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by

Danny Calhoun

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Comments are welcome and should be directed to:

CSIS Americas Program
1800 K Street, NW
Washington, DC 20006
Phone: (202) 775-3180
Fax: (202) 775-3199
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Introduction

The 103rd Congress arrived in Washington in January 1993 with high expectations and an ambitious agenda. This Congress may have failed to live up to its potential on some domestic and foreign policy issues, but it would be unfair to criticize its dealings with Canada-related affairs: in recent history, Canada has only rarely emerged as an issue worthy of considerable congressional attention.

Given the dynamic nature of the bilateral relationship, one would not expect this to be the case. The trading relationship between Canada and the United States easily ranks as the world's most prolific, with two-way trade between the countries approaching $220 billion in 1993. In addition, the two nations cooperate closely on a variety of matters, ranging from defense and space exploration to immigration and the environment. Canada's geographic position in relation to the United States also subjects it to a significant amount of U.S. scrutiny.

This scrutiny, however, seldom manifests itself in the chambers of the U.S. Congress. For example, congressional debate on the North American Free Trade Agreement (NAFTA) focused almost entirely on the benefits and pitfalls of engaging in free trade with Mexico. Canadian involvement in the pact received at best passing reference during the course of deliberations. The reason for this behavior is easily understood: From a U.S. perspective, relations with Canada are relatively harmonious and, hence, do not merit serious congressional meddling. While recognizing Canada as a sovereign nation, many U.S. politicians, to the chagrin of most Canadians, fail to see beyond the strategic interests and cultural heritage that the two countries share.

Congress can take this liberty because it is not responsible for marshalling the day-to-day relations between the United States and Canada. That duty falls to the executive branch and its various cabinet departments and agencies. The Department of State, the Department of Commerce, and the Office of the United States Trade Representative (USTR), among other institutions, are all in a better position than Congress to monitor the overall status of bilateral diplomacy. These organizations and their Canadian counterparts serve as the official conduits of information and dialogue between the two nations.

Congress does, however, have an interest in, and influence on, matters related to Canada. Individual representatives and senators have the power to fight for constituent demands and find it politically expedient to do so. When these demands correspond to U.S. policy vis-à-vis Canada, U.S. legislators are quick to act. Congressional response to recent disputes over agricultural trade and fisheries, for example, were precipitated by outcries from distinct segments of the U.S. population over perceived injustices on the part of the Canadian government. This in turn led to larger ramifications for the whole of U.S.-Canada relations.
Representatives wield considerable leverage while championing the interests of their respective districts. They are, of course, able to introduce and support resolutions allowing for punitive measures against Canada in response to those actions deemed harmful to the United States. A more practical option (and that most utilized during the course of the 103rd Congress) is that of extracting pledges of retaliatory action from party leaders and, most important, the president, in exchange for backing key pieces of legislation. Because of these political considerations, the executive branch cannot simply ignore rumblings against Canada emanating from Capitol Hill. To placate important swing legislators from northern tier states hedging on NAFTA, for example, President Clinton found himself compromising the principles of free trade by promising to launch an investigation against Canada over alleged unfair trading practices involving durum wheat.

The district-driven nature of congressional concern with Canada marks the defining characteristic of the bilateral relationship. The separation of powers in the United States bestows each branch of government with a certain degree of influence in the conduct of foreign policy. In its dealings with Canada, Congress, for the most part content with the serene workings of the bilateral relationship, often chooses not to exercise its considerable power. When problems arise, however, it can be expected to treat Canada as it would any other foreign entity that challenges U.S. interests. Hence, Congress has the capacity to selectively dictate the agenda of U.S.-Canadian relations.

This study comments on the 103rd Congress and the extent to which it focused on Canada, but it does not attempt to track legislation or to catalogue all mentions of Canada in the Congressional Record. The first part of the paper examines Congress's view of Canada as a generally peripheral concern, unless prompted otherwise by constituents. A brief analysis of the Canadian perspective on Congress follows, and the paper concludes with a discussion on whether Congress's knowledge of Canada is sufficient.

