

## *Risk Management*

The first key to reconciling security and trade is effective risk management. The Canada-U.S. border is nearly 9,000 kilometres long. Over 300,000 people cross it<sup>22</sup> each day. A thorough physical inspection of a loaded 40-foot container or 18-wheel truck typically requires 5 inspectors and three hours. Given the enormity of the task involved, day-to-day screening at the border represent a complex and nearly impossible task. Risk management, in practical terms, means permitting pre-approved low-risk vehicles to “speed by” the border so that more time and resources can be devoted to unknown and higher-risk people, shipments and carriers.<sup>23</sup>

## *Harmonization*

Another “key” for keeping the border “open for business but closed to terrorists” is cooperation between Canadian and U.S. border officials. The objective is to reduce transaction costs (by cutting down on duplication of efforts) and building joint enforcement capacity (through information sharing, joint interdiction exercises, and compatible immigration databases and cargo processing systems).

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<sup>22</sup> Notes, North America Bureau, Department of Foreign Affairs and International Trade, 2002.

<sup>23</sup> Stephen Flynn makes the useful comparison of risk management with “anomaly detection” in the computer industry for “detecting hackers intent on stealing data or transmitting computer viruses. The process involves monitoring the cascading flows of computer traffic with an eye towards discerning what is ‘normal’ traffic; i.e., that which moves by way of the most technologically rational route” and that which is aberrant. Stephen E. Flynn, “The False Conundrum: Continental Integration vs. Homeland Security,” in *The Re-bordering of North America? Integration and Exclusion in a New Security Environment*, eds. Peter Andreas and Thomas J. Bierstaker (New York: Routledge, forthcoming 2003), 9.