



# Beneath the Radar: Change and Transformation in the Canada-U.S. North American Defence Relationship

Ву

# James Fergusson, PhD

Fellow of the Canadian Defence & Foreign Affairs Institute

and

Deputy Director, Centre for Defence and Security Studies University of Manitoba

December, 2009
Prepared for the Canadian Defence & Foreign Affairs Institute 1600, 530 – 8<sup>th</sup> Avenue SW, Calgary, AB T2P 3S8

www.cdfai.org

© Canadian Defence & Foreign Affairs Institute

#### Other Publications Written For Or Assisted By:

#### The Canadian Defence & Foreign Affairs Institute

#### **Democracies and Small Wars**

Barry Cooper December, 2009

#### The Canada First Defence Strategy - One Year Later

George Macdonald October, 2009

#### Measuring Effectiveness in Complex Operations: What is Good Enough?

Sarah Meharg October, 2009

# "Connecting the Dots" and the Canadian Counter-Terrorism Effort – Steady Progress or Technical, Bureaucratic, Legal and Political Failure?

Eric Lerhe March, 2009

#### Canada-U.S. Relations in the Arctic: A Neighbourly Proposal

Brian Flemming December, 2008

#### President Al Gore and the 2003 Iraq War: A Counterfactual Critique of Conventional "W"isdom

Frank Harvey November, 2008

#### Canada and the United States: What Does it Mean to be Good Neighbours?

David Haglund October, 2008

#### Redeployment as a Rite of Passage

Anne Irwin April, 2008

# The 2007 Ross Ellis Memorial Lectures in Military and Strategic Studies: Is there a Grand Strategy in Canadian Foreign Policy?

David Pratt March, 2008

## Military Transformation: Key Aspects and Canadian Approaches

Elinor Sloan December, 2007

#### CFIS: A Foreign Intelligence Service for Canada

Barry Cooper November, 2007

## Canada as the "Emerging Energy Superpower": Testing the Case

Annette Hester October, 2007

# A Threatened Future: Canada's Future Strategic Environment and its Security Implications

J.L. Granatstein, Gordon S. Smith, and Denis Stairs September, 2007

### Report on Canada, National Security and Outer Space

James Fergusson and Stephen James June, 2007

#### The Information Gap: Why the Canadian Public Doesn't Know More About its Military

Sharon Hobson June, 2007 Conflict in Lebanon: On the Perpetual Threshold

Tami Amanda Jacoby

April, 2007

Canada in Afghanistan: Is it Working?

Gordon Smith March, 2007

Effective Aid and Beyond: How Canada Can Help Poor Countries

Danielle Goldfarb December, 2006

The Homeland Security Dilemma: The Imaginations of Failure and the Escalating Costs of Perfecting

Frank Harvey June, 2006

An Opaque Window: An Overview of Some Commitments Made by the Government of Canada Regarding the Department of National Defence and the Canadian Forces; 1 January 2000 – 31 December 2004

David J. Bercuson, Aaron P. Plamondon, and Ray Szeto

May, 2006

The Strategic Capability Investment Plan: Origins, Evolution and Future Prospects

Elinor Sloan March, 2006

Confusing the Innocent with Numbers and Categories: The International Policy Statement and the Concentration of Development Assistance

Denis Stairs December, 2005

In the Canadian Interest? Assessing Canada's International Policy Statement

David J. Bercuson, Derek Burney, James Fergusson, Michel Fortmann/Frédéric Mérand, J.L. Granatstein, George Haynal, Sharon Hobson, Rob Huebert, Eric Lerhe, George Macdonald, Reid Morden, Kim Richard Nossal, Jean-Sébastien Rioux, Gordon Smith, and Denis Stairs October, 2005

The Special Commission on the Restructuring of the Reserves, 1995: Ten Years Later

J.L. Granatstein and LGen (ret'd) Charles Belzile September, 2005

Effective Defence Policy for Responding to Failed And Failing States

David Carment June, 2005

Two Solitudes: Quebecers' Attitudes Regarding Canadian Security and Defence Policy

Jean-Sébastien Rioux February, 2005

In The National Interest: Canadian Foreign Policy in an Insecure World

David J. Bercuson, Denis Stairs, Mark Entwistle, J.L. Granatstein, Kim Richard Nossal, and Gordon S. Smith October, 2003

Conference Publication: Canadian Defence and the Canada-US Strategic Partnership

September, 2002

To Secure A Nation: The Case for a New Defence White Paper

David J. Bercuson, Jim Fergusson, Frank Harvey, and Rob Huebert

November, 2001

Publications are available at www.cdfai.org or call Katharine McAuley at (403) 231-7624

#### **EXECUTIVE SUMMARY**

Despite being Canada's most vital defence relationship, little attention has been paid to the significance of the array of changes that have taken place in continental defence since the end of the Cold War. In examining the elements and process of change that transformed the North American defence relationship from marginal bilateralism to binationalism from the late 1930s to the establishment of NORAD in 1957-58, this analysis of post-Cold War changes in the relationship identifies and assesses two schools of thought: an optimistic status quo; and pessimistic revisionist one. While both implicitly agree that the binational Cold War relationship was primarily a functional response to the aerospace threat posed by the Soviet Union, they fundamentally disagree on the implications of changes which have occurred in the wake of the demise of the Soviet threat. The optimistic school of interpretation suggests that these changes are a basic functional response to the new post-Cold War defence environment, and have had little effect on fundamentals and Canadian strategic interests. The pessimistic interpretation posits that these changes reflect a significant divergence in perceptions between Canada and the U.S. about continental defence, and are transforming the relationship through the process of re-nationalization with negative effects on Canadian strategic interests. Although only time will tell if the relationship is actually transforming, the analysis concludes by positing that prudence should be the guide for Canadian decisionmakers.

#### SOMMAIRE

Bien qu'il s'agisse de la relation la plus vitale pour le Canada sur le plan de la défense. l'importance de la série de changements qui se sont produits dans la défense continentale depuis la fin de la guerre froide a fait l'objet de peu d'attention. En se penchant sur les éléments et le processus de changement qui ont transformé la relation de défense nordaméricaine de bilatéralisme marginal en binationalisme entre la fin des années 1930 et la création du NORAD en 1957-1958, cette analyse des changements dans la relation après la querre froide identifie et évalue deux écoles de pensée : celle du statu quo optimiste et celle du révisionnisme pessimiste. Les deux s'entendent implicitement pour dire que la relation binationale de la guerre froide représentait principalement une réaction fonctionnelle à la menace aérospatiale de l'Union soviétique, mais elles sont en désaccord fondamental quant aux répercussions des changements survenus dans la foulée de l'effondrement de la menace soviétique. L'école d'interprétation optimiste suggère que ces changements constituent une réaction fonctionnelle de base au nouvel environnement de la défense après la guerre froide, et ont eu très d'effet sur les facteurs fondamentaux et les intérêts stratégiques canadiens. L'école d'interprétation pessimiste soutient que ces changements reflètent une divergence de perception importante entre le Canada et les États-Unis quant à la défense continentale, et transforment la relation par un processus de renationalisation qui exerce une incidence négative sur les intérêts stratégiques canadiens. Seule l'expérience dira si la relation est vraiment en train de se transformer, mais l'analyse conclut en posant pour principe que la prudence devrait guider les décideurs canadiens.

#### INTRODUCTION

In 1996, Joseph Jockel and Joel Sokolsky posited the end of the Canada-U.S. defence relationship: "What is coming to an end is the cold war cooperation between Canada and the United States in the defence of the West..." By this, they did not mean the end of the military relationship in totality, but a change in the character and nature of the relationship in which "collaboration in the direct defence of the continent will continue its already marked decline into strategic marginality." They further welcomed this outcome because it portended the waning of "the frictions, which have arisen in the bilateral relationship because of Canadian sovereignty concerns over defence issues..." Their only North American caveat to this outcome was whether "Ottawa itself chooses to become more heavily involved ... in North America through an accelerated NORAD BMD role...