The Congressional Perspective

Although U.S.-Canadian relations entail the whole spectrum of foreign policy considerations, three issues best reveal attitudes in the 103rd Congress toward Canada: NAFTA, agricultural trade disputes, and fisheries.

NAFTA

Undoubtedly, the key item of legislation voted on by the 103rd Congress that directly affected U.S. relations with Canada was NAFTA. The pact sought to eliminate or significantly reduce tariffs and other trade restrictions between the United States, Canada, and Mexico within 15 years, thereby establishing the largest free trade zone in
the world. For many U.S. lawmakers, this agreement represented a logical extension of the 1988 Canada-
United States Free Trade Agreement (CUFTA), which provided for the eventual elimination of trade
barriers between the two nations.

Canada, therefore, was not an important issue in the congressional debate. Regardless of
NAFTA's fate, trade relations between Canada and the United States would have remained the same from
a U.S. perspective. NAFTA followed CUFTA's model in establishing mechanisms for dispute
settlement. Moreover, NAFTA, while expanding jurisdiction to such areas as financial services and
intellectual property that had been neglected by CUFTA, designated many sectors of the economy to the
same free trade provisions mandated by the original 1988 agreement. Mexico and its developing
economy represented the new element in this free-trade debate and, accordingly, garnered most of the
congressional attention.

This is not to say that Canada went without mention. Although Congress primarily focused on
free trade with Mexico, many on Capitol Hill drew upon the U.S. participation in CUFTA during the
course of the debate. Because NAFTA and CUFTA reflected similar principles and provided for many
of the same stipulations with respect to trade, Arlene Wilson of the Congressional Research Service was
not alone in asserting that "the U.S. experience with the Canadian agreement may provide some insights
into the potential effects of the NAFTA on the United States."1 Those representatives and senators
dissatisfied with CUFTA, in particular its prescribed process for settling trade disputes, expressed
hesitancy, if not outright hostility, to the idea of instituting these same practices as permanent facets of
U.S. relations with Mexico.

As the arguments over NAFTA continued into the fall of 1993, Canada increasingly was used as
a political football by U.S. legislators. The results of the October 1993 Canadian general election
provided ammunition for congressional opponents of the trade accord. A decisive victory by the Liberal
Party coupled with party leader Jean Chrétien's perceived lukewarm support of NAFTA prompted many
in Washington to speculate aloud that the trilateral deal might fall through after all. Alarm bells were
soon extinguished when Prime Minister Chrétien, although expressing reservations with certain aspects
of NAFTA, signified his party's intentions to formally back the agreement.

NAFTA opponents in Congress cited Canadian displeasure with CUFTA as empirical evidence
of the harmful economic consequences NAFTA portended for the United States. The implementation of
CUFTA in January 1989 corresponded to the onset of an economic downturn that still lingers in Canada,
and a majority of Canadians attribute the length and scope of the recession to CUFTA. Saddled with a
higher threshold of spending for employees' benefits, Canadian industries suffered from a slight, but
significant, disadvantage in the costs of production when compared to their U.S. counterparts. News
reports and congressional outreach informed Americans that many Canadians held CUFTA directly
responsible for their continuing double-digit
unemployment rate. Citing as precedent this Canadian job displacement, NAFTA opponents in Congress questioned the likely competitiveness of U.S. firms. With average wages only a fraction of those paid in the United States, Mexico enjoys a tremendous comparative advantage in labor costs, and some members of Congress feared a major relocation of American jobs southward.

Despite these misgivings, the House of Representatives passed NAFTA by a 234-200 margin on November 17, 1993. With the Senate lending its consent to NAFTA less than a week later, Congress confirmed its commitment to the principles of free trade originally set forth in CUFTA, the first such arrangement with a leading trading partner in recent U.S. history. Congress thus voiced its general approval of the defining characteristic of U.S.-Canadian economic relations--free trade--in a peculiar manner: through implicit exemplification rather than specific commendation.

