

CANADA AND THE WAR ON TERRORISM: THE U.S. CHALLENGE ON THE NORTH AMERICAN FRONT

Christopher Sands

OVERVIEW

- ✍ The attacks on September 11 served as a wake up call on security? not just for the United States, but for Canada, too.
- ✍ Due to economic integration, the United States is uniquely vulnerable to policy decisions made in Canada; Terrorists who infiltrate Canada effectively gain access to the United States as well.
- ✍ Canadian officials admit that many foreign terrorist organizations have been able to operate with impunity in Canada.
- ✍ At the U.S.-Canadian border, security can be improved through the adoption of sophisticated new technology and additional staffing; but if done unilaterally, or without attention to the consequences for the economy, "fixing" the border may make it worse.
- ✍ Despite the wavering support that the Canadian government offered in the first weeks following the September 11 attacks, Canada can be counted on to do what it can to fight the war on terrorism. However, the Bush administration will likely have to provide clear leadership and steady pressure on the Chrétien government to shape and insist on Canada's participation.

Canada and the United States on September 10

On Monday, September 10, the largest issue in U.S.-Canadian relations was a trade dispute over softwood lumber. Canadians were nursing their jealousy over the welcome given to Mexican president Vicente Fox during a state visit to Washington the week before.

Security cooperation with the United States was a low priority for Ottawa. Defense spending was too low to sustain capabilities in the Canadian Forces, let alone update or change them, and little thought was given to increasing spending. The North American Aerospace Defense (NORAD) agreement between Canada and the United States was under a cloud because Canada was reluctant to support missile defenses, and some in the United States saw little reason to continue with NORAD if the organization had no role in this area.

Weaknesses in Canada's immigration and refugee system, which a joint U.S.-Canadian law enforcement investigation of an Algerian terrorist cell operating in Montreal, had exposed had led to new legislation, but Prime Minister Jean Chrétien's government had adjourned for the summer recess without passing it. Beginning in the fall of 2000, a series of damning reports that the Solicitor General, the Canadian Security and Intelligence Service, and the Royal Canadian Mountain Police (RCMP) released concluded that international terrorists and organized crime groups were using Canada as a significant base of operations, endangering not only Canada but the United States as well.

The Chrétien government had established an uneasy relationship with the new George W. Bush administration, correct yet not particularly warm. Canadian ambivalence about appearing too close to a U.S. administration that was conscious of its power and willing to use it complicated bilateral discussions on missile defense, the Kyoto treaty, hemispheric trade liberalization, and North American energy. The Bush administration, for its part, saw Canada primarily as a regional ally, important in North American terms but even then insecure about the U.S.-Mexico relationship, and given to self-absorption. Chrétien's foreign policy seemed to have not fully come to terms with a decline in Canada's influence in international affairs. The new White House team felt that nationalist sentiments and petty anti-Americanism prohibited the Chrétien government from developing greater intimacy with Washington.

The attacks on the United States on September 11 changed the environment and emphasis of U.S. foreign policy. Thanks to steady economic integration with the United States throughout the twentieth century, Canadians felt the repercussions of these attacks personally, through their contact with individual U.S. citizens at all levels. Canadian attitudes toward security and sovereignty changed overnight, signaling a new public mood that sought closer relations with the United States—which, after all, rather than any part of the Canadian government, is Canada's principal security guarantor today. Canadians and U.S. citizens both want clear action to improve security, combat terrorism in North America, and police the land border between them. The war on terrorism has underscored the importance of allies for the Bush administration, and has created an opportunity for Washington to proactively redefine security relations with Canada.

The United States' Unique Vulnerability

The U.S. border with Canada is 5,525 miles of mostly open wilderness that has often been called the world's longest "undefended border"—and with good reason: it is almost impossible to defend. The Canada-United States Free Trade Agreement and the North American Free Trade Agreement

(NAFTA) had removed the few remaining tariff and investment barriers that had divided the Canadian and U.S. economies.

