

CANADA FOCUS

Volume 2, Issue 2

March 2001

LATIN AMERICA: FROM THE SUMMIT TO THE OTHER SIDE OF THE MOUNTAIN

Christopher Sands

OVERVIEW

- When Canada hosts leaders from across the Western Hemisphere at the Third Summit of the Americas, April 20–22, the event will cap the longest sustained period of Canadian engagement in the Americas.
- Canadian foreign policy is anchored by a conception of national interest vested almost entirely in Canada's relationship with the United States.
- Emphasis on the United States by both sides has been an obstacle to greater mutual understanding between Canada and Latin America.
- The outlook for a sustained Canadian engagement with Latin America after the Summit of the Americas is bright, but two issues could yet sour Canada on the regional agenda: domestic divisions and the antics of summit protesters.

What is Canada Doing in Latin America?

Of all the countries represented at the Summit of the Americas, April 20–22 in Quebec City, the most unfamiliar to the assembled leaders may in fact be the host country, Canada. After many years of avoiding participation in inter-American affairs,

Canada has made a bold if belated entrance onto the hemispheric stage, hosting a series of major regional meetings and taking a turn chairing the negotiations over a possible Free Trade Area of the Americas (FTAA). More than a decade of sustained engagement in the Western Hemisphere culminates with its hosting of the Third Summit of the Americas. But Canada's trade with the countries of the Western Hemisphere, when the United States is excluded from the figures, remains small as a percentage of its overall trade. There has been relatively little migration between Canada and the rest of the Americas, and as a result, Canada lacks the major domestic population of Spanish speakers that has helped to foster U.S. interest in regional affairs.

This raises the question: What does Canada want from its neighbors in the Americas, and why has it suddenly taken such an interest in them? Is the Western Hemisphere just this season's fashion in Ottawa, soon to be replaced in Canada's foreign policy priorities by Europe, Asia, or someplace else?

Canada's foreign policy in Latin America and the Caribbean has become more active since the late 1980s as part of the longest sustained Canadian effort to strengthen relationships within the region. Yet even senior officials in the United States wonder whether Canada will maintain its newfound role as a partner in hemispheric affairs.

The Enigma of Canadian Foreign Policy

At first glance, Canadian foreign policy can be mystifying. The Canadian approach to international affairs frequently appears to be divorced from any basic sense of national interest. Are antipersonnel landmines a particular problem in Canada? Policymakers in Ottawa give the impression of having transcended mere pragmatism for a more noble, principled approach to world affairs. In fact, Canada has not transcended its national interest at all. The enigma for foreign observers arises because Canada's national interest is embodied in its relationship with the United States, but Canadians are sensitive to admitting this, even to themselves.

What non-Canadians often underestimate is the shadow that the United States casts on the whole of Canadian foreign policy. Surrounded on three sides by oceans and on a fourth by the United States, Canada is isolated by its geography? like a town in a peaceful valley cut off from the world by an enormous mountain between it and the nearest neighbor. Canadian foreign policy is a lifeline of contact to the world beyond the mountain, and its underlying theme is often simply, "We're here? don't forget about us. Look beyond the U.S. mountain and find us on the other side."

In national security terms, the United States is the most recent country to have threatened Canadian territory militarily, back in 1812. And although the possibility of another invasion is remote, no other country can be imagined attempting it? for fear of the U.S. reaction. Most importantly for Canada, the United States holds the key to its economic prosperity.

Canada is a trading nation, with international trade responsible for some 40 percent of Canadian GDP. More than 85 percent of that trade is with one country: the United States. Much of this trade is in intermediate goods, creating a symbiotic relationship between the U.S. and Canadian economies that is enriching but vulnerable to disruption. Despite an array of trade agreements between the two countries, Canada is still the target of trade remedy actions taken by the United States in certain sectors. And although Canada is a major participant in the U.S. domestic economy, Canada naturally has no representation in the U.S. Congress, and so its interests are not paramount in

congressional debates over economic regulation or macroeconomic policies. This forces Canada to adopt a careful diplomacy by proxy, forging evershifting alliances with U.S. interests sympathetic to

Canada's national interest is embodied in its relationship with the United States, but Canadians are sensitive to admitting this, even to themselves.

