

Mulroney and the Americans: a new era?

by Michael K. Hawes

The Canadian federal elections of 1984 and 1988 have a special place in Canadian political history. Taken together, they account for the first back-to-back majority government since 1953 and the first back-to-back Conservative majority governments in this century. In 1984 the successful theme of the Mulroney Tories was "out with the old and in with the new" — promising major changes in the direction of both domestic and foreign policy. The abhorrence of big government, private sector solutions to Canada's economic malaise, tax reform, deregulation, a commitment to pulling our weight within the Western alliance, and a pledge to revive the long-dead special relationship with the United States were to become the defining characteristics of the new government and the foundation for its policies. In his enthusiasm, Mr. Mulroney had promised nothing less than a new era in Canadian politics and in particular a new era in Canadian-American relations. In 1988 the Prime Minister went to the polls looking for a mandate to pursue the centerpiece of this new era — the Free Trade Agreement with the United States.

With respect to foreign policy, the priorities of the Mulroney government were established early on. One of the new Prime Minister's first official acts in 1984 — a scant eight days after he had been sworn into office — was to fly to Washington to meet with US President Ronald Reagan. His first throne speech waxed eloquently about the desirability of closer cooperation with the Americans. He was quick to announce the creation of annual summits between the two leaders. In its first November the government released a mini-budget (*An Agenda for Economic Renewal*) which was predicated on a sizable influx of investment capital from the United States and on an increase in exports to the United States. By the end of that first year of 1984 the government had replaced the much-maligned Foreign Investment Review Agency (FIRA) with the new and upbeat Investment Canada. And, at the same time, the Prime Minister had taken great pains to assure the American business community that he planned to dismantle the National Energy Program (NEP), especially the troublesome "back-in" provision. Speaking in New York, Mr. Mulroney proudly announced that "Canada was open for business." In short, Mr. Mulroney made it abundantly clear that he intended to make good his promise that "super relations with the United States [would] be the cornerstone of [his government's] foreign policy."

First four years

As Mr. Mulroney's second term begins, with his second majority government, this seems a propitious time to assess his record on Canadian-American relations. Has his personal commitment to improving relations with the United States had the

desired effect? Were there other factors that contributed to the warming of relations? Have the Tories succeeded in returning the "specialness" to the special relationship? Can the Free Trade Agreement (FTA) and closer economic integration guarantee the persistence of more amicable and more productive relations? Has there been real progress on other issues, such as defence cooperation and the environment? Finally, are we really witnessing a new era in Canadian-American relations — replacing the ad hocery and quiet diplomacy of the 1950s and 1960s and the acrimony and discontent of the 1970s and early 1980s with a more formal, more institutional, relationship? Has the broad commitment to multilateralism in Canadian foreign policy been replaced with a narrower, more mercantile preoccupation with bilateralism? And, if so, at what cost?

"Special relationship"

For many years politicians and students of Canadian foreign policy have regarded the foreign policy relationship with the United States as something unique and *special*. During the two decades immediately following the Second World War relations between the two countries could legitimately be characterized as extensive, friendly and open. For its part, Ottawa recognized the importance of US leadership in the postwar international system and conceded that American interests were largely coincident with Canadian interests. In return, Washington allowed that Canada was a *special* ally and a *special* trading partner — offering privileged access to the United States market and providing exemptions to US measures which might adversely affect Canadian economic interests. All this was managed through what John Holmes and others have called "quiet diplomacy."

In order to understand this relationship — and, more importantly, to comprehend what has become of it — we need to come to terms with the concept of *specialness*. In the context of postwar Canadian-American relations, "special" refers both to the structure of the relationship and to the process used to manage it. With respect to the structure, the relationship has been regarded as special in at least five distinct senses. First, there were clear ideological and philosophical similarities between Canada and the United States, which manifested themselves through a commitment to common principles and membership in common international organizations. Second, the relationship was viewed as unique in both scope and depth; such that social, commercial and diplomatic interactions between the two

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