The volume of traffic across the border is impressive? and critical to the economic prosperity both countries enjoyed during the past decade.

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More than 200 million individual border crossings to and from Canada were recorded in 2000, and since 1996 the number of crossings has increased by 25 percent. This growth has kept pace with growth in bilateral trade. In 1980, two-way trade between the United States and Canada was valued at \$170 billion (U.S.); in 2000, it had risen to \$486 billion—in both years, Canada was the largest U.S. trade partner.

The nature of trade with Canada makes it vulnerable to disruption. A high percentage of the trade is in intermediate goods? components of larger products? that are transported on a just-in-time basis to plants with limited inventories that then assemble them into larger products. Under this system, border delays quickly result in plant closures and unpaid assembly workers, and financial losses for companies. General Motors estimates that for every minute its shipments are delayed at the Canadian border it loses \$1 million (Canadian). General Motors, Ford and Daimler-Chrysler all closed plants temporarily after border problems related to the September 11 attacks delayed the delivery of essential components.

Some members of Congress have suggested a false choice between free trade with Canada and U.S. national security because of the September 11 attacks. Why blame Canada? No Canadian official has ever consciously tolerated terrorist activity directed at the United States. Recent investigations may have exposed loopholes in Canadian security that criminal networks were able to exploit, but the

United States has found weaknesses in its security procedures, too. The open border with Canada is consistent with the shared values of the United States and Canada as free societies, which is one reason why businesses in the United States have established close ties with business in Canada, and so many U.S. citizens travel to Canada for business or pleasure each year.

Clearly the United States' trust in Canada has both boosted economic integration between the two societies and made the United States more vulnerable to decisions made in Canada, one manifestation of globalization. The way to manage this vulnerability is through cooperative efforts with Canada to improve mutual security. The record of U.S.-Canadian cooperation should give Washington every reason to believe that this is possible.

Canadians themselves have become increasingly concerned about the threat of terrorist activity in their midst? even before September 11. The recent record of terrorist activity in Canada, and the steps taken in response, provide the context for a consideration of Canada's role in the current war on terrorism.

Terrorist Activity in Canada

According to a 1999 report that the Canadian Security and Intelligence Service prepared for Parliament, 50 foreign terrorist groups are operating in Canada, with 400 individuals suspected of terrorist involvement. Immediately after the September 11 attacks, the FBI requested that the RCMP and the Canadian Security and Intelligence Service check on 100 associates of Osama bin Ladin who were thought to be in Canada.

Until recently, the Liberation Tigers of Tamil Eelam (LTTE) were thought to be the most dangerous group operating in Canada because of their bombing of Air India Flight 182 in 1985, killing 329 passengers and crew when the Boeing 747 went down off the coast of Ireland 1985. Other groups known to operate in Canada include several Sikh terror groups in Vancouver, and Hezbollah and Hamas in Toronto and Montreal. In 1988, U.S.

Customs officials in Vermont arrested three members of a Syrian terrorist group linked to Al Qaeda who were attempting to enter the United States with a carload of explosives. In 1993, the World Trade Center bombers all lived in the United States, but had planned a getaway route through Canada? through which some of them had entered the United States in the first place. In 1996, U.S. Customs officials in upstate New York stopped a member of terrorist group Abu Nidal as he attempted to cross the border. In December 1999, the arrest of an Algerian, Ahmed Ressay, as he attempted to cross into the United States near Blaine, Washington, led to a joint U.S.-Canadian investigation of a Montreal cell of the Armed Islamic Group (GIA), which is connected with Al Qaeda. This investigation revealed that many terrorist groups with small operations in Canada were in fact linked to one another through Al Qaeda.

