

However, from a political point of view, a common market in defence products may be more problematical. Even if completely free trade in this area gave rise to an overall expansion in Canadian defence production, it could lead Canada into a subordinate position to the US unless measures were taken to maintain this country's role as an equal in some critical defence and defence production areas.

Space surveillance may be especially important in this respect. In the next twenty to twenty-five years, the surveillance of North American airspace will be carried out largely by satellite, and Canada will need to be an active participant in joint US-Canada space surveillance systems or arrangements if it wishes to remain as aware of developments in its own airspace, territories, and maritime approaches, as others are. Failure to do so could jeopardize Canada's ability to react effectively to events occurring in its Northern and frontier regions, and thus place in doubt the country's ability to uphold its sovereignty in these areas.

That means that Canada will have to play a full role in the collective space surveillance effort, and not allow itself to be relegated to peripheral or supporting functions. A central role in operations is the only way of ensuring access, as a matter of right, to a real role in decision-making and to day-by-day flows of information.

Canada will need to keep abreast of technological developments in this field as space surveillance systems evolve, otherwise this country will be perceived as lacking serious interest in a field that is vital to it. Canadian industry will have to be involved in research, development, and supply of satellites and related systems, and should remain in the front and centre of activity. It will not be enough for Canadian companies to serve as suppliers of parts or as beneficiaries of offset arrangements in other industrial areas.

A FREE, OPEN COMMON MARKET IS NOT LIKELY to be the best answer to this problem. It would only result in the major, American aerospace companies taking over most or all of the leading-edge work, and pushing the smaller Canadian firms aside. The Canadian government must ensure that Canadian corporations obtain a fair share of the most important contracts in key areas. This can be done by deploying some Canadian surveillance satellites as part of a NORAD space programme, for example, or by joint Canada-US purchasing arrangements, or by requiring Canadian involvement in industrial consortia.

In continental defence as a whole, Canada always needs to take care to maintain its own national sovereignty while joining in effective partnership arrangements with the United States. That means, at a minimum, doing enough to ensure that the Americans do not feel impelled to take over the whole responsibility, or major segments of it, for the sake of



their own protection. This has long been understood in the air defence field, where Canada contributes enough forces to claim a central role in command arrangements, decision-making and information gathering. Probably it was also a major impulse behind the earlier decision to acquire nuclear submarines. Their direct military tasks were to have been anti-submarine warfare work in support of the Alliance and sovereignty patrols in the Arctic, but in addition to that there may have been a determination to oblige the United States to take Canadian needs into account as regards naval operations in Arctic waters. If the US Navy needed to know where Canadian submarines were, it might have been argued, it would have had to agree to some cooperative planning and certain exchanges of information. Canadian knowledge of developments in the region would thus have been strengthened, and our claims to sovereignty in the Arctic enhanced.

The closer Canada moves into a continental defence partnership with the United States, the more it will have to pay attention to the requirements of its own sovereignty. And that may require a range of defence and defence production policies tailored to particular environments rather than the sweeping approach to integration reflected in the reports of the Defence Industrial Preparedness Task Force.

THE PROBLEM ARISES IN A RATHER DIFFERENT way in relation to the commitments to NATO. Here the goal is to enhance the readiness and sustainability of Alliance defences by developing the North American defence industrial base and making sure that it is organized to provide a steady flow of forces and supplies in the event of a major conflict. This is seen as vital to deterrence, especially in relation to the danger of prolonged warfare between East and West.

The final report of the task force argued that integrated defence industrial preparedness planning with the US Department of Defense is the most viable way of enhancing Canada's sus-

tainment capability. "Where practicable," it stated, "the program requirements of the two countries should be considered jointly and include production, procurement and coordinated surge planning, in order to provide Assured Sources for critical items." In other words, Canada and the United States would have a *common* system for tapping the industrial power of North America and for transporting its products to Europe or elsewhere in a crisis or wartime.

Even in the era of *perestroika* and *glasnost*, the aim of enhancing the readiness and sustainability of NATO defences is still a valid one. Major agreements on conventional force reductions in Europe may still take years to work out. And even if they are established, they will still need to be underpinned by a sound military balance based partly on effective Western reinforcement capabilities.

However, Canada should not become preoccupied with NATO defence; its willingness to intensify integration of the North American defence industrial base as a means of contributing to the readiness and sustainability of Allied forces should be tempered by recognition that the same base is used for continental defence, where the imperatives are somewhat different. The requirements of Canadian sovereignty have to be kept in mind in all cases, and thus there are probably limits to how far integration should be pushed.

Going back to the beginnings of this discussion, what one saw in the press stories last year was the spectre of Canada slipping, sector by sector, into increasing integration with the United States. First free trade, then a common market in defence products, then common defence policies, then other areas of national life, until little true independence was left.

That does not have to be the outcome if Canadians display the skill in managing their relationship with the United States they have generally shown in the past. Canada can have a true partnership with the United States with high levels of cooperation in many sectors and freedom to pursue its own objectives in other areas such as peacekeeping, conflict resolution, arms control, relations with the Pacific Rim, and foreign aid. But to achieve this it must be careful to maintain national sovereignty where necessary. It must continue to deal selectively and carefully with the whole field of continental defence including its technological and industrial dimensions. The active pursuit of Canada's own defence and defence production objectives is essential to this country's sovereignty and, indeed, to the hopes for a true, lasting partnership with the United States. □

1 See Peter Calamai, "Report urges closer defence ties with US," *Ottawa Citizen*, 7 July 1988.

2 The report in question was entitled: *The Environment for Expanding the North American Industrial Base*, DND, (June 1987).

3 See *Defence Industrial Preparedness: A Foundation for Defence*, DND, (November 1987).