

impact and cumulative environmental effects. Given the likely scale of development, it is reasonable to expect considerable environmental consequences of oil sands development, even with improvements to technology and better environmental safeguards.

- First Nations' support of northern oil and gas pipelines exists as long as there is co-ownership and stakes in equity. The Beaufort Sea boundary dispute is likely to flare up again as a result of possible pipeline routing through this area. Pressure will be exerted by US multinationals.
- Canada must have scientifically sound and clearly established data demonstrating the drawbacks to oil development in the Arctic National Wildlife Refuge (ANWR) if we want to be effective in the US political marketplace. At the moment, however, there are distinct signs that the Bush Administration is backing away from efforts to open the ANWR to oil exploration.
- An opposite about-face has occurred in the area of climate change. It is dismaying that this administration is working in the old 1970s paradigm of "what's good for the environment is bad for the economy." This augurs badly for all sorts of issues, including the likelihood of achieving further reductions in transboundary sulfur dioxide.
- The scientific evidence is clear that as a result of the effects of climate change, diminished polar ice cover will lead to at least 2-4 months of ice-free open water in Canada's far north, thereby extending the shipping season through the northwest passage. Japan, Europe and the US will be extremely interested in such shipping routes, which have the potential to ignite Canadian nationalism to the detriment of Canada-US relations, similar to what occurred with the Manhattan incident. There is a movement to devise a scheme for shipping in polar regions and the important question is will Canada manage this issue correctly?
- The next big emotional issue will be over water. Given the shortages in the American west and southwest, US policymakers are starting to give this issue consideration. The issue of bulk water exports could serve to reinvigorate the critical left in Canada.