One might have expected that Jockel and Sokolsky's argument would have been the occasion for a flurry of analysis and debate on its meanings and implications, especially given that the U.S. defence relationship, with its centerpiece NORAD, arguably remains far and way the most vital to Canada. Instead, it was met by deafening silence. Five years later, following 9/11, some attention began to be paid to the future of the relationship, but even here it was subsumed by security issues, somewhat distinct from, but related to defence. But then, this too faded, only to be re-awakened by the ballistic missile defence issue in 2004, which in turn disappeared almost the day after the Martin Government announcement that Canada would not participate in the U.S. program beyond NORAD's early warning role.

In effect, Canada's most vital defence relationship continues to 'fly beneath the radar'. Consistent with Jockel and Sokolsky's prediction, its public prominence with regard to North America on the occasions of 9/11 and ballistic missile defence has largely revolved around the Canadian sovereignty question. Otherwise, by the lack of attention devoted to the issue of North American defence cooperation, at least at the public/academic level, it would appear that all is fine. Yet, as Jockel and Sokolsky noted in 1996, the relationship has changed significantly over the past decade or so. Whether these changes amount to a transformation in the character and the nature of the North American relationship remains an open question. Furthermore, whether these changes, or this transformation are in Canada's strategic interests is a question that is simply ignored.

The purpose of this analysis is to identify the elements of change in the Canada-U.S. North American defence relationship, with a particular focus on NORAD as the institutional and symbolic centerpiece of the relationship. In so doing, the evidence can be interpreted in two ways. The first, or optimistic interpretation, suggests that these changes represent only marginal adjustments to the relationship in response to the existing defence and security environment with little, if any, effect on fundamentals. The second, or pessimistic interpretation, posits that these changes are part of a transformation process, similar to the one that occurred from the late 1930s through the 1940s. The result of transformation, when

<sup>4</sup> They also note that this outcome might be affected through Canadian involvement with the U.S "in Europe through NATO actions in the East, or out of area through participation in coalitions and U.S.-backed U.N. peace enforcement efforts." However, it can be suggested that non-North American defence cooperation has never had the same political-sovereignty impact as North American in part because such cooperation usually occurs within a multi-lateral context. Ibid. p. 17.

<sup>&</sup>lt;sup>1</sup> Joseph Jockel and Joel Sokolsky, *The End of the Canada-US Defence Relationship*, Occasional Paper #53 (Kingston: Center for International Relations. 1996), p. 17.

<sup>&</sup>lt;sup>2</sup> Ibid. p. 2.

<sup>&</sup>lt;sup>3</sup> lbid. p. 16.

<sup>&</sup>lt;sup>5</sup> In the U.S., the lack of attention is even greater. Indicative of this, a recent seventy-three page report by the Congressional Research Service devoted only two paragraphs to NORAD, one paragraph to missile defence and one paragraph to the Joint Strike Fighter project. Carl Ek, *Canada-U.S. Relations* (Washington: Congressional Research Service, May 12, 2009).

completed in the future, will alter the fundamentals established during the Cold War and undermine core Canadian strategic interests unless reversed by Canadian initiatives.

#### **CHANGE AND TRANSFORMATION**

Without engaging in a lengthy definitional discussion of the terms change and transformation, it is important to recognize that the two concepts are inter-related vet distinct. They are inter-related in the sense that changes to a relationship over time can amount to transformation; however, changes can also simply represent adjustments within a relationship in response to new stimuli or unforeseen issues that are external or exogenous to its operation or mandate. These changes are essentially absorbed within the relationship with no significant alterations in its parameters. In contrast, transformation represents a fundamental alteration in the parameters of the relationship - its nature, process and outcomes. For example, numerous changes occurred in the relationship amongst states during the Cold War without altering their structural parameters. These parameters transformed with the demise of the Soviet Union, which in turn can be traced back to the change in Soviet behaviour with regard to its East European satellites. There were, of course, other earlier changes, which with hindsight can be seen as the beginnings of a transformation process. But these changes all occurred within the parameters of the Cold War relationship. In effect, changes are relatively easy to identify, but their relationship to transformation is generally posited after the fact.

Turning to change and transformation in the Canada-U.S. defence relationship, there is no question that significant changes have occurred over the past two decades or more. No clear transformation, however, has taken place, and it is open to debate whether these changes are part of a transformation process. While there are no formal competing schools of thought concerning the state of the Canada-U.S. North American defence relationship, a perusal of the limited literature and discussions with government officials indicate both a change and transformation perspective. The change perspective is status quo, and optimistic in orientation, whereas the transformation perspective is revisionist and pessimistic. In the former, the parameters of the relationship remain largely in place. In recognizing that major changes have taken place over the past decades, as well as some crises, the relationship has remained stable and has simply adjusted to new external realities. Indeed, change has been a consistent feature of the relationship since its establishment in World War II, largely as a result of U.S. initiatives. It has always had its ups and downs, such that the problems engendered and weathered during the recent Bush-Chrétien/Martin vears are little different from those of the Diefenbaker-Kennedy or Trudeau-Nixon/Reagan years, with no appreciable impact on the mutually beneficial defence relationship.

The latter perspective posits that the relationship is in the process of transformation, which will fundamentally revise the nature of cooperation and benefits. While most attention is focused upon the impact of 9/11 on the border security equation, the major changes, which have taken place over the past decade or more, are bringing to an end a meaningful binational relationship. In its place, it is taking on the characteristics of a normal nation-tonation relationship between two allies. In effect, the relationship is being re-nationalized and re-nationalization is not just a response to the end of the Cold War. Rather, it is the product of a series of decisions on the part of both Canada and the U.S., of which the ballistic missile defence and North American security perimeter issues are illustrative of a parting of ways. The common threat perception and defence interests of World War II and the Cold War that created the relationship have been replaced by significant differences. The institutions of past cooperation may continue symbolically, but their substantive value has become marginal. While this transformation may eliminate any perceived challenges to sovereignty that attended the bi-national defence relationship in the past, as argued by Jockel and

Sokolsky, it also means that the other benefits accrued, such as Canada's window into the global, strategic world via the North American defence relationship, are disappearing.

In order to understand whether the differences in the relationship between today and a decade or so ago are simply adjustments to a new strategic environment generated by the end of the Cold War in combination with 9/11 or a fundamental transformation of the relationship, it is useful to examine briefly the last transformation. If one compares the 1930s to the 1960s, it is clearly evident that the relation transformed from marginal bilateralism to formal bi-nationalism. During this period, there are numerous events or changes which are transformational indicators.

In 1938, President Roosevelt unilaterally brought Canada beneath the U.S. defence umbrella by declaring that the U.S. would not stand idly by if Canada was attacked by a third party – what has become known as the Kingston Dispensation. In response, Prime Minister King basically declared that Canada would not act in any way to threaten the security of the U.S. – ostensibly a posture of armed neutrality. Roosevelt's declaration fundamentally altered the conditions for Canadian defence. The U.S, in the process of replacing the United Kingdom as the priority in Canadian defence, generated three inter-related principles or constants that would subsequently guide Canadian thinking. First, the U.S. would defend Canada in order to defend itself, regardless of the latter's wishes, and in so doing would plan to violate Canadian sovereignty with or without Canadian input. The logical functional Canadian response to its soon to be superpower neighbour was to obtain avenues of input into, and thus influence upon, U.S. continental defence thinking and planning.

