

Will Canada Unravel?

Charles F. Doran

PLOTTING A MAP IF QUEBEC SECEDES

EVER-LOUDER rumblings north of the border should not be dismissed as another Canadian nonevent. Potentially, they portend much greater consequences for American interests than many nationalist breakups around the world. Canada's dilemma, typically put, is the separation of Quebec. At least since the abortive rebellions of 1837-38, Quebecers seemingly have been revolting against Canada. The question has always been, "Will Quebec separate?" After a recent referendum in Quebec almost answered yes, Canadians have begun to ask other questions in more heated tones, such as, "Should Quebec be partitioned?" "For other Francophones and the rest of us," wrote Diane Francis, editor of *The Financial Post*, "[partition of Quebec] would rid this country of troublemakers who do not value Canada or its citizenship and who play fast and loose with the rule of law and minority rights." Quebecers, for their part, call partition dangerous, nonviable, undemocratic, and contrary to law. They regard it as a precedent that would threaten the geopolitical balance in North America. So the tensions increase.

From the perspective of the United States, the right question is: What would follow separation? This deeper question contemplates a Canada that may not only split into two parts—Quebec and the rest of Canada—but that may continue to fragment. This view of the problem is much broader, and it holds consequences in political, economic, and security terms that immediately draw the United States

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into a far more dramatic set of developments. Continuing fragmentation potentially involves powers outside North America in special treaties and coalitions. What starts as simple secession, or breakup, could end in a complex process of redefining the entire Canadian polity, rooted in nationalist stresses that turn out not to be restricted to former communist states and poor Third World countries but to affect all multiethnic states in the post-Cold War order. This more complicated picture of Quebec's separation and its consequences may be described as a worst-case scenario. But is the thesis of continuing Canadian fragmentation after Quebec's secession plausible? Could North America unravel? The United States must take the possibility seriously enough to draw up plans for a form of supranational affiliation with the remnants of Canada.

Ottawa, regardless of the party in power, has always argued that its problems of unity are manageable. While its strategy for dealing with Quebec has changed over time, it remains confident that the province can be convinced to remain in the confederation. Moreover, Ottawa is similarly confident that if Quebec were to separate, the rest of Canada would remain united. The principal argument is that the problem is Quebec's incessant demands for more autonomy. If these demands are met, separation will be thwarted. If they cannot be met and Quebec does secede, English-speaking Canada will nonetheless remain unified because the source of the difficulties would be gone. The remainder of Canada could get down to the serious business of living together.

Somewhat ironically, separatist Quebec agrees with Ottawa on this interpretation. Jacques Parizeau, formerly head of the separatist Parti Québécois and premier of Quebec, argues that if and when Quebec goes, the remainder of Canada will remain united. Part of the argument is surely cultural, namely, that English speakers can better communicate and defend their culture without Quebec; culture will unite. With Quebec gone, Ottawa will no longer be obliged to decentralize authority, and English Canada will survive as a unit and probably flourish.

Some outside Quebec believe, like Quebec nationalists, that separation would be good for Canada. Their argument stresses that so much redundancy exists in administration and so much money is spent on bilingualization and transferred needlessly from rich province to

poor province in an effort to keep Quebec inside the confederation that after separation both Quebec and English-speaking Canada would be better off, financially and otherwise. Without addressing this contention, the same assumption occurs here: after Quebec leaves, Canada remains united.

An analysis of Canada's prospects therefore entails a twofold task. First is examining the grounds for Quebec's separation because, however the consequences are conceived, virtually everyone believes that separation would be required to trigger the breakup of Canada. The second task is to assess the basis for the view that Canada may Balkanize after Quebec separates.

WHY QUEBEC MAY SEPARATE

IN THE October 1995 referendum on Quebec separation, a handful of Francophone voters in Quebec decided the fate of Canada. A mere 53,000 voters, out of a constituency of 7.5 million, defeated the sovereigntist proposal. Perhaps the facts are alarmist, but they speak for themselves. There are reasons for the results to be taken very seriously.

A phenomenal 94 percent of registered voters in Quebec turned out, which suggests that they regarded secession as a matter of burning importance. Moreover, the assumption that Quebec voters would not accept the economic costs and risks of separation and were not subject to romantic sentiment on this issue proved wrong. Until a week before the referendum, virtually no one predicted the closeness of the vote. Only an enormous last-minute rally in Montreal by the no vote halted the separatist surge. The results are also important because some 63 percent of Francophone voters in Quebec supported separation, up from slightly over 50 percent in the 1980 referendum on the same issue. A similar percentage of Quebec voters in polls taken after the recent referendum indicated that they had not changed their minds and would vote the same way in the future.

