for diplomacy, but I want you to be aware that it is, I think, a disaster waiting to happen. We also have the issue of the Detroit-Windsor border crossing. I will just put up an advertisement for that; that there is a need for a new crossing there.<sup>70</sup>

That's being worked on between Ontario and Michigan and Canada and the United States, and most of you are not involved with that, but it is important because 911, when our border crossing slowed down to check people, it backed up cars for I don't know – how many miles was it that we backed up the trucks? 20 miles trucks were backed up.

Within four hours the factories of Michigan shut down and in Canada because of the lack of just in time inventory. So this is serious business here,

traveling across the Canada-United States border annually).

<sup>&</sup>lt;sup>70</sup> Kevin McGran, *Canada, U.S. Speed Up Study of Border Crossing*, TORONTO STAR, June 3, 2003, A08 (discussing United States and Canadian efforts to study the need for a new border crossing).

this managing the border as it will be with the Kyoto Accord. How do we work together on that? We have integrated economies.

There is no way whether you sign Kyoto as Canada and United States – "We are going to have to work together on managing our environmental laws."

The bottom line is, there is a lot of work ahead. It is a subject I could talk on all night. I won't. I am very optimistic about the future of United States-Canada relations, despite those issues as I mentioned. I am very optimistic with new leadership, new ambassadors, and, in fact, for the first time in recent years, I have seen a renewed interest in the U.S. Congress for working on Canadian issues. When I was there years ago, George, we didn't have a northern border caucus. There was an interparliamentary union, but those guys always wanted to go to Paris or London. Very few went to Ottawa.

Of course, we didn't have a direct flight either. It is true. We didn't have a flight between Ottawa and Washington until it was – I was ambassador at the time. But we have got a northern border caucus now in Congress.<sup>71</sup> We didn't have that before. There is a new caucus in Congress called the Friends of Canada.<sup>72</sup> To me that's exciting. All I can tell you is, it is a partnership that works. You are part of it, and I thank you.

### DISCUSSION FOLLOWING THE REMARKS OF GOVERNOR JAMES J. BLANCHARD

DR. KING: That was a very wise and a great talk. I had a question that maybe you have some comment on. The Canadian approach, Jim, is multilateral on agreements. There are parties to the land mine. There are parties to the land mine convention, Kyoto, the International Criminal Court; the United States is unilateral in its approach. Do you think that poses a threat to United States-Canadian relations over the long pull?

GOVERNOR BLANCHARD: No, I don't. I mean, you are right, if you had to generalize the United States as more unilateral, the United States is more unilateral, and Canada is more multilateral.

Canada, of course, being a smaller country, one-tenth our size, loves all these multilateral organizations, likes to participate, and they all love to tie up the United States like Gulliver in Gulliver's travel. But the fact is that if

<sup>&</sup>lt;sup>71</sup> News From Congressman Bart Stupak: Stupak Heads Up Congressional Northern Border Caucus, http://www.house.gov/list/press/mi01\_stupak/030105.html (last visited Oct. 11, 2006).

<sup>&</sup>lt;sup>72</sup> See Brian Adeba, Friendly Face-Off, EMBASSY, March 22, 2006, available at http://www.embassymag.ca/html/index.php?display=story&full\_path=/2006/march/22/ faceoff/ (discussing the formation of The Congressional Friends of Canada Caucus).