Second, input and influence was as much, if not more, about sovereignty protection against U.S. continental defence unilateralism as it was about the common Soviet air threat. As a result, especially at the political level, sovereignty became the touchstone for Canadian evaluations of U.S. continental defence initiatives, generating the theoretical proposition of 'defence against help'. Finally, the combination of the external common threat and sovereignty protection in the context of U.S. developments over time generated a process of U.S. action and Canadian reaction. As a function of its defence requirements as they evolved from World War II through the Cold War, in which new military technologies were a major driver, the U.S. would act and Canada would react to protect its sovereignty.

While the Roosevelt declaration set the stage for transformation, it would take major substantive changes, embodied in institutionalization, for transformation to occur fully. For example, the longstanding enmity between France and the United Kingdom at the declaratory level changed with the 1904 Entente Cordiale agreement to resolve their colonial differences in the face of rising German power. The relationship substantively changed with the commencement of formal military staff talks on planning for war against Germany. In a similar pattern, a substantive transformational change in the Canada-U.S. relationship

<sup>&</sup>lt;sup>6</sup> Although the Kingston speech in 1938 is the agreed date for Roosevelt's declaration, Roosevelt's first public declaration occurred on August 14, 1936 at Chautaqua. Colin Gray, *Canadian Defence Priorities: A Question of Relevance* (Toronto: Clark, Irwin & Company, 1972). The Kingston Dispensation concept is most recently found in Michel Fortman and David Haglund, "Canada and the Issue of Homeland Security: Does the 'Kingston Dispensation Still Hold," *Canadian Military Journal*, 3:1 (Spring 2002), p. 18.

<sup>&</sup>lt;sup>7</sup> Roussel provides the most recent exposition of the 'defence against help' thesis as part of his larger study on the relationship. See Stéphane Roussel, *The North American Democratic Peace: The Absence of War and Security Institution Building in Canada-U.S. Relations* 1867-1958 (Montreal: McGill-Queen's Press, 2002).

<sup>&</sup>lt;sup>8</sup> Declaratory may be understood as general statements and/or rhetoric expressed by national elites towards other states, which may or may not be accompanied by consistent substantive operational plans or institutions. For example, U.S. and Soviet nuclear declaratory strategy were in many cases much different from their respective actual operational plans and strategy.

followed with the creation of the Permanent Joint Board of Defence (PJBD) in the Ogdensburg Agreement in 1940,<sup>9</sup> which established a formal mechanism, or institution, for defence cooperation.

Both the British-French and Canadian-American cases indicate that defence transformation stems from the presence of a shared, external threat. Once the threat ceased, so would the functional requirements for formal defence cooperation, as occurred with the defeat of Germany in 1918. In the Canada-U.S case, the external threat of Germany, which was the impetus for the Roosevelt declaration, was replaced by the Soviet Union as the common threat that was first manifested in long-range nuclear-armed bombers and then intercontinental nuclear-tipped ballistic missiles. Institutionally, transformation continued with the creation of the Military Cooperation Committee (MCC) in 1945 tasked with planning for the air defence of North America, followed by the declaration of principles of defence cooperation in 1947 prior to the emergence of the long-range Soviet bomber threat. From there, the pre-war declaratory relationship was formalized within the Article V commitment in the Treaty of Washington (1949), resulting in the North Atlantic Treaty Organization (NATO). Although the Article V commitment was not strictly bilateral in that it included Western European members of the alliance, its functional manifestation for North American air defence was. The MCC nominally became the NATO Canada-U.S. Regional Planning Group without the addition of Europeans. Change continued with agreements to create the Mid-Canada, Pinetree and Distant Early Warning radar lines culminating in the creation of the integrated, bi-national North American Air Defence Command (NORAD) in 1957-8. From there, changes continued over time as a function of U.S. initiatives and Canadian responses within the basic bi-national parameter or character of the relationship.

Declaratory and institutional transformation also led to perceptual transformation – their combined impact on the manner in which the actors perceive the nature of the defence relationship. In the World War I case, none of the actors charged with implementation altered their nationally-based perceptions. Coordination and cooperation were functionally necessary for the war effort, but did not generate a bi-national mentality. It was still about British and French defence as separate parts of the whole. Similarly, at the political levels at least, nationally-based perceptions remained in place in Canada and the U.S. All that had changed or transformed was the presence of each other as the key aspect of their national defence; however, this masks a much deeper perceptual transformation that occurred within the institutional expression of the relationship: NORAD. Its significance stemmed from the reality that the internal institutional leadership, and those closely associated with the institution at the national level, largely managed and drove the defence relationship as the attention of the senior national decision-makers was largely focused elsewhere. <sup>10</sup>

The Canada-U.S. actors or implementers came to perceive the relationship as an integrated whole – the roots of the 'NORAD' perspective as distinct from the Ottawa and Washington perspectives. In a sense, Canadian and American military personnel directly associated with the aerospace defence of the continent became 'North American' military personnel as a function of the two primary NORAD missions: aerospace warning of attack, which included both bombers and ballistic missiles, and aerospace control or defence limited to the air-

 $^{9}$  This was extended into the economic field of defence industrial cooperation the next year at Hyde Park.

<sup>&</sup>lt;sup>10</sup> This remains a central feature today, especially with regard to the U.S. As Sands recently pointed out, "...the United States does not design its policy approaches to Canada in a vacuum. The larger context of the US posture vis-à-vis the wider world is the context in which any discussions of the challenges and opportunities for Canada in regard to its relationship with the United States *must* take place." Christopher Sands, "New Challenges and Opportunities for Canada-U.S. Relations: Preparing for 2009," Canada-U.S. Fullbright Killam Fellowship Conference, Ottawa, September 15, 2006, http://csis.org/files/media/csis/pubs/060915\_new\_challenges.pdf.

breathing threat. In turn, this was reinforced by the common cultural bonds shared by the two air forces tasked with the common defence of North America.

There is little, if any, formal systematic evidence to support the idea of a bi-national perceptual mental map or mindset. Anecdotally, however, it was manifested over time for Canadians in particular by their informal exclusion from the 'no foreign eyes' protocol. Canadian officers were often treated as American officers for all intents and purposes within the confines of NORAD. As NORAD functions extended from air to space, so Canadian access and influence opportunities expanded beyond the narrower confines of strictly air defence. Functionally, there was no explicit reason for the U.S. to extend NORAD early warning into the ballistic missile, and thus outer space, domains; especially in an environment of no defence against missile attack, and no major assets located in or provided by Canada to the missile early warning mission. 11 Canada had little, if anything to offer, with all of the relevant assets outside Canadian territory and U.S. Strategic Air Command's ballistic missile retaliatory forces kept at arms length distance from the relationship. Nonetheless, the mission was added to NORAD. In so doing, Canadian officers gained access to global strategic knowledge about the full range of Soviet strategic capabilities knowledge unobtainable in the absence of such access. This knowledge was essential for Canadians through NORAD to perform their assigned missions, but this functional requirement does not explain why the U.S. accepted Canadian involvement. Instead, it speaks to the presence of a common North American mindset.

This mindset was largely limited to the military actors directly involved and it is difficult to estimate how far it extended into the senior levels within the Department of National Defence. North American defence was almost exclusively air force and neither the army nor navy faced the same specific functional requirements for close cooperation with its American counterpart in North America. Their relationship that slowly deepened over time remained bilateral, as one would expect, as a function of their common European/NATO defence commitment, the move of Canadian forces from the British to the American sector of operations, and the common interest with regard to the sea lines of communication across the Atlantic. Other elements of Canada-U.S. defence cooperation, especially in the defence industrial sphere, also remained bilateral. In effect, transformation as deterministically driven by an external threat informed by new military technologies produced an extensive defence relationship across the board that did not previously exist. It was, however, primarily in the aerospace sector that it acquired a distinct institutional character with an integrated binational perceptual or cognitive map – what may be termed the NORAD anomaly.