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The main activity of terrorist groups in Canada to date has been fundraising, through legitimate or criminal means. Canadian law does not provide for a means to halt legitimate fundraising activity even when proceeds are sent abroad to finance criminal activity. In the spring of 2001, Bill C-16, to block charitable organizations from using their status to raise funds for terrorist groups abroad, was introduced in Parliament. In the wake of September 11, the Chrétien government has pledged to pass this legislation quickly.

Terror groups in Canada use narco-trafficking as a significant source of revenue. The RCMP estimates that the Canadian domestic market for illegal drugs is \$5-7 billion (U.S.), and U.S. Customs considers the transshipment of drugs to U.S. markets a serious problem. International terrorist groups compete, and may collaborate, in this area with organized crime. In 2000 the Canadian Security and Intelligence Service released a report identifying up to 18 major transnational criminal organizations responsible for more than \$1 billion in stock market

fraud, \$400 million in mobile phone scams, and telemarketing fraud worth more than \$2.5 billion (all U.S. dollars). The establishment of the U.S.-Canada Cross Border Crime Forum in 1997, which created protocols for intelligence, evidence, and the sharing of resources between the two countries has stepped up bilateral cooperation in law enforcement, and the number of joint investigations has increased significantly since then.

Canada's immigration and refugee policies have been criticized for inadequately screening applicants and laxly enforcing deportation orders. The Supreme Court of Canada's 1985 *Singh* ruling, which extended rights under Canada's Charter of Rights and Freedoms to applicants on Canadian soil, expanded rights of appeal to immigration decisions, prohibited the government from returning applicants to countries where their safety was not certain due to civil conflict, and granted access to social program benefits to applicants during processing, was part of the problem, overwhelming the current immigration system. The Canadian Senate is now deliberating a bill, C-11, which would restore powers to immigration authorities to detain and deport rejected applicants and enhance background screening. The Chrétien government has announced that it has already begun implementation of the new rules, confident that the Senate will shortly approve the bill.

The predominantly French-speaking province of Quebec has been a concern for two reasons. The indigenous *Front de Libération du Québec* (FLQ) disbanded in 1974, and is not considered an active threat. However, Quebec has attracted francophone immigrants from the Middle East, and Montreal is home to more than 100,000 Arab-Canadians, a community large enough for Ahmed Ressam and his GIA cell to enter and escape detection for several years. The ease of obtaining Canadian identification by forging a Catholic parish baptismal certificate, which the Quebec government had traditionally accepted as proof of citizenship for historical reasons, also concerned authorities. This practice has ended, however, although the extent to which this loophole may already have been exploited is unknown.

In 2000, the U.S. State Department placed Canada on its list of 48 countries of "prime concern" for money laundering. Estimates for the amount laundered in Canada each year run as high as \$11 billion (U.S.). As part of the G-8, following the September 11 attack Canada agreed to crack down on money laundering and to seize the assets of suspected terrorist organizations.

The U.S.-Canadian Border

Because the U.S.-Canadian border is so porous, terrorist activity in Canada is a serious problem for the United States. Between Canada and the lower 48 states, the border extends for nearly 4,000 miles, much of which is wilderness, with 114 official crossing points. No fencing separates the two countries, and on the land border (excluding the Great Lakes portion) 40 miles separate some checkpoints. The U.S. Immigration and Naturalization Service post (which includes the U.S. Border Patrol) in Michigan is responsible for 804 miles of shoreline, which it monitors with one working boat and 28 field agents. In 2000 a report by the U.S. Department of Justice's Office of the Inspector-General found that fewer than 4 percent of U.S. Border Patrol agents work along the northern frontier, with 92 percent assigned to the Mexican border and the balance posted at headquarters.

After the U.S. Congress passed NAFTA, it ordered one-third of the U.S. Customs and INS personnel working on the Canadian border to shift to the Mexican border to handle a possible increase in the volume of traffic resulting from this agreement. Intended as a temporary measure, these people were only recently replaced; the Canadian border had remained understaffed for the remainder of the 1990s. Traffic at the northern border has increased steadily, however, and even today's return to 1993 staffing levels will not suffice. Already this month, Congress appropriated an additional \$25 million for agencies staffing the Canadian border to begin to improve border security.