Canadian concerns in order to counter threats to its national interests. For those of us who observe Canada's diplomacy at work in Washington, Canadian foreign policy appears energetic, creative, subtle, and although not always successful, always reflecting a sophisticated appreciation of the United States uncommon among foreign governments.

Freed from the usual constraints of realpolitik, except where the United States is concerned, Canadian foreign policy elsewhere has been marked by its emphasis on principle and an accompanying, moralizing tone. Dean Acheson, a former U.S. secretary of state, once said that, internationally, Canada conducted herself "like the stern daughter of the Voice of God." Because this reputation served rather well to distinguish Canada further from the United States, it effectively advanced Canada's national interest.

The Tyranny of Proximity

During an early twentieth century debate over the renewal of an Anglo-Japanese naval treaty, the prime minister of Australia, who favored the renewal of the treaty to keep nearby Japan friendly, exhorted the other leaders of the British Empire to sympathize with Australia's remote location, far from London and the bulk of the British navy. "Australia," he said, "suffers under the tyranny of distance."

His Canadian counterpart, Arthur Meighen, quickly retorted, "Yes, but in Canada we suffer under the tyranny of proximity"? that is, proximity to the United States, with which Canada hoped Britain would ally itself after canceling its naval treaty with Japan.

Latin American and Caribbean countries may be expected to view this Canadian sentiment with considerable skepticism, because their historical experiences in proximity to the United States have generally been the cause of more suffering and less prosperity than Canada has seen. But although these countries find sympathy and support in one another, Canada has always felt isolated in its relationship with the United States.

Isolated, but by no means isolationist? in fact, quite the opposite? Canada views its ties to other countries as liberating, offering at times the safety in numbers it desires as a counterweight to U.S. power, and at other times an international "moral majority" that might shame the Americans so that they will not use their power to get their way. Yet Canadian foreign policy beyond its U.S. relationship often fails to connect in a sustained way with any one region or group of potential allies. For Canada, all countries other than the United States have roughly equal? and marginal? significance except when they can be combined multilaterally to act as a counterweight to the United States to benefit Canadian interests. At their worst, Canada's forays into world affairs have appeared fickle? chasing Europe one year, declaring Asia paramount the next? and rarely supported with sufficient resources or energy to achieve measurable gains. Combined with the Canadian tendency to claim the moral high ground and lecture other countries? especially the United States? this has given Canada a reputation in some corners as a kind of global dilettante. However, the truth is that Canadian foreign policy is deadly serious when national interests are at stake? rarely the case historically outside of the United States.

Where Canada's foreign policy has found its best expression has been in multilateral forums and organizations. A wealthy country, whose hardworking diplomats were exceptionally able and stuck with issues and files long enough to develop valuable expertise on key issues, Canada has contributed a great deal to the organizations that it has joined. (Although it is important to note that Canada chose to remain outside many inter-American organizations until 1989, when it joined the Organization of American States [OAS]).

Wherever Canada did participate, particularly in the years after World War II, many countries saw it as a valuable partner in persuading the United States to join in emerging international consensus

Isolated, but by no means isolationist, . . . Canada views its ties to other countries as liberating, offering at times the safety in numbers it desires as a counterweight to U.S. power, and at other times an international "moral majority."

positions, particularly since Canadian officials could talk to their American counterparts frankly without risking a breach in a bilateral relationship that had become very strong.

Ottawa has frequently been ambivalent about its role as a mediator between the world and the United States, perhaps because it played a similar role within the British Empire, regularly bridging conflicts between the major colonies and London. In the 1950s and 1960s, Canadian nationalists complained of being drawn into the new American Empire and chafed at the perceived loss of independence. There was little appeal for Ottawa in joining hemispheric organizations that would encourage more of the same. And as U.S.-backed military regimes became more common in Latin America, Canada viewed the region as part of a tacit U.S. imperial system of which it wanted no part.