The operational requirements for the effective defence of North America that created the NORAD anomaly produced a series of strategic benefits for the weaker partner – Canada. First, it created the conditions whereby Canada could expropriate U.S. defence resources for its own purposes, effectively replacing its former defence patron, the United Kingdom, with a new patron. <sup>13</sup> Regardless of whether Canadian governments were unwilling, and/or unable

<sup>&</sup>lt;sup>11</sup> The only Canadian assets were the two Baker-Nunn cameras for space surveillance. The first deployed at Cold Lake, Alberta and the second at St. Margaret's, New Brunswick. Although the cameras contributed to the U.S. space surveillance network, vital to de-conflicting space assets and debris from ballistic missiles/warheads, Canada did not contribute directly to the Ballistic Missile Early Warning network of space and ground-based sensors. Both cameras were also supplied by the U.S. and have been deactivated.

<sup>&</sup>lt;sup>12</sup> One can identify elements of a common mindset in the defence industrial relationship. This was found in the repeated success of Canadian lobbying of U.S. defence officials to obtain exemptions from U.S. defence procurement protectionist legislation – a feature of the relationship that has also evaporated, as most clearly indicated on the issue of the application of U.S. International Trade in Arms Regulations (ITARS) to Canada in the late 1990s. While an agreement was reached to cover state-state ITARS issues, the issue for Canadian industry remains unresolved.

<sup>&</sup>lt;sup>13</sup> In return, the U.S. acquired access to a vital piece of strategic real estate.

to invest resources into independent control over its own air space, the U.S. provided its resources to Canada as most prominently illustrated by the unreciprocated favourable funding arrangements for NORAD infrastructure in Canada.<sup>14</sup>

This reality, and specific example, fed the second benefit: enhanced Canadian sovereignty. The U.S. essentially supported Canada's capacity to control its own airspace, thereby generating the NORAD sovereignty paradox. NORAD simultaneously enhanced Canadian sovereignty with added capability and threatened Canadian sovereignty in generating political images of Canadian subservience. The third benefit was global Canadian access to the much larger strategic environment. In order for the bi-national command to function seamlessly, especially in NORAD's integrated tactical warning and attack assessment mission, Canadian personnel needed detailed knowledge about the military capabilities of the Soviet Union capable of striking North America. As this extended from air to outer space, Canadians also needed knowledge about outer space activities. None of this valuable information, which also had wider, independent value to Canada, could be obtained without access to U.S. intelligence sources. As a result, NORAD for Canada was ostensibly a global command, whether understood as such or not.

Finally, access to U.S. intelligence and defence planning provided opportunities to influence U.S. decisions and behaviour and this potentially could be extended beyond North American defence planning to other areas of interest. It is difficult, of course, to measure the extent to which opportunities translated into actual influence and the debate about actual Canadian influence continues to this day. Nonetheless, access not just through NORAD, but also through the senior management levels of the MCC and PJBD, ensured numerous avenues or opportunities for Canadian officials to make their views known to their American counterparts (and vice-versa). Intuitively, it is hard to believe that such opportunities had no influence or effect on U.S. thinking and planning (and vice versa).

Overall, the cognitive 'North American' mindset was largely the function of a common external threat after World War II: the Soviet Union and its emerging capability to strike at North America as it acquired first long-range bombers and then intercontinental ballistic missiles. The response as a function of geography and flight paths generated a common belief that Canadian and American defence and security was indivisible. At the national level, the actors came to understand that their national defence requirements could and should not be separated. In effect, transformation was externally driven and deterministic, and once the external threat disappeared as it did in 1989 (and perceptually cemented with the collapse of the Soviet Union in 1991), the relationship should have reverted back to its pre-threat state of bilateralism under new conditions – the essence of the Jockel-Sokolsky argument.

#### **CHANGE AND TRANSFORMATION TODAY**

There is little dispute that major changes have taken place in the Canada-U.S. defence relationship over the past two decades. The end of the Cold War eliminated the external threat that deepened the relationship after World War II. Even though Russia has resumed bomber training flights over the Arctic, and NORAD interceptors once again rise up to greet them, these events are not seen as significant in a true defence sense. Few expect a resumption of a hostile relationship with Russia in the foreseeable future, notwithstanding occasional rhetoric from Ottawa. Moreover, there is a general belief that sufficient warning

<sup>&</sup>lt;sup>14</sup> Historically, the U.S. paid for two thirds of Canada NORAD infrastructure up to the modernization of the North Warning System in which the U.S. paid for sixty percent. Canada did not pay any costs for U.S. NORAD infrastructure.

<sup>&</sup>lt;sup>15</sup> The most prominent was Defence Minister's McKay's comment on Feb. 18, 2009. See "Russia hits back at Canada about bomber flights," CTV News:

time would be available for NORAD regeneration if, for example, a Russian or Chinese threat emerged, under the implicit assumption that both parties would act as they did in the past. Regardless, the common threat, which drove transformation in the past is gone, and in its absence one would readily expect another transformation moment. Theoretically, as a functional institution created by an external threat, the absence of the threat makes the institution marginal, if not irrelevant.

NORAD, of course, has not disappeared for a variety of reasons. After decades of cooperation, NORAD has important symbolic value for both parties, such that neither could imagine what the relationship would be like without the institution. <sup>16</sup> Nor could the NORAD community imagine a world without the institution. In addition, attention at the senior political and military levels was, and remains focused overseas in response to the new strategic environment of peace support, counter-insurgency, and anti-terrorist operations. NORAD remained simply 'below' the strategic-political radar prior to 9/11.

Even with both nations facing spending cuts in the 1990s, NORAD costs also remained manageable. Although the 1980s plans for further modernization beyond those already underway were shelved, specific NORAD costs were limited. National assets dedicated to NORAD's missions could be reduced and others continued to perform important functions independent of the Soviet threat, such monitoring the air and space approaches to the continent. In other words, NORAD also possessed other functions beyond, but related to its original raison d'etre. Its aerospace warning mission remained operative, and the growing significance of space, military and civil, also provided a functional future. For example, its value was clearly demonstrated through NORAD's role in providing early warning of Iraqi ballistic missile attacks against Israel and Saudi Arabia during the 1991 Gulf War in the context of the emergence of proliferation, weapons of mass destruction and ballistic missiles as a major security concern. This portended the possibility of NORAD acquiring the ballistic missile defence function for North America. In addition, there were non-defence or security functions of possible importance, as evident in NORAD's move into the U.S. 'war on drugs'. These security functions, in turn, became dominant after 9/11, and accompanied by some expectations that NORAD would expand into the maritime and land domains and become the institutional expression of a North American security perimeter.

Neither the ballistic missile defence, nor North American security perimeter functions materialized. Although NORAD formally acquired the early warning mission for the U.S.-only ground-based mid-course interceptors located at Fort Greely, Alaska, and Vandenberg, California, the Martin government rejected any further participation and there is no indication that the present or a future government will reverse this position.<sup>17</sup> Furthermore, there is no indication what part of the missile defence mission NORAD would undertake, nor what contribution Canada might provide, if the government reversed its position.<sup>18</sup> NORAD also

http://www.ctv.ca/servlet/ArticleNews/story/CTVNews/20090227/Russia\_planes\_090227/20090227?hub=TopStories.

<sup>16</sup> This view is echoed by Fortman and Haglund in their analysis of the hardened or 'Mexicanized' border as potential evidence that "the normative basis of Canada-US security cooperation has eroded". They conclude that such a signal is not something "any Canadian government would wish to receive, nor would it be something that any American government would desire having to send…" Michel Fortman and David Haglund, *Op. Cit*, p. 22.

