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Western Regionalism: Views on Cascadia

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Thanks, Paul. I am going to be relatively brief, because I think, Paul, you said ESPN has a special on bowling that you wanted to catch.

MR. FRASER: I told you it was my bowling night.

MR. CRANE: Well, I am going to follow on what I will say was a fascinating presentation.

I must say, Henry, my ears really perked up when he mentioned that Bill Gates had set aside a million dollars a year for ten years. I thought we should make a phone call next week. You might want to help on that because we need equal treatment in this part of the country.

What struck me is that looking at the Canada-U.S. relationship, what is happening at the provincial and state government levels on a regional basis maybe more changed focus than what is actually happening at the national government level.

It would be interesting for, I would think, for some kind of the academic research study to examine all the various forms of what we call sub national regional cross border collaboration.

I see a lot more of this happening. I remember Joel Garreau's 1981 book *The Nine Nations of North America*. I think there is a lot happening at the regional level for purely pragmatic and practical reasons of solving problems that have to be solved to facilitate a whole range of issues regionally.

As Paul mentioned, I just returned from the Western Governors' Association. It is interesting to see the amount of Canadian presence there and the way in which the Canadians are accepted as part of the discussion.

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The Western Governors represent 18 states, North Dakota south to Texas and everything west of there, and they border on B.C., Alberta, Saskatchewan, and Manitoba. The two sides of the border, if you like, share many elements of what might be called a western culture.

We are accustomed to hearing Ralph Kline and others talk about the Canadian west. Well, Bill Richardson and people like that, talk just as strongly and passionately about the western spirit in the United States. They share many elements of what might be called the "Western Culture," which is a frontier spirit resource-based economy and they say children and grandparents, they have a shared enemy; and, in the same sense, the western jurisdictions on both sides of the border feel the same way.

Neither of them has a great deal of admiration for their national capitals. Anti-Washington language that is just as strong and when you get to the western states of the United States, as it is when you sometimes go to Calgary or Vancouver. Therefore, they have these things.

Now, what is interesting is not just in western Canada and the western states of this collaboration exits. If you go to other end of Canada, we have something very similar. We have The Conference of New England Governors and Eastern Canadian Premiers, they meet every year, and they alternate in each other’s country. In Canada, this includes the four Atlantic Provinces and Quebec, and in the United States Maine, Massachusetts, Connecticut, Rhode Island, New Hampshire and Vermont. In the center, you have something called the Great Lakes Governor’s Council, which includes a variety of states. I do not have the whole list here, but states like Michigan, New York, Illinois, Ohio, Indiana and others; and Quebec and Ontario are members. Probably, of the three regional associations of this sort, the Great Lakes Governor’s Council and the Ontario/Quebec relationship as being the least effective so far.

Ontario, for example, has never really made up its mind whether it wants to make a serious and sustained commitment to this enterprise, and the Great

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Lakes Governors' themselves seem not to be as well organized a group as the Western or New England Governors. However, I think that this will change.

I think the new government in Ontario is much more focused in developing a better relationship with the Great Lakes states for a variety of reasons. These include pressing issues on water and the Great Lakes Quality and diversion issues. They include the border management issues, border infrastructure issues, and they include opportunities for collaboration and for competitiveness reasons, whether it is the automotive sector, I.T., life sciences, or the so-called hydrogen economy.

Last, but not least by any means, is the whole issue of electricity and the importance of establishing a reliable electrical grid to serve this region across the border. That is especially important for Ontario, because Ontario is and will continue to be a net electricity importer from the United States.

Now, there are a number of reasons why these regional cross-border associations seem to work.

Most likely is that they work because the adjoining jurisdictions have common problems of concerns that they have to deal with, environmental management, infrastructure, things of those nature. I think it is a pragmatic reason to solve shared problems.

Secondly, we are not moving towards greater decentralization and more of the infrastructure energy and technology development opportunity are best designed and more relevant by being under the direction of those closest to the needs. There will continue to access national funding programs and things of this sort, but I think we are moving to a situation where more of the identification of how this money should be spent will be made locally.

Also I think it is easier for Premiers, Governor's, local legislators and government officials, as well as even Mayors and Councils to get to know each other and work together than it is for national governments.

Now, an additional advantage for Canada can be that state Governors may go on to become members of the U.S. Senate or occasionally even a President. That is an additional investment or benefit that Canada can get by working at the state level, and there are a number of examples that have.

These regional associations of federal and provincial and state governments can also work together to jointly lobby their respective national governments on issues that are important. One other thing is they work cooperatively on things, such as joint tourism projects and things of that nature, where you can get an advantage of scale, if you like, a leverage, in tourism promotion advertising by working together.

Therefore, I think these kinds of connections will continue to grow. One of the interesting ones that made some very early days in the sense is this whole talk of developing the hydrogen economy, and there is still many question marks that surround it on issues such as hydrogen storage and hy-
hydrogen transportation, and how you actually produce a hydrogen in a way on
the net benefit basis, environmental energy terms.

We see what is happening in British Columbia with the desire to have a
hydrogen corridor going from the Canada-U.S. border up to Whistler. You
have seen what the California governors announced, what they want to do
over the next ten years.

Washington is looking more and moving along a hydrogen corridor, what
that will mean is that as you develop this infrastructure of refueling stations,
and you locate many of them near to urban centers, individual municipalities
will be able to build through the public transportation systems, the delivery
vans, the post office or Fed-Ex and these kinds of things, municipal vehicles,
garbage collection, all those kinds of things. They all start to use fuel-cell
based vehicles as part of the process of going down the learning curve to
really advance this technology; and it is essential, if we are going to move to
a hydrogen-based economy, that we have this kind of practical demonstration
effect where we can learn not only how the technology works, but what the
maintenance issues are, and the design issues are. Can the mechanics get at
the parts they need to repair? You can only learn all these things through
actually using something.

