

From the editor

This special issue of *Canada Watch* examines the pivotal issue of Canada-U.S. relations, at a time of unprecedented economic integration.

Since the signing of the two free trade agreements Canada-U.S. relations have undergone enormous change, and many experts predicted that integration in public policy would accelerate in such strategic areas of importance as health care delivery, social and cultural policy, labour market management, and tax reform.

According to the experts in this issue, our assumptions need to be rethought in light of empirical evidence. Wholesale convergence is not occurring between these two look-alike societies. There is strong evidence that national governments remain on separate but parallel paths, in many spheres of public policy. In some areas, such as labour market policy, there is strong evidence of convergence. In other areas, such as cultural policy, Canada's vision of culture remains markedly apart from the United States'. What emerges from this complex picture is that policy management by Ottawa and Washington has become an arena of conflict between the two countries. Power is what matters, and Canada does not have the punch when it matters.

At the root of so much friction is that so far the benefits of greater economic integration have proven to be much less dramatic for Canadians than predicted. If there is a success story, it is largely an American one. Americans continue to have higher incomes, more jobs, stronger industries, high-tech industries to spare, and cheaper consumer goods than Canadians. What is worrying is that the gap between the two countries is growing, not shrinking, despite continental free trade.

But economic policy is not the only defining element in the relations between the two countries. Canadian

health, cultural, and social programs demonstrate that Canadian values and institutions remain strikingly different from those in the United States and will keep the two countries on parallel paths, well into the future.

Compared with American political culture, ours is strongly pragmatic. We allow prayers in school, have strong gun control legislation, and support redistributive social policies and a universal public health care system. Canada still has a strong sense of collective entitlements despite the corrosive influence of globalization and neoliberalism. In the United States their political culture is fiercely and often naively idealistic. Gun control is not on the books, a universal health care system remains in perpetual no man's land politically, and an adequate social policy a distinct memory. The problem is that, in the Republic, entitlements are seen as a grant from government largesse for the undeserving. Hence entitlements are despised and vulnerable to attack from many different quarters. Canada and the United States are not an echo of each other.

The defining reality is that Canada still has a "leaky" border with the United States, with goods, services, and capital pouring in. As many of the contributors to this special issue demonstrate, Canada needs, in the words of Jim Gilles, "imaginative new public policies" to meet the needs of all of its citizens. So far the Chrétien Liberals have few ideas of how to build that capacity. It is unlikely that the pending federal election will generate a bold new vision or even the beginning of one. This policy crisis has not been addressed. It ought to be. We are a country without a new set of policy initiatives to take Canada into the 21st century. That's troubling.

— Daniel Drache
Co-editor-in-chief
Canada Watch

EDITORS-IN-CHIEF

Daniel Drache, *Robarts Centre for Canadian Studies, York University*

Patrick Monahan, *Osgoode Hall Law School, York University*

MANAGING EDITORS

Joanne Rappaport and Laura Taman

COLUMNISTS THIS ISSUE

| | |
|-------------------|-----------------|
| Charles F. Doran | Joyce Zemans |
| James Gilles | Linda A. White |
| Daniel Drache | Jim Stanford |
| Michael Adams | Benjamin Tal |
| Andrea Calver | Andrew Sharpe |
| R. Kent Weaver | Andrew Jackson |
| Michael Mendelson | Stephen Blank |
| T.R. Marmor | Bernard M. Wolf |
| Terry Sullivan | John McCallum |

PRODUCTION

WordsWorth Communications

CONTACT FOR INFORMATION

Canada Watch
227 York Lanes, 4700 Keele St.
Toronto, Ontario M3J 1P3
Phone (416) 736-5499
Fax (416) 650-4321
www.robarts.yorku.ca

ANNUAL SUBSCRIPTION RATES (6 ISSUES PER YEAR)

Institutions: \$75
Individuals: \$35
Students: \$20
(Outside Canada, add \$10)

Canada Watch is produced jointly by the York University Centre for Public Law and Public Policy, and the Robarts Centre for Canadian Studies of York University.

Copyright © 2000
Centre for Public Law and Public Policy;
the Robarts Centre for Canadian Studies
Printed in Canada
ISSN 1191-7733