There was some snobbery in this attitude, certainly, but it was as much directed at Washington as at Latin America. Canada considered itself above interventionism, and what it saw as paranoid anticommunism in U.S. policy in the region, particularly in regard to Fidel Castro's Cuba, and later Central America. Many Latin American countries saw an exodus of citizens and capital during these troubled years, but Canada received only modest amounts of either. With the exception of a post-Allende wave of Chilean immigrants, Canada drew its Western Hemisphere immigrants mainly from the Caribbean, and Spanish-speaking immigrants were too diverse to form communities of any size or political clout. Geography again plays an important part in this history? even in an era of jet aircraft, for potential migrants, Canada seemed to be a long way from the rest of the hemisphere.

The View from the South

Yet, other countries in the hemisphere have been ignorant of Canada, too. Many have treated Canada as though it is a bland northern extension of the United States? part of an undifferentiated, wealthy Anglo North America. An oft-repeated joke in Spanish captures the attitude of Latin Americans. In it a Spanish explorer, after trekking across Texas, Arizona, Colorado, and California actually reaches the land that is now Canada before any English or French explorers. On his return, he is asked, "What did you find farther north?" The Spanish explorer replies, "¿Qué? Nada." And so the territory received its name.

This underestimation of Canada as an independent player frequently contributes to misunderstandings. Consider the recent dispute between Brazil and Canada over beef. Canada feared that Brazilian beef might be infected by hoof and mouth disease, and ordered a halt to imports until an inspection could verify the disease was not present. Canada was motivated by a legitimate public health concern, and did not consider any larger foreign policy context relevant. It was correct, resolute, and bureaucratic? not unlike a Nordic country, such as Sweden, would be. Brazil, however, is far more familiar with the diplomatic approach of the United States, which cannot claim to be ignorant of Brazilian realities. Americans, of course, are never considered innocents abroad, least of all in Latin America. So Brazil quickly assumed that Canada's action was a form of escalation in an ongoing trade dispute over aircraft. When officials in Ottawa gave scientific explanations to justify their action in response to Brazilian complaints instead of giving the Brazilians a way to save face, Brazil's national pride was offended and people took to the streets. Canadian-born economist John Kenneth Galbraith once observed that academic department politics are so bitter and petty because what is at stake is so small. Similarly, the bilateral trade between Canada and Brazil is not large, and neither is the degree of mutual understanding, even now.

Fidel Castro proved no more skillful in his handling of a Canadian overture after President Clinton signed the Helms-Burton legislation that toughened U.S. policy toward Cuba. At first, Castro seized on the propaganda value of welcoming Canadian officials and happily negotiated an agreement designed to foster improvement of human rights in Cuba. But shortly afterward, Castro arrested and executed a number of his opponents. Prime Minister Jean Chrétien immediately cooled Canada's relationship with Cuba, and Castro reacted angrily? didn't Canada understand that Cuba's struggle against U.S. imperialism took precedence? But Canada did understand. For its own reasons it placed U.S. relations ahead of Cuba, too, unwilling to maintain a policy that annoyed Washington if it did not yield concrete results.

The Chileans have been more successful, negotiating a bilateral free trade agreement with Canada in 1996 that was supported by Santiago as a NAFTA-consistent first step toward eventual NAFTA membership. If Chilean products were gaining access to the Canadian economy, it was thought to be easier for the United States to negotiate with Chile. Yet Canada has not proven to be a stepping-stone to NAFTA membership for Chile, which remains without a trade agreement with the United States. Meanwhile, as in Cuba, Canada relishes having an advantage over the United States in a foreign market, no matter how small, less for its commercial value than for its value in distinguishing the two countries from one another. Quiet Chilean disappointment in this state of affairs has been mildly insulting to Canada, which accepts but resents its role as a second-best option to its neighbor.