Therefore, we are seeing in western Canada this possibility of developing
a hydrogen corridor. In central Canada, we can easily see Ontario, Michigan,
Illinois, Ohio, moving in this direction to build a similar kind of initiative.

Certainly, I think the new government in Ontario is examining not only
the water issue, the Great Lakes issue and the electricity issue, but also some
of these ways in which Ontario can collaborate with neighboring states to
advance automotive technology, hydrogen technology, these kinds of things.

Now, I want to talk a little bit about western Canada and regionalism,
even though I live in Toronto, but I do get all the mishaps from the Canada
West Foundation, which keeps me in line, even though I think the Federal
Government is the biggest single source of funding. That is an interesting
situation itself. However, it is a good example of the rapport that I men-
tioned between states and provinces. What this experience in the in western
Canada between the states and provinces and Cascadia has demonstrated is a
vast array of issues that the neighboring governments can deal with. Some
things I mentioned, electricity grids, energy, environmental research and
development on land use policy, on border infrastructure, helping to imple-
ment the Smart Borders Declaration that the two countries have signed.
They have many shared concerns on water, on native rights issues, fisheries
these kinds of things, and they can cooperate and deal with these activities in
a way that is much easier than it is by having to direct these activities out of
Ottawa or Washington.
It is interesting to see how the western governors and western provinces are utilizing federal programs on either side of the border to meet some of their own needs.

One of the interesting things the U.S. Government is pursing is something called the Carbon Sequestration Regional Partnerships.\(^8\) Minnesota, North Dakota, Montana, Wyoming, plus Manitoba and Saskatchewan set up the Plains CO\(_2\) Reduction Partnership.\(^9\) They are using U.S. Federal funding and the goal is to identify in this part of the continent potential CO\(_2\) technologies and to identify these and to enter into a competition at the latter part of next year on a small scale validation testing, which will get additional Department of Energy financing.\(^10\)

Another interesting thing in the energy field example of cross border project was a CO\(_2\) project, what is happening is that a power plant in North Dakota is sending by pipeline into Saskatchewan the CO\(_2\) that it generates from an electricity plant.\(^11\) In Saskatchewan, this CO\(_2\) is being ejected into an oil reservoir to extract additional oil and to determine whether the CO\(_2\) can be effectively stored in this reservoir as a way of dealing with greenhouse gas emissions.

Therefore, there are two things being addressed here. One is to increase the output from existing oil fields. According to one Alberta estimate, every one percent increase in extraction from existing conventional oil fields in Alberta is equal to 5 billion dollars in additional government royalties. Thus, there is a lot of money at stake. The other benefit is that by discovering an effective way to get rid of CO\(_2\) gas by burying it in these empty reservoirs deep in the ground, we help deal with this challenge of the KYOTO Accord and how to deal with greenhouse gas emissions.

Therefore, this is a very interesting cross-border project, and I could give you a long list of these kinds of things that are happening in western Canada, cross border collaboration being directed by state and provincial governments, which shows, in effect, how the regional approach is delivering something of consequence for the whole country.

Now, the one last point I wanted to make. I am not going to talk about Cascadia. I think you already heard a lot about that. We can answer ques-

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tions about it in the question and answer period, if people want to pursue it further, but it is interesting there are so many different Cascadias now on the web, you have to be careful which site you go on to, because you can end up on the wrong one. There is a quite separatist one, the Republic of Cascadia that Paul referenced.12

It says on their web site that now is the time for citizens of Cascadia to demand their freedom from the oppressive governments of Canada and the United States. For too long, people put up with indifference and condescendence from distant seats of power. We have been subject to Francophonic imperialism, and wasteful spending of tax money. Entrepreneurs are being attacked by the so-called justice system for merely doing their jobs and growing our economy. When will we say enough is enough? This a whole web site about independence and they have their own flag.

Interestingly, they are going to put the Capitol for this new republic in now what is now part of Canada, I think is that Prince Rupert or Prince George.

MR. FRASER: Between Prince Rupert and Prince George.

MR. CRANE: We can talk about Cascadia more in the question and answer session.

One thought I want to leave with, which is not directly related to everything else I had to say, is one of greatest challenges we have, both in the broader picture and at the sub national level is to recognize that we are in the midst of a period of profound change. That we cannot rely on incrementalism as a way to deal with our issues.

When I go to speak to high school students, I think they really understand it. In 25 or say 30 years from now we are going to have another 2 1/2 billion people in the world. All of those people are going to want a much higher standard of living then their parents have today in these countries and of the other people in these countries want the same thing.

The real issue is how do we accommodate that without destroying the biosphere? In our countries, it is not just a matter of energy, but how we continue increasing the supply. We really have to control on the demand side, because I think the biggest challenge of the 21st century will be how the planet is able to live in a cooperative way without fighting each other when there is going to be much more of a competition for resources, for space, for all of these things. We are going to bump up in a serious way against some of the limits of the biosphere. We have to become much more accomplished at being able to take a longer term and more global view of how we deal with our challenges.

What bothers me so much in all this discussion we have these days, there is obliviousness to the fact that the world is going to be quite a different environment 25 or 30 years from now; and that really is not very far away.

Therefore, we have to have this much different kind of view and thinking in everything we do.

Therefore, that is a different note I wanted to end on. Thanks.