Agricultural Trade Disputes

Passing NAFTA resulted in some damage to U.S.-Canadian relations. In exchange for supporting NAFTA, legislators from grain-producing states demanded assurances that the Clinton administration would look into charges that Canada indulged in unfair agricultural trading practices. Of particular concern to these lawmakers was the belief that the Canadian Wheat Board, by acting as a monopolistic agent for Canadian wheat exports and by providing a domestic transportation subsidy to Canadian growers, engaged in "predatory pricing" policies that violated the spirit of CUFTA, NAFTA, and the General Agreement on Tariffs and Trade (GATT). The ever-increasing volume of U.S. imports of Canadian durum wheat, used primarily in the production of pasta, attracted the preponderance of U.S. salvos.

Canadian farmers and politicians, however, asserted that Canada's growing share of the U.S. durum wheat market was attributed to U.S. demand. U.S. farm policies, in particular the Export Enhancement Program, encouraged U.S. farmers to export their durum harvest. This incentive, coupled with the effects of the Midwest floods of 1993, meant that the U.S. supply of high quality durum wheat could not keep up with domestic demand. Canadians argued that they were merely providing the goods with which to close this gap.

Despite the fact that four different U.S. and binational panels vindicated Canada of any wrongdoing in the durum controversy, politicians in Washington still pressed for action as Congress returned from recess in January 1994. Leading the charge was a coterie of influential U.S. senators: Kent Conrad and Byron Dorgan of North Dakota, Max Baucus of Montana, and Tom Daschle of South Dakota. Each of these four senators--all Democrats--sat on the Senate Finance Committee, a committee crucial to President Clinton's prospects for achieving congressional approval of key items of legislation ranging from the budget to health care reform. Responding to constituent protests over the influx of Canadian durum wheat across the border and its financial
threat, these senators, along with representatives from durum-producing districts, successfully lobbied the Clinton administration to adopt a hard-line stance with Canada.

In off-and-on discussions with Canadian Agriculture Minister Ralph Goodale and Trade Minister Roy MacLaren throughout the spring and summer of 1994, United States Trade Representative Mickey Kantor and Secretary of Agriculture Mike Espy sought to convince Canada to restrict the amount of durum wheat sold to the United States. U.S. negotiators threatened to implement a little-used provision of the 1933 United States Farm Act known as Section 22, which empowers the president to impose tariffs or quotas on imports from nations engaging in trading practices deemed "materially" harmful to U.S. farm support programs. In addition, the United States initiated action against Canada under Article 28 of GATT, a 90-day review process that allows a member country to reestablish those tariffs it believes are set too low.

As the executive branch continued its bargaining with the Canadian government, rhetoric from Capitol Hill grew even stronger. In an April 4, 1994, letter to USTR Kantor reprinted in Inside U.S. Trade, Senator Baucus expressed his belief that "the Canadians do not expect action" and urged the administration, in lieu of fruitful negotiations, to "take emergency action under Section 22 to temporarily address the damage to the U.S. wheat market and demonstrate U.S. resolve in this matter." Senator Dorgan single-handedly blocked the nominations of three high-level trade appointments until Ambassador Kantor agreed to formally launch Article 28 proceedings against Canada. In addition, an exasperated Senator Conrad joked in April that those nuclear weapons stationed in his home state of North Dakota should be retargeted toward Canada unless its government saw fit to make concessions on the durum wheat issue.

