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Report to the Department of  
External Affairs on focus group  
research concerning Canada - U.S.  
relations : February 1985

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REPORT TO THE  
DEPARTMENT OF EXTERNAL AFFAIRS  
ON FCCUS GROUP RESEARCH  
CONCERNING CANADA-U.S. RELATIONS  
#1157  
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## I. INTRODUCTION

Decima Research Limited is pleased to present this report to the Department of External Affairs. The report is based on a series of four focus group discussions held in Toronto on February 6 and 7, 1985.

Two of the groups consisted of members of the general public and two were composed of people with annual household incomes of \$30,000 or more. All of the participants were 18 years of age or older and in each group there was an even mix of men and women.

Bruce Anderson was the Project Director for this study; assisting in the moderating and analysis was Martha Cronyn.

The first half of the agenda for the groups addressed perceptions of the general nature of present-day relations between Canada and the U.S. and between Prime Minister Mulroney and President Reagan, awareness of and attitudes toward the Strategic Defense Initiative plans to improve the DEW line, perceptions of President Reagan's and the Soviets' approaches to the next round of arms talks and the commitment of each to the goals of nuclear disarmament, opinions on Canada's optimal role leading up to the arms talks and beliefs concerning the possibility of the Prime Minister having a real influence on the President in terms of these defense issues.

In the second half of each group three more specific issues were discussed: knowledge of and attitudes surrounding protectionism and free trade, how much of an influence a strong relationship between the Prime Minister and the President can have in addressing this

is. and the new government's approach to foreign investment. The acid rain issue was addressed in terms of perceptions of current attempts to solve the problem, who should shoulder the cost of solving the problem, whether Canada is doing its part, and again, the extent to which a strong relationship between Prime Minister Mulroney and President Reagan can help in solving the acid rain problem. The United States' invitation to other countries to participate in the space program was the final issue that was discussed and covered general impressions and the benefits and costs to Canada should we decide to become involved.

Four points were discussed at the conclusion of each group: to what extent Canada-U.S. differences must be dealt with by governments rather than by the companies or individuals involved, how much friendliness/firmness should be and is currently applied in dealings between the two leaders, how the U.S. has tended to view Canada's posture over the last several years, and whether we can afford to be less defensive in our dealings with the Americans.

The report is organized into sections which loosely correspond to the agenda. Group differences are noted throughout the report, wherever appropriate. Conclusions drawn from this research are outlined at the end of the report.

## II. GENERAL NATURE OF THE CANADA-U.S. RELATIONSHIP

Most of the participants felt that relations between the U.S. and Canada at the present time are good. Concurrent with this belief was the general feeling that the U.S. views Canada as a "poor relation," there to be "exploited," and is therefore friendly with Canada to ultimately benefit themselves.

While a few respondents felt it was "too early" to tell if Canada-U.S. relations had changed since the change in government, the strong consensus was that there had been a recent improvement in our relations with the U.S. A couple of people disagreed on this point, claiming that our relations with the U.S. have consistently been good. Most participants felt these relations would continue to improve, although slowly, while some expect to see no change in our relations with the U.S. in the future.

The Prime Minister's relationship with President Reagan was described as good, and friendlier and warmer than the relationship that existed between Prime Minister Trudeau and President Reagan. The participants mentioned that Prime Minister Mulroney has more in common with President Reagan than Trudeau did -- "they're both Conservatives and Irishmen," and Prime Minister Mulroney's more "businesslike" attitude also make the two more comfortable with each other.

### III. DEFENSE ISSUES

It appeared that approximately half the participants in each group were aware of plans to improve the DEW line. Most of the participants were in favour of seeing these improvements go ahead because they seemed to view it as a "defensive" rather than "offensive" move. Some of the few who did not feel modernization of the DEW line was necessary claimed that the money could be put to better use elsewhere in Canada (e.g., job creation) and others argued that in light of "Star Wars technology," the DEW line may be totally obsolete before very long.