This situation is reversed with Mexico. Mexico has the closest official ties to Canada of any country in the region other than the United States, thanks to NAFTA. But Canada's resistance to the trilateralization of many issues, in the hope of retaining a special bilateral position closer to the United States than Mexico, has from time to time given the Mexicans the insulting feeling of being Canada's second-best option, or more pointedly, the feeling that they are somehow second-class North Americans. Meanwhile, the decision of President Bush to travel first to Mexico to meet

with President Fox sparked a flurry of articles and editorials bemoaning Canada's imminent demotion to second-best friend of the United States. Canada and Mexico remain natural allies in many ways: their situation proximate to the United States is similar, as is their growing bilateral trade dependence on the U.S. market? yet the jealousy with which they guard their relationships with the United States (which is a mountain of comparable proportions on the horizon of Mexico's political economy and national psyche) often makes them suspicious of one another.

The Caribbean historically has been a bright spot for Canadian foreign policy in this hemisphere. Although Canada and Latin America have been mutually unfamiliar, Canada enjoys greater renown among the English- and French- speaking island nations that are fellow members of the Commonwealth and *La Francophonie*. Here the ties of migration and in some cases similar political

Canada and the other countries of the Western Hemisphere have historically failed to see one another clearly because the view is obscured by the mountain that separates them? the United States.

institutions derived from the Westminster model gave Canada greater affinity for its regional neighbors? and they for Canada. For many years, more than 50 percent of Canada's development assistance spending in the Western Hemisphere went to just two countries, Cuba and Haiti, and the Caribbean remains a focus for Canada's aid efforts. Prime Minister Jean Chrétien has undertaken to champion many of the trade policy concerns of small economies within the region in the FTAA negotiations as a result of a dialogue with his Caribbean peers? an initiative of more than salutary importance since the majority of countries in the Western Hemisphere qualify as small economies.

Perhaps the best example of the potential for a greater Canadian role in regional affairs emerged with the active part Canada played within the OAS mission to support democracy in Peru as the Fujimori regime began to unravel last year. Canada

was successful in contributing to the political stabilization of Peru during the transition in part because it was able to act as an honest broker, a role that neither the United States nor most other large countries in the region could play.

In many ways, the longstanding Latin American practice of defining Canada in relation to the United States is the counterpart of Canada's tendency to view its foreign policy in Latin America in relation to its overriding interest in the United States. Canada and the other countries of the Western Hemisphere have historically failed to see one another clearly because the view is obscured by the mountain that separates them? the United States.

Climbing the Path to the Summit

If the misunderstandings between Canada and its neighbors in Latin America and the Caribbean stem partly from a historical lack of contact between them, as well as the screening effects of the United States, recent Canadian foreign policy offers cause for hope that this situation may gradually improve.

In the mid-1980s, the government of then-Prime Minister Brian Mulroney took the major step of negotiating a trade liberalization agreement with the United States. The result, the Canada–United States Free Trade Agreement (CUFTA), took effect in 1989, firmly securing Canada's access to the market of its largest trading partner and providing an important measure of security in the relationship between Canada and its mountain neighbor. Significantly, it was that same year that Canada applied for membership in the OAS, taking its seat in the pan-American family of nations in 1993.

Canada was present at the first Summit of the Americas in Miami, Florida, in 1994, and its participation was warmly welcomed by other nations. Canada had by then again demonstrated its strong support for trade liberalization by its commitment to the landmark North American Free Trade Agreement (NAFTA), which extended many of the provisions of the CUFTA to include Mexico. In 1996, in San José, Costa Rica, Canada joined in launching the negotiation process to produce an agreement for an FTAA by 2005. Also in 1996,

Canada signed its bilateral free trade agreement with Chile. Canada was represented again at the Second Summit of the Americas in Santiago, Chile, in 1998, where the Chrétien government agreed to host the subsequent summit, as well as a series of regional meetings in the interim.