These actions and comments drew immediate responses from the senators' legislative colleagues (not to mention Canadian officials). Most notably, 18 senators, writing on behalf of pasta producers in their respective states and across the nation, sent a letter to the president that communicated their "serious concern over reports that the administration intends to impose unilateral restrictions on imports of durum and other wheat from Canada unless the Government of Canada agrees to a voluntary cap on its wheat exports to the United States." Asserting that higher prices for durum wheat offset losses from the domestic farmers' reduced share of the U.S. market absorbed by Canadian exporters, the senators argued that any economic benefits resulting from U.S. action against Canada would be overshadowed by disastrous effects to U.S. pasta producers competing in the global market. The letter also warned of possible retaliatory action by the Canadian government if it chose to affix reciprocal tariffs on such U.S. goods as wine, rice, and apples. A diverse group of senators lent their name to the letter, spanning a wide geographic and ideological spectrum that included Republicans Richard Lugar of Indiana, John McCain of Arizona, and Alfonse D'Amato of New York as well as Democrats Carl Levin of Michigan, Bill Bradley of New Jersey, and Edward Kennedy of Massachusetts. Very seldom, if at all, have these senators fallen on the same side of a trade issue.
Although Canadian and U.S. mediators managed to reach a compromise (limiting imports of Canadian durum wheat for a one-year period) and avoided a trade war, there were other disputes involving agricultural trade. Surges in the volume of Canadian peanuts and sugar and sugar-containing products exported to the United States drew the ire of a bipartisan congressional delegation assuming responsibility for the protection of these American agricultural sectors. Spearheaded by Representative Charlie Rose, a Democrat from North Carolina, these legislators also used harsh rhetoric, even suggesting that a Section 22 investigation might be appropriate. Poultry provided another source of agitation. Conscious of an important political constituency centered primarily in Quebec, the Canadian government actively protected its poultry and egg interests from foreign competition. Several representatives and senators disapproved of these barriers, and Senator Mitch McConnell and Representative Jim Bunning, both Republicans of Kentucky, a poultry-producing state, introduced legislation urging that Canada open its border to U.S. poultry.

These bilateral agricultural trade disputes illustrate the degree to which the 103rd Congress lacked a universal vision with respect to Canada. Conceptions of free trade varied from issue to issue. Unguided by party discipline in the management of Canadian affairs, individual representatives and senators responded first and foremost to district demands whenever conflicts arose and consequently introduced elements of strain into the U.S.-Canadian relationship.

Fisheries

Regional fisheries disputes also typified the attitude of the 103rd Congress toward Canada. As dwindling stocks off both the Atlantic and Pacific coasts placed Canadian and U.S. fishermen in direct confrontation with one another, members of Congress intervened to uphold constituent interests. In the process, normally sanguine relations between Canada and the United States became more contentious.

In an attempt to jump-start stalled negotiations to renew the Pacific Salmon Treaty, a 1985 agreement that set terms for the conservation and equitable harvesting of Canadian and U.S. salmon in the Pacific, Canadian Fisheries Minister Brian Tobin in June 1994 initiated a $1,500 (CDN) fee for U.S. vessels passing through Canadian waters. Congressional response was prompt. Delegations from Alaska, Washington, and Oregon immediately lobbied the State Department to register a formal protest with Canada. Senator Frank Murkowski, an Alaska Republican, deemed Canada's action "an absolute violation of international law." Engaging in a prolonged war of words with Minister Tobin, Senator Murkowski labelled Canadian policy "outrageous and illegal" and even suggested that the Coast Guard be called upon to escort U.S. ships through Canadian waters. Tempers continued to flare until the Clinton administration, led by the efforts of Vice President Al Gore, responded to congressional demands; after high-level discussions, Canada agreed to abolish the fee in exchange for a rededication of U.S. resolve to renegotiate the Pacific Salmon Treaty in good faith.
Congressional outrage over the fisheries issue returned a month later. The Canadian government, in an attempt to salvage the remnants of a once-prosperous fishing industry in the North Atlantic, announced intentions in May 1994 to extend its custodial management of ocean waters beyond the 200-mile limit set by the 1977 United Nations Law of the Sea Conference. Though targeted at unaccountable stateless and flag-of-convenience vessels roaming the coastal seas in search of the last of the cod and other depleted stocks, the Canadian decree drew a swift reaction from the international community fearful of the precedent that would be set by a state unilaterally extending its jurisdiction over international waters.