Most of the participants believed the DEW line contributes significantly to Canada's defense; this belief likely produced the general feeling that Canada and the U.S. should share the cost of updating the DEW line, with Canada paying a smaller portion of the amount than the U.S. based on a per capita assumption. A few participants argued that Canada should not contribute to the cost because any enemy attacks will be directed at the U.S. and therefore the DEW line is really only for their protection.

The participants recognized the benefits to Canada that would arise from our involvement in the modernization of the DEW line: a sense of security, the creation of jobs, a feeling of "good will" between Canada and the U.S., and most felt Canada should demand procurement benefits, in proportion to the amount of money Canada was spending.

## IV. STRATEGIC DEFENSE INITIATIVES

A. Star Wars

It appeared that less than half of the participants in each of the general public groups, while almost all of the upscale participants, had heard of the "Star Wars" plans. The general impression of the plans seemed to be that it was a "warning system" designed to give early indication of and subsequently destroy enemy missiles. It was also generally agreed that the plans are only being researched and are 20 years away from implementation.

There was a mixture of opinion on whether Star Wars was a good or bad idea; however, it appeared that the general view was slightly more positive than negative. Those who favoured the Star Wars plans considered it a step towards disarmament and the prevention of war. Some participants also suggested that Star Wars could offer economic benefits, e.g. jobs, and a sense of security for Canada.

Participants who were unfavourable towards Star Wars described it as an "escalation" of the arms race and likely to produce the development of a counterweapon by the Soviets. It was also mentioned that the cost for Star Wars would be prohibitive and there would be no control of missiles shot in space and subsequently falling to earth.

Overall the participants believed there was nothing wrong with developing and discussing the Star Wars plans prior to the next round of talks in Geneva; some even suggested that the talks may be aided by the increased pressure the Soviets might feel as a result of the Star Wars plan. There were a few participants who felt the Star Wars plans would antagonize the talks and be viewed as exacerbating the arms race.



## B. Approach to Arms Talks

While the participants were obviously unanimous in their deep concern about the state of East-West relations and the "terrifying" arms race, there were no strong perceptions among the participants concerning President Reagan's approach to the next round of talks, nor a consensus about his commitment to the goals of nuclear disarmament. A few participants described President Reagan as insincere in his statements concerning nuclear disarmament -- "pre-election talk," -- and mentioned that he had already committed more funds to increasing arms. Others believed that President Reagan cares about peace -- "less of a warmonger now," -- and would like to see something done in the interest of disarmament but is not getting co-operation from the Soviets because of "a mutual lack of trust." Many added that they felt that President Reagan wanted to be remembered in history as the President who achieved a dramatic reduction in the arms building.

There were few opinions of the Soviets' commitment to disarmament; however, it was mentioned that "as a government" they are committed to this goal. A few reasons were offered as to why the Soviets have agreed to resume negotiations: the threat of Star Wars, a sincere concern for peace, and to improve their "image" in light of the shooting down of the jetliner.

From the participants' comments it was apparent that they did not feel Canada could offer any specific advice to the U.S. concerning the upcoming talks because it was neither needed nor wanted. Some participants suggested that Canada should offer supportive comments -- "sit down in good faith and think of humanity." It was generally felt that anything we had to say to the U.S. should be done publicly with the qualification that

private discussions and negotiations concerning the details of a statement should precede any public announcement. Making Canada's advice to the U.S. public was considered important to the interest of keeping Canadians and Americans informed about communications between their governments, and as a way of reinforcing Canada's independence from the U.S. If this appears to fly in the face of the participants' general belief that a closer, more co-operative relationship is a positive thing, it must be borne in mind that these people did not sense that there had been extensive discord previously. Because of this perception, they did not seem to feel that Canada needs to take special measures to redemonstrate its loyalty in order to enhance bilateral relations.

The participants appeared to be divided on whether Prime Minister Mulroney can have a real influence on the President. Some felt that, because Prime Minister Mulroney and President Reagan do get along well, President Reagan will be inclined to listen to Prime Minister Mulroney; however, it was pointed out that President Reagan is just as likely to listen to and be influenced by leaders of other countries, e.g., Thatcher. Other participants believed that Canada's influence on the U.S. is probably stronger than that of other countries because of our ties, (e.g., economic) with the U.S.; however, President Reagan will "only listen to what he wants to listen to."