An index of the bind in which Canada now finds itself is that the solution Ottawa has proposed to meet Quebec's demands is exactly the one a large majority of English-speaking Canadians oppose. To quench Quebec's desire for separation, Prime Minister Jean Chrétien has proposed three things: acknowledgment that Quebec is a dis-

tinct society; creation of a veto against constitutional change, usable by every region including Quebec; and Quebec control over worker retraining. A nationwide poll at the end of 1995 showed the massive discontent among English-speaking citizens with such attempts to save Canada. Eighty-three percent of respondents across Canada did not want Quebec to have a constitutional veto. Indeed, the same percentage disagreed with Quebec nationalists on the issue of whether Canada is composed of two founding peoples, preferring instead to think of

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Canada as ten equal provinces. Some 61 percent said that Quebec should not even be constitutionally recognized as a distinct society.

Perhaps the monumental irony concerning these proposals for legal reform is that Quebecers themselves reject the proposals because they would not be embedded in the

constitution. Given the bitter history of constitutional struggle in Canada and the current public disfavor toward reform, Quebecers can hardly be faulted for their skepticism that the legal reforms will ever be constitutionally entrenched. So, despite the welcome boldness of the prime minister's legal initiatives, neither English-speaking nor French-speaking Canada, in the end, accepts the terms of these initiatives.

In the same week that American newspapers were claiming that Quebec Premier Lucien Bouchard had softened his stance on separatism, he told the Quebec National Assembly that he was dedicated to the separation option and that the voters would decide on the issue at the next election. He also toughened the enforcement of language laws in firms with more than 50 employees, although not nearly as much as the fiery youth wing of his party wanted, and encouraged the introduction of linguistic school boards to limit the access of immigrant children to instruction in English. The healing of Quebec, if that is possible, unfortunately would solve very little. It can be seen to be as crucial to a separate Quebec as to a unified Canada.

Even if Ottawa honors the call to the mandated 1997 constitutional meetings, and even if the economy turns down, making all Canadians, including Quebecers, more cautious, English Canada is unlikely to be able to agree on how to deal with Quebec, and Premier Bouchard is then likely to assert that Ottawa has once again failed to

live up to its constitutional pledges. While Bouchard has seen the need to focus on the economy and the problem of Quebec's enormous deficit, he has by no means jettisoned the goal of separation. Toning down his rhetoric and focusing on economic issues does not fundamentally alter his game plan. The game plan just becomes more subtle and perhaps less subject to challenge.

Nationalism, of course, is volatile. A combination of clever federal strategy and problems of governance inside Quebec as the Parti Québécois leadership attempts to solve its debt crisis may blunt the separatist impulse, but its staying power has been notable. Separatist preference is generational. The youth are most supportive. As each generation ages, the support within that generation retains its strength. If the trend in support for Quebec independence is to be reversed, the federalists need new vision and energy.

DIVISIONS, DIVISIONS

NEITHER THE Canadian federal government nor the Quebec separatist government nor outside analysts favoring a split in Canada predict any fragmentation of Canada beyond Quebec. Ottawa probably has felt it must downplay all hints of the danger of disunity. Yet recently Ottawa has reversed that policy by stating that if Quebec separated, Anglophone Montreal would have an incentive to secede and indeed would secede. So Ottawa is now taking the possibility of further fragmentation seriously. The reason Quebec City discounts fragmentation is clearly strategic: to admit that it could occur might increase English-speaking Canada's resistance to Quebec separatist demands because the cost of further splits to the remainder of Canada would be so high. Outside analysts tend to look only at the economic savings of a breakup and not the political consequences of additional fragmentation. It is time that they carefully examine the basis of continuing fragmentation of Canada, and of Quebec.

Three major difficulties would confront the federal government in its attempt to keep English-speaking Canada united after Quebec's secession. First, once the glue of federalism is gone, the rich provinces—British Columbia, Ontario, and Alberta—would no longer have incentives to subsidize the poor provinces like Newfoundland, Nova

Scotia, and Manitoba. The average Albertan pays an annual tax of \$900 to enable a province like Newfoundland, which receives 60 per cent of its budget from the general slush fund, to remain semi-solvent and attached to the confederation. Much as in modern Germany, a kind of cohesion results from this regional welfare. But in the absence

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of a unified country, would that resident of Alberta or British Columbia be so inclined to pay this confederation tax?