Canada began hosting hemispheric gatherings in 1999, when the Pan-American Games took place in July and August in Winnipeg, Manitoba. In the fall of 1999, three more meetings were held in Canada: the Ninth Conference of Spouses of Heads of State and Government of the Americas, held in Ottawa;

The first of the obstacles that could yet divert Canada from the Americas is Quebec separatism.

the Fifth Americas Business Forum, and perhaps most importantly an FTAA Ministerial Meeting, the last two both held in Toronto. The trade ministerial reflected Canada's chairmanship of the FTAA negotiations, which were proceeding gingerly while in the United States the Clinton administration labored without fast-track negotiating authority. In June 2000 the OAS General Assembly met in Windsor, Ontario? across the river from Detroit, Michigan.

Some of these events were more symbolic than substantive, yet taken together they gave visible expression to the longest period of sustained policy interest that Canada has ever shown in the Western Hemisphere beyond the United States. It is now possible to argue optimistically that Canada will maintain its engagement within the hemisphere as a permanent feature of its foreign policy. However, the summit could still be the pinnacle of Canada's

interest in the region, and prelude to a decline in hemispheric activity, if at least two potential obstacles are not successfully overcome.

In Order Not to Fall, Don't Look Down

The first of the obstacles that could yet divert Canada from the Americas is Quebec separatism. The foreign policy of any country has major domestic determinants, but for a country operating outside the area of immediate national interest the temptation to let domestic concerns overshadow international goals is strong. And because Quebec separatism presents an immediate challenge to the survival of Canada as a united country, it is itself a threat to the national interest (albeit a domestic one). In 1995, after a bitter referendum campaign nearly won by secessionists in the province, the Chrétien government began taking a harder line against the provocations of the government in Quebec City, which was formed by the proindependence Parti Québécois. Under the former Mulroney government, Ottawa had adopted a policy allowing Quebec limited participation in international gatherings with understanding that provincial representatives would not use these occasions to air their grievances with the federal government. This entente began to break down after the 1995 referendum, most notably Quebec's separatist premier, Lucien when Bouchard, chose to excoriate Ottawa at two international gatherings in 1999, the Sommet de la Francophonie held in Moncton, New Brunswick, and the Forum of Federations, held in Mont-Tremblant, Quebec. The latter meeting was to a great extent salvaged for the federal government by a virtuoso performance by then-President Clinton, who extemporized a stern warning to Quebec nationalists to adhere to democratic practices and resolve their grievances domestically.

Perhaps with these experiences in mind, the Canadian government has largely excluded Quebec from any role at the upcoming Summit of the Americas, which Canada is hosting in the provincial capital, Quebec City. In recent weeks, this has prompted incendiary rhetoric from current Quebec premier Bernard Landry and some members of his cabinet with the apparent aim of stirring up enough popular umbrage to revive

flagging support for the separatist movement and improve the provincial government's prospects for reelection. Visiting leaders from Latin America may well be confronted with manifestations of Canada's domestic divisions at the summit, and are likely to be bewildered that any citizens of a

If the protests establish this summit as a public relations debacle, Canada's enthusiasm . . . for regional diplomacy may be permanently scarred.

province as prosperous as Quebec, with so many advantages in the modern global economy, would wish to jeopardize it all for the sake of independence. Quebec's separatists are sincere in their convictions, but to outsiders they are hardly on par with Zapatistas.

The heated rhetoric exchanged between the governments in Ottawa and Quebec City has already attracted considerable negative attention from officials around the hemisphere who do not wish to be caught in a domestic dispute. It is ironic that Landry is using the summit as a wedge issue, given that support for free trade has been an article of faith for Quebec ever since voters in the province strongly supported the reelection of the Mulroney government in 1988, in a campaign fought over the CUFTA and closer economic ties with the United States. By promoting the separatist cause at the expense of the summit, Landry risks undermining Ouebec's claim to be a more amenable trade partner for the United States than Canada. At the same time, in the harsh light of hindsight, it seems to have been a mistake for Ottawa to risk a public rift with Ouebec City over this meeting, which could have been held instead in several other cities, from Victoria, British Columbia, to St. John's, Newfoundland, with less potential for distraction from the summit agenda.