## V. TRADE

A. Protectionism and Free Trade

Most of the upscale participants were familiar with the terms protectionism and free trade, while it appeared only a few in each of the general public groups were able to define these terms. Free trade was described as the ability to trade products with other countries without the imposition of tariffs and quotas. Protectionism was defined as the use of tariffs and quotas in order to protect your own countries' industries from competition.

Beyond the ability to define the terms, however, participants were extremely limited in their understanding of how these issues are developing at present. Most of the general public participants were not sure whether Canada maintains greater protectionist barriers than the U.S.; some felt the barriers were equal between the two countries and many believed that the U.S. impose greater protectionist barriers. Among the upscale participants it was generally recognized that Canada has greater protectionist barriers, based on their perception that without these we would not be able to compete with the U.S.

Almost none of the general public participants had an opinion on whether protectionism was increasing or decreasing in the U.S. Among the upscale participants there was some feeling that certain industries in the U.S. were more in favour of protectionism than others and had been putting pressure on the U.S. government in this regard, e.g., steel industry.

There was near unanimous agreement in the groups that an increase in protectionism in the U.S. would cause significant damage to the Canadian economy. There was also a weak consensus that we should be prepared to remove protection from certain industries, at whatever cost (e.g., jobs), in order to avoid harmful action by the U.S. On this issue the group participants believed that Canada should make sacrifices and tradeoffs and reach a compromise with the U.S. -- "we need the U.S. more than they need us."

The participants were uniform in their belief that company leaders in Canada are as smart as those in the U.S., but certainly not as risk-oriented. They felt that if there were more free trade with the U.S., we would be able to compete in time and should, in fact, "take the risk." It was suggested that initially, at least, Canadian companies would be hampered by their tendency to "think small" and by a history of extensive government control or regulation. As well, the U.S. would have a certain advantage because of its more advanced technology and marketing techniques.

Most participants agreed that a strong relationship between Prime Minister Mulroney and President Reagan will assist in resolving this issue in terms of providing a good starting point from which their discussions of trade issues can begin.

#### B. Foreign Investment

The groups' impression of the new government's approach to foreign investment is fewer restrictions are being imposed and more foreign investment is being welcomed; this approach was favoured by the participants. Approximately half of the participants had

Board of Investment Canada. The participants did not describe the threat of foreign control of our economy as serious, but one that will always exist. To most, the benefits of foreign investment outweighed the dangers of foreign control, but they did suggest a reliance on government to institute the regulations necessary to minimize that danger.

## VI. ACID RAIN

The participants believed that very little is being done at the present time to solve the acid rain problem. Some felt that the problem was under study as a "token gesture" and because of "pressure from environmentalists." The majority further believed that it was likely that the problem would eventually be solved but that the high cost to industries of any solution to acid rain is responsible for the extreme delays in taking action.

Most participants felt the cost should be shouldered by both the Canadian and U.S. governments, individual consumers of pollutants, and corporations which have contributed to the problem.

The consensus among the groups was that Canada is "not doing enough" to solve the acid rain problem and we should "clean-up our own house" before we criticize others. Less than half of the participants felt the U.S. alone could be blamed for the acid rain problem; most felt that Canada had contributed as much to the problem as the U.S.

The participants felt that a strong relationship between the Prime Minister and the President will matter very little in solving the acid rain problem. While it "helps if they like each other," being able to influence other people, (e.g. industry leaders) was considered by some of the participants to be more important in solving this particular issue. The participants felt the two leaders are concerned enough about acid rain but suspect that other issues, (e.g. economy, unemployment), are more of a priority for Prime Minister Mulroney and President Reagan at the present time.

## VII. INVESTMENT IN SPACE

Awareness of the U.S.'s invitation to other countries to participate in the space program was not high among the participants. Overall, the prospect of Canada being involved in the program was extremely attractive to the groups, with the advancement of technology, the creation of jobs, and growth in national pride mentioned among the list of benefits volunteered.

