



# Leaders learning to adapt to changes in U.S.-Canada relations

by Ilene K. Grossman

When people are asked to describe the relationship between Canada and the United States, the border is often one of the first things mentioned, and with good reason. Not only is the border unique — it is the longest undefended boundary between two countries in the world — it also impacts many other aspects of the multifaceted relationship between the two friendly neighbors. The way both countries view management of the border is changing, and as a result, many modifications and new cooperative ventures are occurring in the U.S.-Canada relationship.

Michigan Rep. Lauren Hager, whose district is located across the river from Sarnia, Ontario, says the relationship between states and provinces, and the two federal governments, is important for many reasons. People cross the border every day, he says, and the strong economic, social and even familial ties that have developed need be maintained and strengthened.

The flow of goods and services between the two countries makes for the largest trading relationship in the world. Two-way trade averages \$1.3 billion every day. In 2001, Canadians bought \$163 billion worth of American goods, more than all of the countries in the European Union. In addition, Canada is the largest trading partner for nearly every state in the Midwest. Between 1994 and 2001, thanks in part to the North American Free Trade Agreement, trade between the two nations grew by 50 percent.

Trade, of course, relies on effective border management. This always-challenging governmental task has become even more difficult since the Sept. 11 terrorist attacks, which heightened concerns about security and the movement of goods and people between countries. Without effective management, new security measures can conflict with the countries' important trading partnership, because delays at the border cause tremendous losses for businesses, especially with the "just-in-time" manufacturing connection that has developed between the two countries.

The northern boundary of Minnesota Sen. LeRoy Stumpf's district runs along the Canadian border. He concedes that "some problems have crept into the U.S.-Canada relationship following Sept. 11." In the aftermath of the

terrorist attacks, there was a major increase in the time that it took to cross the border. Some of these problems were caused by a more-intense inspections process, along with a U.S. decision to shift about 100 inspectors from the northern border to the southern border with Mexico. These changes, coupled with the reorganization of several key immigration and border-related agencies into the new Department of Homeland Security, "have brought some ups and downs, and this has been a test of our relationship," Stumpf, a Democrat from Thief River Falls, says.

In an effort to improve border management and security, Canada and the United States signed the Smart Border Accord in December 2001. One of the agreement's primary goals is to collaborate in a way that better identifies security risks but, at the same time, expedites the flow of low-risk travelers.

The countries' NEXUS program offers dedicated lanes at busy border crossings for frequent travelers who have applied to participate. FAST, a similar initiative for low risk, pre-approved commercial traffic, has been launched at two Michigan-Ontario locations.

State and provincial leaders will want to continue to be involved in many aspects of implementation of the Smart Border Accord, not just those areas (such as the counterterrorism exercise) where they have a specified role to play. More than ever before, information sharing and cooperation at all levels of government will be relied upon to ensure improved border management and security.

## New chances for collaboration

Emergency management, involving both natural and human-caused disasters, is another area where closer collaboration is taking place. A pilot project on regional medical surge capacity is currently being conducted between the six New England states, Quebec and the Maritime provinces. (The project has been organized with assistance from the National Emergency Management Association, which is staffed by The Council of State Governments.)

This program seeks to provide hospital beds, supplies and medical teams for areas where an attack involving biological weapons or other weapons of mass destruction has occurred, but it could easily be applied to problems caused by natural disasters as well. As part of the initiative, some of the rules regulating temporary immigration and customs matters have been set aside. Meanwhile, according to NEMA, states and provinces in the Pacific Northwest are in the process of adopting a similar mutual aid agreement.

There are other areas where leaders on both sides of the border can work to strengthen their relationship. The harmonization of regulatory standards — or, at the very least, the mutual recognition of regulations — is important to maintaining the flow of commerce across the border.

States and provinces regulate truck size and weight standards. Differences between them, even slight ones, can make it difficult for truckers to move freight. And while the federal governments maintain a major role in transportation, the harmonization or mutual recognition of standards at the sub-national government level could greatly improve the flow of goods.

The role of states and provinces in the U.S.-Canada relationship is likely to increase as many of the new border-related, collaborative efforts already under way continue. As has happened in the past, conflicts are bound to arise as the relationship touches new policy areas.

"There are challenges, but they are being met by cooperation between the two countries," Hager, a Republican from Port Huron, believes. One challenge, in fact, is to make sure that potential disputes are resolved before they become serious problems. The most efficient way to work through them is to cooperate wherever possible and to have mechanisms in place to address any problems informally before they become major trade disputes. ✨

State	Exports to Canada	Percentage of total exports	Imports from Canada
Illinois	\$8.3 billion	38%	\$12.8 billion
Indiana	\$6.2 billion	43%	\$3.6 billion
Iowa	\$1.7 billion	33%	
Kansas	\$1.1 billion	25%	
Michigan	\$18.7 billion	54%	
Minnesota	\$2.5 billion	24%	\$5.6 billion
Nebraska	\$503 million	20%	\$570 million
North Dakota	\$1.1 billion	49%	\$403 million
Ohio	\$14 billion	50%	\$9.5 billion
South Dakota	\$266 million	45%	\$307 million
Wisconsin	\$3.8 billion	36%	\$4.2 billion

Source: Statistics Canada

The Smart Border Accord also focuses on the secure flow of goods, including the development of joint standards for screening cargo both before it arrives in North America and then at its first point of entry.

At the same time, both countries have agreed to explore ways to speed the movement of low-risk goods by moving screening away

from the border to rail yards and ports. New, secure technologies to relieve congestion at key border crossings also are being implemented.

The role of states and provinces in maintaining and improving approaches to ports of entry is especially important, and as technology improves crossings at land borders, the infrastructure to support increased trade and travel will have to be in place.

As part of efforts to boost security, both nations are strengthening coordination and cooperation between law enforcement agencies. For example, Canada has been participating in a U.S.-led counterterrorism exercise involving government leaders and first-responders.