In July 1994 Canada seized and impounded two U.S. scalloping vessels outside its 200-mile limit. The confiscation of the Massachusetts-registered ships precipitated an outcry from that state's congressional delegation. Calling the act an example of "piracy," Representative Barney Frank, a Democrat who represents the scallopers' home port of New Bedford, echoed the sentiments of Senator Murkowski in the Pacific salmon dispute by suggesting that U.S. war ships be called upon to "protect" U.S. fishing vessels. Massachusetts Senators Edward Kennedy and John Kerry, both Democrats, joined Representative Frank in condemning Canadian actions.

Once again, local concerns reigned paramount in Congress's response to these conflicts. Polemical brushfires originating from Capitol Hill overshadowed and potentially jeopardized prolonged efforts of U.S. and Canadian negotiators to reach consensus on the best means to protect threatened fish stocks.

Other Issues

When asked what Canada-related issues had most occupied his committee, a senior staffer of the House Foreign Affairs Committee responded without hesitation, "NAFTA and peacekeeping." In determining the extent to which the United States should involve itself in international peacekeeping operations, U.S. lawmakers often referred to the Canadian experience for practical guidance.

Members of the 103rd Congress also cited Canada in a comparative context in considering questions of domestic policy. Supporters and opponents of health care reform drew varying conclusions as to the relative success of the Canadian single-payer model and its applicability for the United States. Moreover, congressional discussions over proposals to finance health care reform with increased taxes on cigarettes also invited comparisons (Canada has had mixed results in their heavy taxation of tobacco products).

Additional district pressures influenced congressional action with respect to Canada. Non-agricultural trade disputes were a source of irritation in the congressional relationship with Canada. Representatives and senators committed to protecting U.S. interests in the exchange of such commodities as lumber, beer, and automobiles were
quick to voice their opinions when allegations of unfair trading practices on the part of Canada arose. Furthermore, issues ranging from administration proposals to streamline customs operations along the U.S.-Canadian border to the decision by the New Brunswick provincial government to tax goods being transported across the border from Maine caused concern for constituents, which translated into Congressional attention.

These cases marked the most visible occasions during which Canada became a *cause célèbre* for the 103rd Congress; but despite this apparent hostility, Congress generally viewed Canada in very favorable terms. As a self-sufficient neighboring country that does not pose a military threat to the United States and, in fact, is one of its staunchest strategic and economic allies, Canada has not traditionally warranted much consideration on Capitol Hill. Given the many similarities between the two countries, representatives and senators often resorted to citing Canada as a case study whose experiences could be used to advocate partisan positions. Moreover, routine legislative branch responsibilities directly affecting U.S. relations with Canada, such as approving nominees to the International Joint Commission, seldom represented sources of friction unless other, more local, issues were at stake. In those situations, members of the 103rd Congress often exercised their considerable influence in the legislative process and with the executive branch on behalf of their constituents.

**The Canadian Perspective**

Most Canadians understand how Washington operates and recognize the role of Congress in that process. McMaster University political scientist Kim Richard Nossal wrote the following for *International Journal* in 1989:

> The structure of the interest of a member of Congress is by nature—indeed, entirely by design—parochial, inward-looking, and protectionist. “There are no votes in Upper Ruritania” must be the response of the legislator who is faced with the choice between the interests of those whom he or she must face every two or six years and the interests of Upper Rutitanians. Given the purpose of the legislature in the United States, the primary interests of all 535 members of Congress is to protect (and to be visibly seen to be protecting) constituents’ interests against those of foreigners. 