There seemed to be no doubt in the minds of the participants that Canada's lack of investment would not adversely affect our relations with the U.S. This was based on a conviction that if they were not to participate the U.S. would have no shortage of other willing partners. Some felt, however, that Canada's investment in the program may, in the long run, actually improve our relations with the U.S.

Somewhat surprisingly, almost everyone in each of the groups recognized the fast paced nature of the competition in the development of new technologies, and agreed that Canada needs to be aggressive in this area. Many volunteered that we had an advantage based on our experience in building satellites and the Canadarm, and stressed the need to maintain it as further support for our participation.

## VIII. CONCLUDING DISCUSSION

At the end of each group, four points were covered in an effort to capsize the participants' views on Canada-U.S. relations. The participants' comments are summarized below:

- o It was felt that governments must maintain the leading role in the resolution of Canada-U.S. differences that arise between companies or individuals. It was also suggested that the governments should create a climate for more communication and problem-solving directly between Canadian and American companies;
- o Most participants felt that it was important for the Prime Minister to be friendly with the President, but a fair bit of firmness was necessary as well. They tended to feel that the present relationship constituted the right mixture, although some cautioned that because Americans were exploitive by nature concern about being too friendly was advisable;
- o Generally the participants believed that the U.S. has looked at Canada more as a good and steady friend than as an argumentative neighbour. A few participants claimed that we are viewed as an "argumentative nuisance, thanks to the previous government" but everyone seemed to feel that the U.S. was capable of putting temporary irritants into a broader context; and
- o The majority seemed to feel that Canada cannot afford to be less defensive in its dealings with the U.S. -- "danger that friendliness will be seen as weakness." There were a few, however, that felt either that being less defensive would not make any difference or that our dealings would be aided by a less defensive attitude. Finally, a number of others offered the view that we should remain defensive but reduce our paranoia.



## IX. SUMMARY AND CONCLUSIONS

Relations between Canada and the U.S. and between the two leaders are considered to be good at the present time. Prime Minister Mulroney's relationship with President Reagan was thought to be significantly warmer and closer than the relationship which had existed between Mr. Trudeau and President Reagan (and his predecessors).

With respect to the specific issues covered in the discussions, the group participants generally felt that a good relationship between Prime Minister Mulroney and President Reagan would assist in initiating discussions and in addressing the issues; however, they doubted whether a strong relationship alone could produce solutions to these irritants. This attitude seems to stem from the belief that President Reagan is, in the final analysis, an elected politician who is naturally influenced to a large extent by various strong stakeholders in his own country; (e.g., Congress, industry leaders.)

The participants were supportive of Canada's involvement and investment in modernization of the DEW line and in the non-military U.S. space research program. Opinions were more divided on Star Wars; some felt it would be a step towards disarmament, while others view it as an escalation of the arms race.

A surprisingly small number of participants were willing to concentrate blame on the U.S. for the acid rain problem; most felt Canada is equally at fault. A majority also felt very little is being done about acid rain and are not optimistic that a solution will be found in the short-term because of the high cost to industries involved.

The groups did not perceive increasing protectionism in the United States as an immediate or alarming issue. The participants were firm in their beliefs, however, that greater protectionism in the U.S. would seriously affect Canada and that if this occurred, real sacrifices would have to be made on our part to lessen the impact of greater U.S. protectionist barriers.

As noted earlier, the participants feel a strong relationship between Prime Minister Mulroney and President Reagan helps in our dealings with the U.S. The groups did not, however, perceive a serious deterioration of relations prior to the change in our government. The specific issues that were discussed were considered to be the type of irritant that commonly arises between the two countries, and consequently the relationship between Prime Minister Mulroney and President Reagan was not perceived to be of paramount importance in dealing with these issues. From the discussions, therefore, it is not clear to what extent success in dealing with an issue perceived as a major problem between the two countries would be contingent upon the relationship between the two leaders.

## DISCUSSION AGENDA

### A. General Nature of the Canada-U.S. Relationship

1. Describe relations between the two countries as they exist today.
2. How have they changed recently?
3. How do you expect them to evolve in the future?
4. How would you describe the relationship between Prime Minister Mulroney and President Reagan? How does it differ from the relationship which Prime Minister Trudeau had with President Reagan and other American presidents?