Second, an independent Quebec would geographically sever four provinces—Newfoundland, New Brunswick, Nova Scotia, and Prince Edward Island—from the rest of Canada. Undoubtedly, Quebec as an independent country would allow Canadians all the privileges of transit, communications, and the flow of goods, services, and people now accorded Americans vis-à-vis Canada or Mexico. But the feeling of being cut adrift would still prevail in Atlantic Canada. Although the potential for civil war surrounding Pakistan's separation from India is obviously absent, the sense of being cut off from the center of power felt in East Pakistan would certainly pertain to the easternmost part of Canada. Politics can sometimes overcome physical distance, but even the most benevolent independent Quebec would not be able to create a sense of geographic union between central and Atlantic Canada once it is breached.

A third difficulty, expressed by western Canada, would be the heightened feeling of alienation from and dominance by the economic power of Ontario. This feeling of dependence has been exacerbated by a tariff policy that forced westerners to buy dear in Toronto and sell cheap east or west, rather than follow the more traveled and profitable lines of commerce that flow north to south. The purpose of this so-called national policy was to jump-start the industrial base in central Canada, but, in the opinion of westerners, at their expense. With the advent of the Canada-U.S. Free Trade Agreement and NAFTA, the distortions of trade resulting from tariffs have disappeared, but the feelings of political and economic dependence in the west live on. For example, the federal Liberal Party of Canada has its power base in the industrial heartland of central Canada and is not well-represented west of Winnipeg.

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After a breakup, the English-speaking remnant of Canada would contain a lopsided distribution of power. Quebec could no longer balance and deflect discontent. Ontario would be like Snow White, the remaining provinces like eight dwarfs, not so much in terms of territory as in industrial capacity and population. Surely western Canada would demand a reshaping of government along the lines of the United States, with a coequal Senate and perhaps a more powerful House to offset the strength of the prime minister. But such a redistribution of power within a shrunken



Canada, and away from Ottawa toward the western provinces, might likewise fail. It might amount to too much sacrifice for central Canada, but not enough gain for Alberta and British Columbia. In asking to be considered as a separate region coequal with Quebec, Ontario, the Maritimes, and the Prairie Provinces, among other ways, British Columbia is indicating that it already thinks of itself as different, powerful, and potentially autonomous.

Politically, an independent Quebec could survive adjustment, capital flight, and exchange-rate fluctuation in the short term and a lessened growth rate over the long term, if at a price. But could it remain whole? On the heels of Quebec's independence, English enclaves in the Ottawa River valley, west Montreal, and the Eastern Townships region might attempt to create separate city-states of their own. Likewise, the Cree and other Indian tribes and Inuit communities reject Quebec independence, either because their lands would be divided by jurisdictional separation or because they believe that Ottawa looks more favorably than Quebec City on their eventual self-government. Only in the twentieth century was the northernmost section of Quebec, Rupert's Land, formally granted to the province by British imperial authority. Potentially resource-rich, this territory contains such assets

as the James Bay hydroelectric project. Quebec categorically denies the claims of others to state-building and separation.

Moreover, judging by the Czechoslovak experience in which the Czech segment finally called the bluff of the Slovak segment in 1992 regarding the latter's desire for independence, the Anglophone elements in Quebec could be playing a dangerous game. Were the claims of Anglophone Montrealers or the native peoples made compellingly and prior to the act of Quebec independence, they might thwart Quebec nationalism. But the claims are viewed in Quebec as relatively weak, and they are likely to come after Quebec's independence because of the limits of these groups for political mobilization. It would matter little which came first, whether Quebec declared secession and its English-speaking areas then broke away, or Francophone Quebec called the Anglophone bluff and dissociated itself from the English-speaking areas. In either case, separation would be costly in terms of territory and wealth for Francophone Quebec.

Quebec ultimately must confront the paradox of sovereignty. If Canada is divisible, then why is Quebec indivisible? If Quebec is indivisible, then on what grounds should Canada be obliged to allow Quebec's secession? In an age of ministates like Singapore and Luxembourg, the minimum requirement for self-government, however compromised, is not very substantial. Balkanization of an independent Quebec cannot be ruled out by the proviso of minimum state size.

Washington must be prepared for all contingencies. Fragmentation of Canada, depending on its nature and extent, would transfer some of the cost of administration from Ottawa to Washington. Washington increasingly would take on the jobs of peacemaker, adjudicator, rule-maker, and police officer. These are not roles that the United States should seek. Nor are they responsibilities Washington would necessarily be able to carry out better than any of the Canadian provinces or the Canadian federal government.