One reason that sudden delays at the border are so costly is that they are unanticipated. James Womack of the Lean Enterprise Institute has pointed out that just-in-time inventory management

systems can account for delays in border clearance if the delays are consistent by adjusting their expected delivery times for shipments. This means that greater security at the border is not the issue, but an enforcement strategy that relies on sudden tightening of the border in response to a potential threat would be problematic. A permanent increase in security that applies to all crossings at all hours would not be as costly for the economy; this alone may justify additional congressional expenditure on a comprehensive improvement in border procedures

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and resources.

Consistency will go a long way toward mitigating the cost to the economy of greater border security. Technology available today, however, can improve the level of scrutiny for each vehicle and individual crossing the land border without adding significantly to clearance times. As frequent border crossers in both countries know, entering the United States from Canada without showing identification or answering more than one or two questions has usually been possible. The following is the actual dialogue between a U.S. Customs officer and me during a recent crossing:

U.S. Customs: "Citizenship?"

Me: "U.S."

U.S. Customs: "Why were you in Canada?"

Me: "Lunch."

U.S. Customs: "Okay, go ahead."

At times of increased alert, some U.S. citizens have complained about being the victims of racial profiling by customs inspectors, who they believe have singled them out because of their ethnic origin. In fairness to the people who staff the border, we should recognize that they have not been given many tools and are under pressure to expedite traffic. A typical U.S. inspection booth at the Canadian border contains less computing power than the vehicles passing through its lane. Inspectors can record license plate numbers, and

even receive alerts for particular vehicles, but they cannot scan passports (as their counterparts at airports can) or run background checks on suspicious or nervous individuals. All they can do is request the vehicle to report to an inspection area where another officer can search the vehicle and request identification from the driver and passengers, and hold them until their documents have been checked. At certain times of the year, inspectors in these booths are likely to be schoolteachers supplementing their income during the summer, or college students with a textbook open in front of them. As we have discovered with airport security, the United States has laxly maintained security with inadequate resources and little of the available technology.

The war on terrorism provides a clear opportunity for both the United States and Canada to install advanced technology to improve inspections of individual travelers while keeping traffic moving. Both countries have taken this approach with commercial traffic since 1989, and customs officials and shippers alike have been happy with the results. The two countries should now create a consolidated database that pulls together information from immigration, customs, law enforcement, and intelligence agencies on both sides of the border. Current facial recognition technology could help counter false documents and aliases. We should scan passports, not stamp them, and create a searchable record of who entered each country and when. With the latest technology, border clearance can become more efficient and more effectively stop criminals. Such a system will be expensive, but less so than a missile defense system. And it will address a more specific threat.

Tightened security at the border should be combined with the adoption of a "perimeter security" strategy that emphasizes tougher screening at airports and seaports where individuals first enter either Canada or the United States, thus allowing the maintenance of a relatively open internal border between the two countries. The Chrétien government made this suggestion, based on the Schengen Agreement among European Union countries, more than two years ago. The two countries should now develop this idea into a workable action plan that would concentrate their

security efforts where they can be most effective, with minimal disruption at the busy land border.

The border, no matter how secure the two countries attempt to make it, is only a checkpoint. Like a police checkpoint set up to catch drunk drivers on holidays, it is only one aspect of a comprehensive enforcement strategy that must also include additional measures (such as control of the sale of alcoholic beverages, and penalties for offenders) in order to be effective. The United States should be cautious to avoid an overemphasis on the border as a solution to problems of homeland security, and look to security cooperation beyond the border as well.