In the event that sparring between Ottawa and Quebec City does not divert Canada from savoring its role as host to the summit, Canada and its guests may yet be distracted by the presence of antitrade

and antiglobalization protesters at the meeting. The hemisphere's leaders will gather in the historic old city of Quebec, a fifteenth century walled city built by France to secure its North American colony that has been declared a World Heritage site by the United Nations. Outside the walls stretches a large, open field known as the Plains of Abraham, the site of the battle in which the British defeated the French in 1759. The grounds are now a national park, and provide a picturesque location for demonstrators to marshal their numbers. In recent months, several nongovernmental organizations have recruited university students from Ontario, Quebec, and Atlantic Canada, as well as nearby U.S. schools from New England to the Midwest, to participate in demonstrations at the summit. Some Canadian universities have even gone so far as to permit students to reschedule end-of-semester exams to allow them to join the protests.

To be sure, what with Seattle, Canada was forewarned of the danger of such protests getting out of hand and the federal government has been working hard with Quebec officials to plan for security for visiting delegations and for crowd control in the event that protests get out of hand. But the colorful protesters threaten to define the "Spirit of Quebec City" and significantly alter the momentum behind hemispheric cooperation that followed previous Summits of the Americas in Miami and Santiago. If the protests establish this summit as a public relations debacle, Canada's enthusiasm? not to mention that of other countries, including the administration of first-time attendee President George W. Bush? for regional diplomacy may be permanently scarred.

And, if the Bush administration comes to view Quebec City as a failure or, in some sense, as a lost opportunity, then Ottawa will likely feel that hosting the summit caused collateral damage to the Chrétien government's tentative relationship with their new counterparts in Washington. Should this happen, Canadian enthusiasm for regional diplomacy may become a casualty of the summit as well.

From the Summit to the Other Side of the Mountain

The best insurance against either the Ottawa-Quebec feud or the protests outside derailing the Third Summit of the Americas is progress on substantive issues by the leaders in attendance? a hard news story to fill the vacuum of media coverage that will otherwise be drawn to empty but grand spectacles. All the countries in the region will have to work to make this summit a success, for the host country alone cannot guarantee it.

Regardless, the hosting of the Third Summit of the Americas is an important achievement for Canadian foreign policy. It represents the culmination of slightly more than a decade of a hemispheric diplomacy of engagement, reaching beyond the looming mountain of Canada's relationship with the United States at a time when the latter was growing ever larger. More importantly, the summit is a vivid demonstration of Canada's willingness not just to participate, but also to provide leadership in hemispheric affairs. In the wake of a period during which the U.S. ability within the region to provide leadership has been faltering without trade negotiating authority from the U.S. Congress, the emergence of potential leadership from Canada is indeed a welcome sign.

This is the bright hope that may survive the threats of protests and domestic disputes that have marred the weeks leading up to the summit? that Canada will continue on the road it has taken leading to the summit and overcome the preoccupation of Canadian foreign policy with the United States, which, though important, has been an obstacle to a sustained and successful Canadian foreign policy toward Latin America. If Canada does find its way from the summit to the other side of the mountain, both sides will benefit, but perhaps neither side will

benefit more than the mountain itself.

About the Author

Christopher Sands is a fellow and director of the Canada Project in the Americas Program at CSIS. He recently returned to CSIS after spending the 1999–2000 academic year as William J. Fulbright Visiting Fellow at the Norman Paterson School of International Affairs at Carleton University in Ottawa. Mr. Sands is also a doctoral student at the Paul H. Nitze School of Advanced International Studies at Johns Hopkins University.

©2001 by the Center for Strategic and International Studies.

The Center for Strategic and International Studies (CSIS), established in 1962, is a private, taxexempt institution focusing on international public policy issues. Its research is nonpartisan and nonproprietary.

CSIS does not take specific public policy positions. Accordingly, all views, positions, and conclusions expressed in this publication should be understood to be solely those of the author.

This study was prepared under the aegis of the CSIS Canada Project, part of the Americas Program at CSIS. 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 Email: csands@csis.org