### B. Defense Issues

1. Have you heard anything about plans to improve the early warning radar system designed to protect Canada from air attacks from the North? What do you know about this? What is your impression of these plans? Why?
2. Who should pay for this type of plan? (Canada, U.S., joint?) Why?
3. Generally speaking, is it reasonable to expect that Canada will get procurement benefits? Should they be demanded? If you were responsible for negotiating this with the Americans what would your approach be?

### C. Strategic Defense Initiatives

1. Have you heard/can you tell me anything about something called the Strategic Defense Initiative which is also known as the "Star Wars" plan? What is your impression of the plan? Why?
2. Do you see it as something which will increase or decrease the chances of a war? Why?
3. Will you feel better defended as Canadians if the Star Wars plan goes ahead?
4. Should the development of new plans like this go ahead (or even be announced) before the next arms talks take place in Geneva?
5. How would you describe President Reagan's approach going into the next round of talks? How committed is he to the goals of nuclear disarmament? How about the Soviets? Why have they agreed to resume negotiations? How sincere is their desire for disarmament?

What should Canada's/the Prime Minister's approach be leading up to these talks? What advice should Canada offer the United States? Should it be offered publicly or privately? How would you describe the Prime Minister's chances of having a real influence on the President? (How responsive to advice from other countries is the President generally? Is Canada's advice taken any differently?)

7. If Canada doesn't agree with the U.S. approach on defense issues, is there much to be gained from speaking out? Should we?

#### D. Trade

1. Describe what you feel is meant by the term protectionism and the term free trade?
2. Is protectionism in the United States increasing or decreasing?
3. Does Canada maintain greater protectionist barriers than the U.S.?
4. If protectionism increased in the U.S. how seriously could that affect Canada?
5. If greater U.S. protectionism could hurt Canada, what should be done to avoid it?
6. Should Canada be prepared to remove protection from certain industries in order to ensure the Americans do not take action to harm us? What if that cost some jobs?
7. If trade were more free between Canada and the U.S. could our companies compete with Americans? Are our company leaders as smart/intuitive/gutsy?
8. How much of an influence do you think a strong relationship between Prime Minister Mulroney and President Reagan can have in terms of handling this issue?
9. What is your impression of the new government's approach to foreign investment in Canada? Has the government taken any steps to change the rules? Have you ever heard of Investment Canada? What is your impression of the government's approach on this question? Why?
10. How much of a threat do you feel there is that foreign investment can become foreign control of Canada's economy?

#### E. Acid Rain

1. Is the problem being solved/addressed at the present time?
2. How likely do you think it is that this problem will/can be solved? What is needed to solve it?


3. Who must shoulder most of the cost of solving the acid rain problem? (Canada/U.S.) Is Canada doing its part? Is it being fair in criticizing others?
4. To what extent do you believe this problem can be solved based on a strong relationship between Prime Minister Mulroney and President Reagan? Do you think each of them cares enough about this issue?

#### F. Investment in Space

1. Have you heard that the U.S. is looking for other countries to participate in the space program by investing in the development of a research station in space? What is your general impression of the need for this kind of program? What are the benefits? Do they outweigh the costs?
2. Should Canada get involved in the program? Why/why not? Will other countries get involved? Why/why not? Is there a danger of falling behind other countries in terms of technological development? How would our investment or lack of investment affect Canada-U.S. relations?

#### G. Conclusion

1. To what extent do you feel Canada/U.S. differences need to be solved by governments rather than by the companies and individuals involved?
2. If/Where governments need to deal with issues, how important is it that the two leaders are friendly/firm in their dealings? How much of each ingredient do you think should be applied now? How much of each do you feel is being applied right now?
3. Do you think American governments have tended to look at Canada more as an argumentative neighbour or as a good and steady friend who doesn't back down on its principles and won't surrender its rights? How should this be altered?
4. Can we afford to be less defensive in our dealings with the Americans? How might the President respond? Can he deliver real benefits to Canada?

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