Homeland Defenses

The deep integration of Canada and the United States has made both countries vulnerable to decisions made on the other side of the shared border. The two governments must work together to develop plans for homeland security, including intelligence, law enforcement, and emergency response. Canada's Department of National Defence has recently established an Office of Critical Infrastructure Protection, which has begun identifying Canadian homeland defense priorities. In April 2001, a report by Canada's Solicitor General identified several urgent needs in this area, including improving coordination between federal and provincial governments in homeland security and emergency response.

The United States faces similar challenges that will be priorities for the new Office of Homeland Security, headed by former Pennsylvania governor Tom Ridge. On October 1, Chrétien responded to this appointment by establishing a special cabinet antiterrorism committee, chaired by Canada's Foreign Minister John Manley, and composed of the most powerful members of the cabinet, including Immigration Minister Elinor Caplan, Revenue Minister Martin Cauchon, Transportation Minister David Collenette, Intergovernmental Affairs Minister Stéphane Dion, Defence Minister Art Eggleton, Deputy Prime Minister Herb Gray, Finance Minister Paul Martin, Solicitor-General Lawrence MacAulay, and Justice Minister Anne

McLellan. Manley has already contacted Ridge and the two plan to coordinate their efforts.

The coordination of Canadian and U.S. forest fire fighting along the border is a model for such cooperation. Personnel and equipment such as water bomber aircraft is divided along the border between the two countries, each of which is pledged to aid the other based on proximity and not nationality—resulting in better coverage at a lower cost to both countries.

Following years of neglect, Canadian military

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capabilities are now so limited that Canada's contribution to the war on terrorism will be almost exclusively on the North American or homeland front—although national pride requires that Canada contribute in some way to the campaign in Afghanistan. The Royal Canadian Navy is sending two of its City-class patrol frigates, a destroyer, and a supply ship to support allied operations in the Persian Gulf. The Royal Canadian Air Force has deployed three Hercules and one Airbus for air transport, and two Aurora maritime patrol planes to assist in surveillance. In addition, a light commando group known as Joint Task Force 2 is being sent to the region. This modest force nonetheless represents a significant contribution of Canada's overall military resources. The Canadian military is small and has faced readiness problems and severe budgetary constraints in recent years; as a result, its forces could be a liability to other allied forces in a coalition campaign. However, Canada is in a unique position to contribute in North America—both within its own borders and in cooperation with U.S. efforts.

Under the NORAD agreement, Canada is a partner in continental air defense. The Canadian Chief of the Armed Forces has ordered Canadian CF-18s to follow the same policy as the U.S. Air Force, permitting the CF-18s to shoot down civilian aircraft that pose a threat to civilians on the ground.

Canada has pledged to expedite the passage of pending legislation to reform its immigration and refugee laws (Bill C-11) and to restrict fundraising for international terror by groups with charitable status (C-16). Both of these bills were introduced prior to September 11, and represent only the first steps to address security concerns over terrorist activity in Canada. On October 15, the government introduced a comprehensive antiterrorism bill (C-36) that represents a major improvement to existing legislation. It includes new definitions under the criminal code to define terrorist organizations and terrorist acts, and strengthens the ability to prosecute, convict, and punish individuals for terrorism. The bill includes new powers of preventative detention for police, who can hold someone who may be planning a crime, but has not yet acted. It creates a new kind of judicial body similar to a U.S. grand jury that can hear testimony and consider evidence in a closed session in order to protect the secrecy of intelligence resources used to gather such material. Canadian law enforcement and intelligence agencies will be granted new investigative powers and tools, including expanded authority for electronic surveillance. The bill will toughen money laundering laws, allowing for more penetrating investigations and new powers to seize or freeze funds connected to terrorist activity. The bill will also commit Canada to signing the Council of Europe's Convention on Cyber-Crime and to ratifying the only two United Nations conventions on terrorism that it has yet to formally adopt: the UN conventions on the Suppression of Terrorist Financing and on the Suppression of Terrorist Bombings.