<sup>17</sup> The Harper government has quietly indicated that it would be willing to re-visit the decision upon invitation from the U.S. However, as a function of the past, one should not expect any invitation from the U.S. Carl Ek, *Op.cit*, p. 11; see also James Fergusson, "Shall We Dance: The Missile Defence Decision, NORAD Renewal, and the Future of Canada-U.S. Defence Relations," *Canadian Military Journal*, (Summer 2005), p. 13-22.

<sup>18</sup> During negotiations with the U.S. on Canadian participation in 2003-04, the U.S. rejected a NORAD command and control role, and refused to provide any guarantees for the defence of Canadian cities. The current government's position is that it will revisit the issue if invited by the U.S.,

obtained a limited maritime surveillance function and resides as the aerospace side of the Canada Command-U.S. Northern Command equation. Finally, the integrated North American security perimeter was stillborn, with land and maritime cooperation being governed on the basis of bilateral agreements.<sup>19</sup>

Despite the missile defence and security perimeter outcomes, the NORAD anomaly apparently remains, as symbolized by its indefinite renewal in 2006. This has been accompanied by the broadening of bilateral cooperation. North American security, as distinct from defence per se, is now being formalized. Alongside the 2008 Agreement on Civil Assistance in the case of an emergency, a U.S. Northern Command liaison officer has been established in Canada Command, with plans to upgrade the position. Formal staff talks are being established between the two commands. The Canadian navy and army have deepened their relationship, as evident in the ability of the navy for some time to integrate seamlessly into U.S. Carrier Task Forces, and senior Canadian army officers obtaining command positions with corps level U.S. Army formations. Indeed, for all three services, the level of exchange is extraordinary, and the relationships that result potentially could replicate the 'bi-national' perceptual map of the NORAD community within a bilateral framework.

With regard to NORAD, the problems engendered by the creation of the two national commands are in the process of being resolved, largely on a functional case-by-case basis, of which the 2010 Vancouver Olympics will be important. In 2007, the respective Canadian and American chiefs of staff launched the tri-command study to resolve the relationship between Northern Command, Canada Command and NORAD. NORAD to date has maintained its independence. The Canadian Deputy-Commander continues to report to the Commander of NORAD and to the Canadian Chief of the Defence Staff, rather than to the Commander of Canada Command. Fears, at least on the surface, of NORAD becoming subordinate to Northern Command have been allayed, even while their command centres have been integrated at Peterson Air Force Base in Colorado Springs.

Finally, little change has occurred with regard to the PJBD and the MCC. The gradual decline of the significance of the PJBD largely predates the end of the Cold War. Once the primary negotiating forum for Canada-U.S. defence relations, it moved to an important, but relatively marginal forum for general discussions on defence issues in the relationship. While some suggest that the PJBD needs to be re-vitalized, it appears that its value as a 'talking' forum is recognized by both parties, and accepted. Reflecting the overarching nature of the relationship, specific issues for resolution are parcelled out to the relevant military actors on an issue-by-issue basis. Similarly, the MCC, now co-chaired by the Commander of Canada Command, has been formatted to deal with functional defence cooperation for issues that may also include other agencies, beyond those that fall strictly within the Northern Command and Canada Command ambit.

All of the above strongly suggests that the deterministic, externally driven, functional foundation of Canada-U.S. North American defence cooperation remains the most prominent explanation for changes in, but not a transformation of, the relationship. If or when the external environment changes such that the terrorism threat recedes and perhaps a great power strategic threat re-emerges, so the relationship will change in response. Binationalism may have declined in operational relevance, but if the conditions arise

but in reality there will be no U.S. invitation unless Canada takes the initiative. See James Fergusson, *Canada and Ballistic Missile Defence 1954-2009: Déjà vu All Over Again* (Vancouver: University of British Columbia Press, 2010).

<sup>19</sup> On February 14, 2008, Canada and the U.S. signed the Civil Military Assistance Plan that allows for their respective militaries to support each other in a civil emergency. "U.S. Northern Command, Canada Command establish new bilateral Civil Assistance Plan," U.S. Northern Command Press Release, February 14, 2008, http://www.northcom.mil/News/2008/021408.html.

8

necessitating its re-birth, so will the actors respond in kind. The relationship, in effect, is flexible, and resilient.

In contrast to this 'optimistic' perspective, the changes, which have occurred over the past two decades can also be seen as part of an ongoing transformation process. It is important to recall that the previous transformation was roughly a two-decade long process. It is unlikely that any of the early decision-makers on either side of the border had any idea that the result would be a bi-national command. While the primary driver was the external threat, the incremental steps taken in the process to bi-nationalism were also driven by numerous operational military considerations, extant military capabilities, a set of beliefs stemming from larger cultural forces in both countries, historical experiences from the Interwar period and World War II, and organizational factors. To the extent that these considerations, capabilities and beliefs were temporally unique, the bi-national outcome was also temporally unique. In other words, even if an external 'Cold War' threat re-emerges, military considerations, capabilities, and beliefs and contemporary experiences will drive the outcome, and it may be radically different from the past.

From this perspective, the importance of the ballistic missile defence and North American security perimeter at the perceptual level of transformation may be key. In both cases, the results represent a fundamental break in shared perceptions about the defence of North America. While Canadian and American policy-makers continue to share a common perception of the threat posed by proliferation and terrorism, at least rhetorically, they have parted company on a common North American response. For the U.S., the Canadian decision to stand aside from active participation in a ballistic missile defence capability for the continent signals the low priority attached to the defence not just of North America, but also Canada. In effect, it is simply puzzling to Americans why Canadians are not interested in defending against a threat that Canadian decision-makers recognize exists, at least in a declaratory sense. It also signals that Canadians are comfortable to rely upon an implicit U.S. missile defence guarantee, even though at least one senior U.S. commander has questioned the guarantee. These two factors combined are likely to feed a U.S. continental defence unilateralist impulse amongst U.S. defence officials who manage the relationship.

Of course, it can be argued that Canada standing aside from missile defence and relying upon a U.S. guarantee is no different from Canada's reliance upon the U.S. strategic deterrent during the Cold War. As the latter had no significant effect on the Cold War relationship, neither will the former. Yet, the Mulroney decision in 1985 to keep the Canadian government outside of the Strategic Defense Initiative research programme significantly affected Canadian access to, and thus influence on, opportunities on U.S. strategic aerospace defence planning, including in the area of continental air defence.<sup>21</sup> The U.S. acted unilaterally for a significant period of time and Canadian policy-makers sought to find a means to undo the impact of the 1985 decision culminating in the positive signals on missile defence made to the U.S. in the 1994 Defence White Paper.

In addition, relying upon the U.S. strategic retaliatory deterrent is significantly different from the strategic defence side of the equation. Throughout the negotiations that began in the summer of 2003, the Canadian objective was to obtain direct input into, or at least

<sup>&</sup>lt;sup>20</sup> In May 2000, the Deputy Commander of U.S. Space Command, Vice-Admiral Herbert Browne, warned that if Canada did not participate in ballistic missile defence, the U.S. "would have absolutely no obligation" to defend Canada. The reaction in Canada was incredulity that any U.S. official would dare make such a statement. Kathleen Kenna, "Son of Star Wars heats up: Canada weighs its options as Pentagon presses for a partner in controversial missile-defence scheme," *Toronto Star*, May 21, 2000.

<sup>&</sup>lt;sup>21</sup> See Act III, James Fergusson, *Canada and Ballistic Missile Defence 1954-2009: Déjà vu All Over Again* (Vancouver: University of British Columbia Press, 2010).

knowledge of, U.S. intercept priorities and strategy.<sup>22</sup> The U.S. refused to provide any guarantees with regard to defending Canadian cities and the opportunity to at least obtain knowledge of U.S. priorities and strategy was lost following the end of formal negotiations in the spring of 2004. What this will mean in the worst case scenario is a U.S. only decision.