In recent history, both Canadian and U.S. officials responsible for the day-to-day management of bilateral diplomacy have become sensitive to the influence of Congress and to the accountability of each representative and senator to his or her constituents. The failure of the U.S. Senate to ratify the 1979 East Coast Fisheries and Maritime Boundary Treaties signalled to Canadians that Congress could alter, if not upset, the course of U.S.-Canadian relations. From that and subsequent experiences in which Congress selectively set the agenda for the bilateral relationship, Canada has learned to take Congress into consideration when dealing with the United States.
Canada has also monitored Congress for larger foreign policy considerations. For example, legislation passed by the 102nd Congress in 1992 forbidding subsidiaries of U.S. firms located outside the United States from conducting business with Cuba affected and drew harsh criticisms from Canada and numerous other countries. Attitudes in the 103rd Congress toward military intervention abroad, foreign aid, and relations with the Far East went a long way in modifying Canadian positions on these matters. For example, Canadian policy with respect to Haiti, though independent from that of the United States, nevertheless had to concern itself with U.S. threats to invade and occupy the Caribbean country. In addition, Canada greatly desired that Washington reassure Ukraine—which many Canadians, especially those of Ukrainian origin, felt was being neglected by the international community—of the West’s commitment to ease its transition from Communist rule with generous amounts of foreign aid. Like most of the allies of today’s predominant superpower, Canada has looked to the United States to set the geopolitical agenda; to the extent that Congress plays a critical role in making these determinations, Canadian officials have found themselves well served to track congressional opinion.

Canadian officials, operating under a parliamentary form of government that places power in the workings of one institution, have had to come to terms with a fragmented system of government in their dealings with the United States. Although the executive branch has customarily assumed responsibility for diplomatic relations with Canada, the 103rd Congress, much like those Congresses preceding it, erratically asserted its influence in this arena by acting primarily upon the prompting of constituents. Canadians, for the most part, have adapted to this reality and, while still somewhat wary of Congress as a necessary evil, have accepted it as an obligatory component of contemporary U.S.-Canadian relations.

Conclusion

At the end of this 103rd Congress, relations between Canada and the United States are healthy. The flow of goods and services across the border continues to expand, and new avenues of cooperation between the countries have been established as a result of CUFTA and NAFTA. All indications are that the future of the bilateral relationship promises lasting benefits for both Canada and the United States.

Despite this, rhetoric emanating from the corridors of Capitol Hill will continue to subvert the amicable partnership between the two countries. As explained by Carl Ek and Charles E. Hanrahan of the Congressional Research Service, "these disputes may appear relatively minor" when viewed in the larger context of "overall trade relations and foreign policy between the United States and Canada," but they are "intensely felt" by individual policymakers because of their "concentrated" regional impact. Foreign service officers on both sides of the border must occupy themselves with congressional concerns lest they reach the point where lasting damage is inflicted on the bilateral relationship.
The old saying "all politics are local" best characterized the approach of the 103rd Congress toward Canada. Members of Congress representing communities that interacted with Canada on a regular basis understood the nature of U.S.-Canadian relations and were quick to leap to the defense of their constituents' interests in times of conflict. Unfortunately, most of these districts lie adjacent to the Canadian border. For other members and their staffs, Canada rarely figured prominently on their legislative dockets. Hence, a substantial number of American lawmakers either took for granted or persisted in holding onto misperceptions about relations with Canada.

Remedies do exist to make up for this lack of knowledge. As NAFTA encourages hemispheric economic integration, information on Canada has become more available in Washington and is easily disseminated. The annual meeting of the Canada-U.S. Inter-Parliamentary Group offers legislators from both countries an invaluable opportunity to address the entire spectrum of the bilateral relationship. Finally, the CSIS Congressional Study Group on Canada, which met for the first time in October 1993, provides members and staff with a regular, on-site forum in which to discuss particular aspects of U.S. relations with Canada.

As Congress exercises its constitutional responsibility to make laws, it will continue to review the U.S.-Canadian relationship. In considering such important matters as the repercussions and possible expansion of NAFTA and the renewal of the North Atlantic Air Defense Agreement (NORAD), in addition to such usual concerns as the environment, trade disputes, and peacekeeping, the next Congress will have a special incentive to educate itself about Canadian affairs. If it can do so, the 104th Congress could very well establish a consistency in congressional attitudes toward Canada that would ensure a lasting and rewarding stability in the U.S.-Canadian relationship.

About the Author

Danny Calhoun served in 1993-1994 as the CSIS Canada Project Assistant. He is currently a Ph.D. candidate in history at Duke University. His primary field of interest is modern U.S.-Canadian relations.
Notes