As the U.S. Department of Justice works with Congress to develop legislation to combat terrorism, Attorney General John Ashcroft should simultaneously work with Canadian Justice Minister Anne McLellan to encourage parallel development of comparable Canadian legislation where necessary and to avoid the inadvertent creation of new loopholes—including areas where Canada's laws may be more stringent than U.S. laws—because terrorist groups have demonstrated the capacity to exploit differences in Canadian and U.S. laws in the past.

Canada and the War on Terrorism

Canadians' deep sense of security is tough to shake? to them, danger seems far away, and they typically believe that they are beloved internationally and that the United States will protect them from most any attack. Historically, this has made Canada a free rider on alliance security expenditures except in emergencies, a pattern that they established as part of the British Empire and continued as part of NATO.

On September 11, however, Canadians awoke to recognize an enemy that did not fear to attack the United States directly, and consequently was unlikely to be deterred from attacking Canada either. Moreover, Canadians understood that they must undertake new security measures to safeguard their privileged access to the United States. In every conceivable way, close cooperation with the United States to combat terrorism is in Canada's vital national interest.

At the operational level, the cooperation between U.S. and Canadian law enforcement, border enforcement, and military personnel is excellent. Doubts about Canada's support have emerged largely because of the prime minister's cautious leadership style. Chrétien was careful to qualify his support for the United States with unprovoked declarations that he would resist allowing the crisis to stampede Canada into closer ties to the United States. The Canadian public reacted sharply to this in polls. Following Bush's address to the nation on Thursday, September 20, the polling firm COMPAS found that 72 percent of Canadians supported Bush's clear and decisive leadership, while just 56 percent endorsed Chrétien's more ambiguous response. Even more striking, an Ipsos-Reid poll the following week revealed that 81 percent of Canadians support the elimination of differences in the way the two countries treat refugee claimants, illegal immigrants, and undocumented travelers, 85 percent support a Schengen-style North American perimeter security policy even if it meant changing Canadian rules to bring them in line with U.S. rules, and 90 percent supported a photo-I.D. card, like the U.S. Green Card, for landed immigrants. The Canadian

public's support for the war on terrorism is clear? even to the extent that this may require changes that before September 11 would have seemed an unconscionable loss of Canadian autonomy.

Yet the suspicion that the United States is indifferent to the erosion of Canadian sovereignty that economic integration has caused is deeply rooted in the thinking of the Canadian elite, and this has clearly contributed to Chrétien's caution. Caught up in the urgency of the times, the Bush administration may be tempted to react harshly to temporizing from Chrétien. For the duration of this conflict, Washington must avoid embarrassing Ottawa with ultimatums or public displays of U.S. power. Managing such an asymmetric relationship will always be a challenge, but knowing that the Canadian public supports the United States and its people should mitigate impatience with the Canadian leadership. Yet U.S. officials, aware that the Canadian public supports the United States in this crisis more enthusiastically than some in Chrétien's cabinet, should not hesitate to apply pressure privately on recalcitrant officials in Ottawa at the first sign of wavering resolve.

It may not come to this, though; Chrétien has pledged that his government will cooperate fully with U.S. efforts against terrorism. Yet because Ottawa has taken a reactive posture to this crisis to date, Washington will need to lead with an outlined agenda for joint action. Yet recognizing that Canadians have shared in the traumatic experience of the September 11 attacks, and that their views about security have changed dramatically as a result, the United States should avoid scolding Canada for any past lapses. Bin Ladin and Al Qaeda were responsible for these attacks, not any Canadian or U.S. officials who may have missed opportunities to arrest them before September 11.

Al Qaeda's sins of commission on September 11 outweigh Canada's and the United States' past sins of omission.

Canada is a great friend of the United States because the Canadian and U.S. people are so close. If mutual suspicions or recriminations drive a wedge between the Bush administration and the Chrétien government now, the economic integration they have pursued will begin to unravel, and the terrorists will have won a victory more terrible than any they could have planned.

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