A similar set of perceptions underpins the failure of the North American security perimeter concept after 9/11. It is difficult to ascertain with any certainty whether the failure to extend bi-nationalism into the land and maritime domains was a function of Canadian or shared reluctance. In the initial senior level meetings after 9/11 that would lead to the establishment of first the bi-national planning cell and then the bi-national planning group (BPG) under the Deputy Commander of NORAD, it was apparently Canadian reluctance to move forward quickly with an integrated, expanded NORAD mandate for domestic, political sovereignty reasons.<sup>23</sup> Moreover, in relation to the other initiatives undertaken after 9/11, such as the Smart Border to ensure the flow of goods, Canada effectively signalled that the terrorist threat was an economic issue and not a common defence one per se. While the divide between terrorism as a threat to Canada's economic security vis-à-vis access to the vital U.S. market and terrorism as a threat to the security of U.S. citizens has not precluded cooperation, it does speak to a parting on these fronts. The repeated refrains from U.S. elites of the 9/11 terrorists coming from Canada is a myth, but its presence speaks to the divide.

At the same time, anecdotal evidence suggests that some military officials in the U.S. were horrified to find out that the defence of the U.S., a sacred mission, was in the hands of a Canadian officer on 9/11.24 If this sentiment is widespread amongst the U.S. military and extends into the political level, then the death of the North American security perimeter concept was mutual. In a strange sense, one can speculate that the U.S. has caught the Canadian sovereignty 'disease'. In this case, the U.S. right has become a strange bedfellow of the Canadian left in opposing further defence and security integration. Regardless, despite the extensive work of the BPG, its recommendations for the institutional deepening of North American defence and security cooperation stood little or no chance long before the release of its final report.

Regardless of responsibility for the failure of the North American security perimeter, its combined effects with the missile defence decision speak to the disaggregation of North American defence – re-nationalization. Ironically, at the end of the Cold War, serious fears were expressed about the possibility of the re-nationalization of defence in Europe. Like the Canada-U.S. defence relationship, Western European defence cooperation and its declaratory and institutional expression in NATO was a product of the common Soviet threat. The disintegration of the Soviet empire, and the collapse of the Soviet Union itself, eliminated the functional necessity for defence cooperation; however, cooperation, and thus NATO, was perceived as essential in order to avoid a return to nationalist defence policies which had been at the root of repeated wars amongst the Europeans for centuries. NATO may have been created by an external common threat, but its utility, or side-benefit, was internal to the alliance and thus Europe itself.<sup>25</sup> The anti-nationalization rationale was also central to the case for NATO enlargement.

<sup>&</sup>lt;sup>22</sup> See Act V, Ibid.
<sup>23</sup> This assertion is based upon a series of confidential interviews with senior officials. During this meeting, Canadian officials also requested that ballistic missile defence be dealt with separately and not as part of the bi-national planning cell/group mandate.

<sup>&</sup>lt;sup>24</sup> Mason, in echoing this point, suggests that it was U.S. reluctance, not Canadian, which prevented an expanded NORAD role. See Dwight Mason, "NORAD and the Maritime Defense of North America," June 16, 2006, http://csis.org/files/media/csis/pubs/060616\_Mason.pdf.

<sup>&</sup>lt;sup>25</sup> The classic reference is Lord Ismay's famous statement that the purpose of NATO was to keep the Americans in, the Russians out, and the Germans down. This rationale is also reflected in

Of course, there are no fears of a negative outcome whatsoever of North American defence re-nationalization. More importantly, the very idea is absent in thinking about the relationship. Yet, the structural changes in the defence relationship are clear indicators of renationalization. Canada Command and U.S. Northern Command are national commands and are driven by a national mindset, not a North American one.<sup>26</sup> As such, the nature of cooperation and the benefits accrued to each party are likely to transform in some manner. The indivisible nature of North American defence essentially becomes divisible. The narrow national interests of the two parts may become the driving force behind the scope of cooperation. The relationship to the extent that it was an integrated whole becomes disaggregated into separate components in which national considerations place strict parameters on what is and is not allowed. The access each allows the other to its thinking and planning becomes strictly the minimum necessary. For Canada, the broad access obtained from the bi-national relationship beyond what was strictly functionally necessary disappears. Even more, what is perceived as necessary is also likely to narrow. The tendency to think that a national solution is sufficient, even if cooperation would be more effective and efficient, becomes increasingly dominant.

It is not just the impact of two national commands that is problematic to access. As part of the 2002 Unified Command Plan decision establishing Northern Command, U.S. Space Command, established in 1985 and linked to NORAD by a common commander, was moved into U.S. Strategic Command severing this link. U.S Strategic Command, with its responsibility for U.S. strategic nuclear forces, is arguably the most restrictive national command in the U.S.<sup>27</sup> Canadian access to U.S. military space thus has become much more problematic. Not only is developing useful links between Canada and U.S. Strategic Command on the military space front likely to be very difficult, but it also would bring Canada potentially too close to U.S. strategic forces and its global missile defence mission. Canada-NORAD did obtain several positions within U.S. Air Force Space Command, and its early warning role in relying upon U.S. space and ground-based assets remains in place. However, their access is highly constrained by the U.S. and as Canada currently provides no significant contribution to early warning assets beyond personnel, Canadian involvement is largely discretionary to the U.S. What the future holds here is difficult to predict, but with Canada on the outside of ballistic missile defence and missile defence inherently linked to existing and planned military space, it is not difficult to imagine a further decline in Canadian access on the basis of strict application of the 'no foreign eyes' rule. Even before 9/11, the U.S. had begun to strictly enforce the 'no foreign eyes' on Canadian NORAD access.

The changes in command structures also have another effect on the access dimension. Prior to the creation of the two national commands, the Canada-U.S. North American defence relationship had a global character as a function of the Soviet threat. Canada was ostensibly plugged into the U.S. global strategic picture. The stand-up of the national commands and the severing of the U.S. Space Command-NORAD link have contributed to 'downgrading' NORAD to a regional player, especially as a function of its linkage to Northern Command in Colorado Springs. How U.S. Northern Command perceives this linkage,

the process of European integration, initially driven in order to overcome Franco-German enmity, and also reflected after the Cold War in the expansion of the European Union into the areas of defence cooperation simultaneously as a competitor to, and supporter of, NATO. Indeed, one might suggest that EU defence cooperation emerged as a 'safety blanket' to re-nationalization in case NATO failed.

<sup>26</sup> This does not negate the need to cooperate. It only alters the conditions for cooperation. As Lagassé notes: "Despite the fact that NORTHCOM is a uniquely American command which does not, and will not, integrate foreign forces into its configuration, geographic necessity demands that a successful completion of the NORTHCOM mission be undertaken alongside the United States' North American neighbours." Philippe Lagassé, "Northern Command and the Evolution of Canada-US Defence Relations," *Canadian Military Journal*, (Spring, 2003), p. 20.

<sup>27</sup> Related, U.S. Strategic Command also obtained the integrated ballistic missile defence mission, with U.S. Northern Command responsible for the U.S. ground-based sites.

relative to thinking within the Pentagon, is of significance. Although the fears of Northern Command treating NORAD as the equivalent to the U.S. land and sea subordinate commands may have abated, this does not mean the senior Northern Command officials actually perceive NORAD as anything more than the air component of its operational mandate. As the land and sea components are likely limited to information concerning the region, so might NORAD be. As the land and sea components interact with Canada on a bilateral and regional basis, so might this be replicated in the case of air and space even though it is a distinct bi-national command. There is little need to provide NORAD with the global strategic picture, and its link to space has been severed except as a recipient of information for its ballistic missile early warning mission at the discretion of the U.S.

