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Canada and the United States

A fence in the north, too

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For Americans the border is a security issue; for Canadians it is a vital business artery that has become clogged

A DRAMA series about the border between Canada and the United States would once have induced a yawn in the television audience. Residents of both countries could pass through what was dubbed the world's longest undefended border, stretching for 8,900km (5,500 miles), with just a word or a wave of the hand. But since September 11th 2001, there has been enough action in the once-mundane world of Canadian customs and immigration officials to make "The Border" a surprise hit. Drivers of the 7m trucks and 30m cars estimated to enter the United States from Canada each year now face terrorist watch-lists and increased cargo inspections. Since January 31st, they must also show proof of citizenship.

The problem, argues Paul Frazer, a former Canadian diplomat who is now a consultant, is that Americans see the border as a security issue whereas for Canadians it is an economic issue. "So we are constantly working at cross purposes," he says.

In a joint report last month, the chambers of commerce in both countries said they were increasingly worried about the impact of these measures on trade. Increased inspections, rising fees and longer waits are making the border "thicker, stickier, and more costly", says Perrin Beatty of the Canadian chamber. Others argue that all this is starting to undermine the North American Free-Trade Agreement (NAFTA), which also includes Mexico.

Two-way trade last year totalled C\$625 billion (\$582 billion). Hardest hit are integrated industries such as carmaking. Before 2001 it made sense to shuttle parts back and forth between plants on opposite sides of the border in order to produce a finished vehicle. Now the stickier border is adding to the troubles of Detroit's uncompetitive carmakers. A ship carrying 4,000 cars from Asia landing on the west coast of the United States undergoes just one inspection; the components in a car made in North America will, all told, have gone through thousands, notes Jayson Myers of Canadian Manufacturers and Exporters, an industry body.

Some Canadian companies have responded by lengthening delivery schedules or setting up warehouses across the border to stockpile parts. Carmakers are relying more on parts from the same side of the border.

"Just-in-case is replacing just-in-time," noted a recent study by the Conference Board of Canada, a business think-tank. China has surpassed Canada as America's largest single source of imports. Some Canadian firms are seeking new markets overseas. Exports to the United States fell in 2007 (though they still account for three-quarters of the total).



The thicker border affects everyday life as well as business. Volunteer firemen from Quebec racing to fight a hotel blaze in upstate New York late last year were detained so long at the border that by the time they reached the scene the building had burned to the ground. After a Canadian ambulance carrying a patient requiring emergency surgery was stopped en route to Detroit, Stockwell Day, the security minister, asked Michael Chertoff, his American counterpart, to review border procedures. He may get short shrift: Mr Chertoff said recently that more than a dozen suspected terrorists had been apprehended trying to cross the northern border and that he worried more about Canada than Mexico. A DVD docudrama "Last Best Chance", made in 2005, shows terrorists driving an atomic bomb across the border from Canada.

Canadians reckon there are secure ways to unclog the border. Jim Prentice, the industry minister, wants to build a new bridge between Windsor and Detroit to supplement the existing one and a tunnel, both dating from the 1920s. He also wants to harmonise regulations. That might allow pre-clearance centres for goods, sited away from the border. Officials from each country use different radio frequencies, hindering communication. Canada requires American agents to deposit their sidearms at specified border crossings even if they are in hot pursuit of criminals.

Unsnagging bureaucratic barbed wire was supposed to be the job of the Security and Prosperity Partnership, announced with much fanfare by the leaders of the three NAFTA countries in 2005. But little has been achieved. Although there have been some small improvements, Canadian business leaders express disappointment with the slow pace of progress.

It does not help that NAFTA has become a swear word in the United States, not just in far-right circles but also in the campaign for the Democratic nomination. Mexico and its migrants loom much larger than Canada as a bugbear in middle America, but both countries are affected by declining support for an integrated North America. Canadian officials do not expect their American counterparts to push hard for free trade or unsnagging the border. More delays loom next year, when the United States will require returning American travellers to show passports at land borders. Not surprisingly, the makers of the soap about the border are planning a second series.

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