Canada, the United States, and the change we can believe in^{*}

A LANDMARK ELECTION ABOUT CHANGE

The 2008 United States presidential l election was all about change. In one of the most impressive political campaigns in modern history, a young, confident, well-spoken senator from Illinois asked the American people to "stand for change," to support "the change that we need," and to say "yes we can" to change. Senator Obama rarely if ever went off message, and that message was as clear as it was consistent. His defining campaign slogan, "change we can believe in," sounded a clarion call to the faithful, the disheartened, the disaffected, and even the disenfranchised. And, in the end, it carried Senator Obama all the way to the White House.

The presidential election of 2008 will not soon be forgotten. It was the first campaign ever to take place between two sitting senators, the first time in more than 50 years that neither a sitting president nor a former vice-president was in the race, and only the second time that a female candidate was on the ticket for either of the major parties. In the end, with a record number of voters turning out to give Senator Obama a decisive victory, America would have its change. At the most basic level, the change was very impressive. The election resulted in the first African-American president, the first catholic vice-president, and a clear majority in both houses, with the Democrats picking up eight Senate seats and 21 seats in Congress.

REVOLUTIONIZING CAMPAIGNING

No less impressive, or important, but perhaps less obvious, the 2008 election witnessed some very important changes in the process, most notably in terms of Michael Hawes is the executive director of the Canada–US Fulbright Program. In 2006, along with a number of Canada's leading research universities, Michael founded the Network on North American Studies in Canada (NNASC).

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how campaigns are run and how potential voters are courted. The Obama campaign raised an astounding \$660 million in private donations, the Clinton campaign another \$250 million, and the McCain campaign an amount just shy of \$240 million. In total, we are looking at well over a billion dollars in private donations. These unprecedented numbers will very likely change the entire dynamic of campaigns and campaigning at this level. By harnessing the power of the Internet, along with its potential for social and political networking, and by creating a broadly based populist movement, which mobilized people, money, and support directly through the Internet, the Obama campaign broke new and important ground with respect to how to engage people and mobilize voters.

What may be even more impressive is that the Obama campaign revolutionized electoral politics by raising the bulk of this money through small donor contributions. Of the \$660 million, \$580 million came directly from individuals and nearly \$250 million was raised from contributions that were under \$200. Moreover, although the strategy to fund the primaries through private donations was well established, no major party has refused to take government funds for the general election since the system was established in 1976—until Obama did so in 2008.

FINANCIAL CRISIS

What changed, and did so guite dramatically, was the role that economic issues played in the campaign. The turning point in the 2008 election can be traced to the first few weeks of September. In relatively short order, and in stunned silence, the world watched as some of America's largest and presumably most secure financial institutions collapsed. This was followed by a startling decline in the value of equities, and, without much delay, in a global financial crisis of historic proportions. Literally overnight, the financial crisis and, more generally, the deteriorating state of the economy, came to preoccupy voters and dominate the election. Economic reform quickly became the dominant issue.

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By the time that President Obama gave his inaugural address, he had little choice but to explicitly recognize the extent of the economic crisis and use this speech (though much less sombre than his campaign speeches) as another call to arms.

Our economy is badly weakened, a consequence of greed and irresponsibility on the part of some, but also our collective failure to make hard choices and prepare the nation for a new age. Homes have been lost; jobs shed; businesses shuttered. Our health care is too costly; our schools fail too many.... For everywhere we look, there is work to be done. The state of the economy calls for action, bold and swift, and we will act-not only to create new jobs, but to lay a new foundation for growth. We will build the roads and bridges, the electric grids and digital lines that feed our commerce and bind us together. We will restore science to its rightful place, and wield technology's wonders to raise health care's quality and lower its cost. And we will transform our schools and colleges and universities to meet the demands of a new age.

What all of this points to, at least from a Canadian perspective, is the biggest change that we have seen in more than a generation. For more than 20 years, there has been something of a disconnect in North America. Indeed, when we talk about the trilateral North American relationship, we are really talking about three separate bilateral relationships. More specifically, there was a disconnect with respect to priorities. In Washington, for the longest time, and well before September 11, 2001, the Canada-US relationship was defined by border issues and by security concerns. For Canada, that same relationship was about economics in general, about trade in particular, and, even more specifically, about access. For Mexico, at the risk of

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oversimplifying a complex relationship, the movement of people was the key issue.

On the economic front, we have seen more than 20 years of financial deregulation (beginning, at least, with the 1987 appointment of Alan Greenspan) and more than 20 years of freer (though sometimes unenthusiastically so) trade. All of this has been supported in the United States by a strong economy, a relatively firm commitment to the market, and an equally strong commitment to smaller government. Moreover, should one attempt to challenge the logic identified above, it was made clear that "security trumps economics."

THE GREAT RE-REREGULATION U-TURN

This, quite simply, is no longer the high standard of public policy, as the following quotation (again from the inaugural address) suggests. Regulation is due for a revival, and government will once again play a somewhat greater role in the economy.

What the cynics fail to understand is that the ground has shifted beneath them-that the stale political arguments that have consumed us for so long no longer apply. The question we ask today is not whether our government is too big or too small, but whether it works. . . . Nor is the question before us whether the market is a force for good or ill. Its power to generate wealth and expand freedom is unmatched, but this crisis has reminded us that without a watchful eye, the market can spin out of control-and that a nation cannot prosper long when it favors only the prosperous.

In the end, the question for those of us who study Canada–US relations, and who have watched this extraordinary election, amidst these even more astonishing times, is how we can play an effective and appropriate role in righting the North American economy and securing our economic future.

* This article is a based on a piece that the author wrote for an upcoming issue of International Journal.

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