It is extremely difficult to measure the extent to which Canadian access to U.S. defence planning and developments has declined, not least of all because such information is highly classified and outside analysts have little choice but to rely primarily upon anecdotal evidence largely derived from confidential discussions with officials. But then, the problem of measurement also exists when trying to establish Canada's 'high-water' mark during the Cold War. Moreover, evidence, anecdotal or otherwise, is rarely neutral and always open to interpretation. For example, the U.S. decision in the late 1990's to remove the Canadian exemption to U.S. International Traffic in Arms Regulations (ITARS) can be interpreted as transformation, consistent with anecdotal evidence of the U.S. formal 'legalistic' approach to the issue of 'no foreign eyes' that began roughly at the same time. The restoration of the Canadian government exemption in 2001 after negotiations, in turn, undermines the transformation thesis; however, the failure to obtain an agreement on exemptions for Canadian companies and the new rules attendant to the restoration of the government's exemption suggest transformation. Similarly, current Canadian-U.S. ties across the full scope of defence relations, from intelligence to defence industrial cooperation, remain relatively unique when compared to relations with other allies.<sup>28</sup> Nonetheless, it is not the presence of ties that are necessarily indicative of the state of the relationship and Canadian access, but the nature of interaction within each dimension of the relationship.

Notwithstanding the evidence-interpretation problem, the dominant functional explanation that underpins Canadian access during the Cold War predicts that Canadian access opportunities in the absence of an external defence threat à la the Soviet Union would decline, along with attendant structural and perceptual changes. Such a decline, along with these other changes, would further affect Canada's other strategic interests. Influence opportunities are likely also to decline within a re-nationalized relationship. With it, defending Canadian sovereignty against U.S. defence planning may also become more difficult. In effect, if a dominant Canadian strategic objective has and continues to prevent U.S. unilateralism in the defence of the continent, the changes outlined above should undermine this objective.

The final element of the transformation case is a change in the nature of the process driving the relationship. Historically, the relationship has been dominated by U.S. action and Canadian reaction. This is not surprising given U.S. superpower status, its defence budget, and its emphasis on technological solutions to military needs. As the strategic situation evolved over time, and new military technologies emerged with implications for North American defence, the U.S. initiated discussions with Canada for its integration into North American defence planning and operations. Today, reflecting re-nationalization and the

<sup>&</sup>lt;sup>28</sup> Even here it should be noted that U.S. ties with the United Kingdom and Australia as a function of developments related to the Iraq War may be close to approximating Canada's. Indicative was the opening up to the United Kingdom and Australia a position at Air Force Space Command at Vandenberg, California before Canada. In addition, the defence industrial relationship, which has always had its difficulties, is also evolving if the Joint Strike Fighter Project, in which Canada is one of many allies, is the model of the future.

absence of an external 'Cold War' style threat, the process is being reversed. The U.S. is waiting for Canada to take the initiative to act and then will respond relative to its interests. This does not necessarily foreclose cooperation with the U.S. Instead, it places the initiative on Canada with regard to defining the scope and nature of cooperation.

This is problematic for Canadian decision-makers not least of all because of the dominance of the sovereignty fear in Canadian thinking. This is evident in Sokolsky and Jockel's assertion that the end of the Canada-U.S. defence relationship removes the friction stemming from Canadian sovereignty fears. Taking the initiative is contrary to Canadian sovereign interests as informed by the domestic political environment. Re-nationalization is apparently in Canada's national interest and trumps the other strategic interests derived from the relationship. In other words, Canada cannot act and the U.S. will not act beyond very narrow requirements that leave it no choice. Furthermore, to act requires a clear understanding and articulation of Canadian objectives, and at least publicly there is little evidence to suggest that these exist in any meaningful, coherent sense.

If, as suggested here, vital Canadian strategic interests are at issue, and these are recognized, then Canada must act. At one level, the creation of a Canada-U.S. Task Force under the lead of the Deputy Minister of National Defence may be interpreted as recognition of these problems in the relationship. At another level, an action strategy already exists. It has been accepted as near gospel that U.S. behaviour towards allies, friends, and existing or potential enemies (threats) is determined by capabilities. Moreover, for some period of time predating the end of the Cold War, U.S. ambassadors to Canada, for example, have regularly lamented the failure of allies (diplomatic code for Canada) to invest in defence capabilities. Defence investments to re-generate existing capabilities and develop new ones are thus the means to signal the U.S. of Canada's commitment to North American defence and security, and thus maintain the relationship. Hence, the government's current defence investment strategy - the Canada First Defence Strategy - is not just a function of the need to modernize the Canadian Forces after the so-called 'decade of darkness,' but also to send a signal to the U.S.30 The success of the Strategy and the investment commitments, many of which predate the current government, as a signal to the U.S. is found in the U.S. response in providing, for example, advanced training to CF personnel prior to the delivery of new equipment such as the C-17 and in moving Canadian procurement requests to the top of the production queue.

However, not all capabilities are created equal and are likely to have an effect on U.S. perceptions across the full scope of the relationship. Capabilities that enhance overseas or expeditionary operations, thereby enhancing Canada's image as an important overseas coalition partner in the U.S., may have little, or no effect on U.S. perceptions about Canada's commitment to North American defence. The reality of the U.S as a global superpower, the complexity of the U.S. political system and the Pentagon, and the U.S. regional command structure limit the extent to which positive actions in one area of military capabilities are recognized and understood in other areas. For example, it is generally believed that Canada's military commitment to Afghanistan is recognized and highly valued in Washington and there has been an ongoing effort to obtain political capital in Washington by trumpeting Canada's efforts. Whether this translates positively into the North American side of the

<sup>29</sup> This is reflected in the questions regarding nature of Canadian strategic culture. See "Canada's Grand Strategic Culture," *International Journal*, LIX:3 (Summer 2004).

<sup>&</sup>lt;sup>30</sup> The Strategy reflects numerous investment programmes that date back to the previous Liberal government. See Department of National Defence, *The Canada First Defence Strategy* (Ottawa: Department of National Defence, 2008): www.forces.gc.ca/site/focus/first-premier/June18\_0910\_CFDS\_english\_low-res.pdf.

defence relationship is difficult to know.<sup>31</sup> If the defence relationship mirrors the overall Canadian-U.S. relationship in which linkage politics between issue areas is not present, then the extent to which intra-military capability linkages are made can be questioned.<sup>32</sup> Moreover, the North American relationship since its inception has been 'beneath the political radar' in Washington, with its management largely conducted by the military actors directly involved.<sup>33</sup> In the absence of a direct Canadian effort to expend its Afghan political capital for North American defence purposes, it is unlikely that Canada's efforts overseas, and its capabilities underpinning such efforts, will have much, if any impact on U.S. continental behaviour and beliefs.

If a capabilities investment strategy is the key means to prevent transformation in U.S. thinking, and assuming that Canadian decision-makers are concerned about transformation relative to Canada's strategic interests, then investment should logically be directed towards North American defence capabilities. This may also be implicit in the government's emphasis on Canada First, even though this is not clearly articulated by the current government. Moreover, the major procurement programmes, alongside other elements of the former Chief of the Defence Staff's, General Hillier, transformation effort may also be interpreted as an emphasis on expeditionary capabilities. At the same time, Canada First can also be interpreted as a narrow national strategy, especially with the government's repeated emphasis on Arctic sovereignty. If interpreted as such, it could reinforce U.S. perceptions of re-nationalization.

Regardless, the logic of a capabilities investment strategy follows from two additional considerations. First, it has been recognized, and feared for some time, that the value of Canadian real estate to the U.S. has declined independent of the external threat. Since the 1960s, National Defence officials have warned of new military technologies that negate the importance of Canadian territory. Whereas simply the existence of Canada was in a sense a significant capability for the defence of North America, the ongoing migration of key capabilities to military space are rendering ground-based systems such as the North Warning System increasingly redundant. If Canadian real estate relative to the Soviet threat was key to the historical transformation outcome of bi-nationalism, its relative negation is not only a force behind transformation away from bi-nationalism, but it also suggests that the return of an external military threat would not re-produce the past. Moreover, the probability that the U.S. would provide funding for NORAD defence assets on Canadian soil as in the past is also likely to be low. In effect, the ability to expropriate U.S. defence resources may be declining. Of course, today there is little, if any need to expropriate U.S. resources and this situation may well underlie a growing 'nationalist' sense amongst some Canadian defence officials. The question is the future, however.

Second, transformation forcing Canada to invest in its own homeland defence can generate capabilities of significant value for the U.S., paradoxically reducing the effects of renationalization. Despite images of an abundance of U.S. military capabilities, the U.S., like any nation, must make investment choices between what is vital to U.S. defence and what is ideal. Canada in this regard can be conceptualized as a potential 'gap-filler' between the vital and ideal. Moreover, acquiring key high-value capabilities gives the U.S. little choice but to engage with an ally for its own self-interest. In other words, the Canadian interest in

<sup>&</sup>lt;sup>31</sup> An example of this effort is the recent Canada in Afghanistan public forum and display at the Canadian Embassy in Washington. "No mock village or attacks, but Afghan forum goes on," *Globe and Mail*, September 22, 2009.

<sup>&</sup>lt;sup>32</sup> On linkage politics in the relationship, see Brian Bow, *The Politics of Linkage: Power, Interdependence, and Ideas in Canada-US Relations* (Vancouver: University of British Columbia Press. 2009).

<sup>&</sup>lt;sup>33</sup> Indicative is the fact that the agreement establishing NORAD as well as its subsequent renewals have never been submitted to the U.S. Senate for advice and consent.

obtaining access to vital defence information can also apply to the U.S. In some ways, this has been the logic behind elements of National Defence's space strategy.

Two key projects speak to the relationship between capability investments and the defence relationship: Project Sapphire, a space-based optical sensor; and Project Epsilon, the development of data assessment centres for RadarSat imagery. The former is Canada's first asset contribution since the retirement of the Cold War era Baker-Nunn cameras to the U.S. Space Surveillance Network, whose assets support NORAD's early warning mission. The latter provides all weather, day-night wide-area surveillance data primarily for Canada's North, with broader geographic application as a step towards the planned development of a constellation of radar satellites to provide continuous coverage. Both potentially provide a significant contribution to U.S. defence requirements, especially the RadarSat project given the difficulties encountered in the U.S. development programme.

Whether alone, or in conjunction with future Canadian investments, new capabilities that are sufficient to undo the effects of re-nationalization remain to be seen, especially in relation to their impact on perceptions. Moreover, a capability strategy relative to Canadian strategic interests is dependent on continued defence funding in Canada. With a large deficit facing the Canadian government, the probability of future defence cuts is relatively high given past behaviour. Coincidentally, the Department of National Defence is currently mandated by the Treasury Board to undertake a strategic review of its programmes, which may be interpreted as code for spending cuts. Furthermore, the defence budget has remained over-burdened, even with the commitment of additional resources, since the late 1990s. Much will also depend upon internal National Defence decisions on the relative priority of investments in an environment absent of an external, state-based threat to the defence of North America.

#### CONCLUSION

For optimists, the argument that the Canada-U.S. defence relationship is in the process of a fundamental transformation in the nature, scope and benefits of cooperation with negative effects on Canadian strategic interests is overblown. Geography, economic interdependence, and shared values and interests dictate continued close cooperation at a level beyond what one may normally expect for two nations allied together. One should expect the relationship to change in response to changes in the external threat environment. As this environment shifted from an external defence threat – the Soviet Union – to an external security threat – terrorism – so has the relationship functionally changed in response. If, or when the environment changes again, so will the two actors respond in kind. NORAD may be functionally and operationally marginal in today's environment, but its indefinite renewal provides the institutional basis for its rejuvenation, if, or when external circumstances warrant it. Moreover, NORAD plays a significant role in the North American security equation and its relationship with Canada Command and Northern Command is functionally being resolved.

As for the relationship in the past, it has always been dominated by bilateral arrangements as negotiated between two sovereign states. The NORAD anomaly was a unique functional necessity. The extent to which it generated a cognitive North American map was largely limited to the small number of military actors directly engaged in the institution. It never extended far beyond NORAD itself. The further one moved away from NORAD, and from the military to the civilian actors, this cognitive map dissipated and disappeared. In other words, the relationship has always been national in character and, as Sokolsky and Jockel imply, its functional bi-national manifestation has been simply misperceived as part of a larger integrative political process that did not exist in Canada or the U.S. In other words, the relationship cannot re-nationalize because it has always been nationalized.

Even if one accepts the optimistic interpretation anchored in an externally deterministic structural-functional argument, it is difficult to ignore transformation. Defence has largely been marginalized and replaced by security. The scope of the relationship has shifted from global to regional. Significant areas of U.S. defence thinking and planning have been closed to Canadian access and influence. The extent to which elements of U.S. thinking and planning may impact upon Canadian defence interests and Canadian sovereignty can only be speculated upon. Canadian and American defence and security perceptions, especially evident on the missile defence file, are diverging. U.S. unilateralism appears on the rise and Canada has not only little experience, but also remains constrained by the internal politics of sovereignty and independence to take the initiative in the relationship. Overall, the benefits Canada accrued in the past as a product of functional necessity and shared images and beliefs are disappearing.

Of course, one may argue that re-nationalization, or simply greater nationalization in the relationship may be reversed by different attitudes within the new Obama Administration. It has all been the fault of the Bush Administration; however, many of the changes, such as the strict application of 'no foreign eyes' predate the Bush Administration. The extent to which the policies of the Obama Administration will truly differ from its predecessor remains to be seen. At the same time, the attention of the Obama Administration, like its predecessors, is focused elsewhere and the relationship continues to be driven by the perceptions of the organizational and bureaucratic actors directly involved. It is these perceptions, and their underlying beliefs, which in the end will determine the state, nature, and benefits of Canada-U.S. North American defence relations. For now, it may simply be prudent for Canadian officials to remember the line from the Joni Mitchell song: 'you don't know what you got until it's gone.'

### Canadian Defence & Foreign Affairs Institute

CDFAI is the only think tank focused on Canada's international engagement in all its forms: diplomacy, the military, aid and trade security. Established in 2001, CDFAI's vision is for Canada to have a respected, influential voice in the international arena based on a comprehensive foreign policy, which expresses our national interests, political and social values, military capabilities, economic strength and willingness to be engaged with action that is timely and credible.

CDFAI was created to address the ongoing discrepancy between what Canadians need to know about Canadian international activities and what they do know. Historically, Canadians tend to think of foreign policy – if they think of it at all – as a matter of trade and markets. They are unaware of the importance of Canada engaging diplomatically, militarily, and with international aid in the ongoing struggle to maintain a world that is friendly to the free flow of goods, services, people and ideas across borders and the spread of human rights. They are largely unaware of the connection between a prosperous and free Canada and a world of globalization and liberal internationalism.

In all its activities CDFAI is a charitable, nonpartisan organization, supported financially by the contributions of foundations, corporations and individuals. Conclusions or opinions expressed in CDFAI publications and programs are those of the authors and speakers and do not necessarily reflect the views of the Institute staff, fellows, directors, advisors, or any individuals or organizations that provide financial support to CDFAI.