There is a reason that Canada has often been described as an over-governed society: it has never been easy to govern. Over the years, the people of Quebec and every other province have grown accustomed to a high degree of governmental attention and many public services. No matter how arduously it tries, the United States cannot emulate that,

especially if Canada breaks into a number of contentious pieces, each looking for a degree of harmony and support that has since disappeared.

THERE GOES THE NEIGHBORHOOD

THE TIFFS the United States has had with Canada in the past have been brief and relatively minor, at least from a global perspective. Canada has been a good neighbor. That is why a strong and united Canada remains not just a mantra but a genuine first preference, although there is little the United States can do to ensure that this preference is honored by Canadians.

If French-speaking Quebecers decide to opt out of the confederation, and they do it democratically, peacefully, and ultimately with the blessing of Ottawa, the United States cannot stand in their way. Quebec knows that negotiations over many things, including its independent entry into NAFTA, will not be automatic or simple. But if Quebecers take all the risks and costs into account and still decide to go for independence, no one south of their border has the right or the inclination to stop them. All the political cards will be reshuffled; all the unthinkable options will once again be reviewed in the United States and in Canada. Predictions are therefore unreliable, but analysis of various scenarios may highlight the more plausible outcomes.

The United States must have in place well-considered policies to deal with the unraveling of Canada, however unsatisfying that would be. Gordon Robertson, former clerk of the Canadian Privy Council and secretary to the cabinet, has argued for contingency legislation in case separation occurs. Given the awesomeness of a breakup, perhaps its very discussion will prevent it. But in this matter, the United States is not in the driver's seat. It should nonetheless be in the car that makes the journey, map in hand.

Despite the problems for U.S. diplomacy generated by a decentralization of the Canadian polity, in which multiple players demand a seat at the bargaining table (a situation that already pertains with regard to trade disputes over, for example, fish and softwood lumber), the United States ought to support Ottawa if decentralization is the strategy Canada deems necessary to save the federation. From the U.S. perspective, and perhaps from the Canadian, this strategy is less

preferable than tight unity. But a second-best strategy can still be superior to alternatives if they amount to serious fragmentation of the country into several incongruous parts.

Only when the United States considers the alternatives will the decentralization of Canada, along the lines of the Swiss model, for instance, carry much appeal. At least with decentralization, the Canadian polity would remain whole and the burden of administration, peacekeeping, and the provision of services would remain primarily with

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Ottawa rather than Washington. Washington has enough domestic and international responsibilities without adding to its portfolio the task of attempting to administer an unwieldy group of squabbling provinces.

If, however, decentralization proves unworkable, or separation of Quebec occurs anyway, then the United States must consider

further options. One is a new form of political interaction with those fragments that find themselves isolated. The concept is regional affiliation. Under certain circumstances, an affiliated polity could establish ties with the United States. The structure of this form of political subsidiarity will require careful thought. Its timing must not induce the separation that its existence is designed to prevent.

Economic association within NAFTA, no matter how useful in trade and commercial terms, is not a substitute for this new kind of political affiliation. Except for bounteous customs rules and an elaborate trade dispute resolution mechanism, NAFTA contains no institutional structure above the nation-state that will bind sovereign entities together. While at some time in the future NAFTA might become a common market or even the foundation of some form of political union, today that option is likely to involve both too much and too little: too much because NAFTA currently includes three states, too little because it probably will be unable to transform itself fast enough into the kind of substantive political institution that the situation would require.

A mere treaty to establish political ties would be insufficient. Such treaties would appear inevitable in the absence of other frameworks. But treaties are neither durable enough nor encompassing enough in

terms of responsibilities. They raise the specter of coalitions, perhaps leading to participation by overseas states and unstable composition. Treaties alone are not capable of providing the constancy that North America will demand in political and security terms.

This new form of affiliation should be aimed midway between the fragility of a treaty and the rigidity of statehood. Political affiliation ought to address the basic needs of people. Freedom of movement for goods, services, capital, and people ought to be at the heart of the arrangement. Just as antidumping trade rules are unnecessary between New York and Pennsylvania, they should be unnecessary between the fragments of Canada and the United States. The United States would provide foreign security for these fragments; apart from an indigenous police force, they would not need a military. Citizens of an affiliated polity would serve in the U.S. armed forces, and payments would be made to the United States through an appropriate formula for the provision of this security. Yet the resulting entities would retain their own governments, pay for the bulk of their own services, and for the most part act as self-governing units.

Should political affiliation offer insufficient appeal to the isolated remnants of Canadian separation, the United States would need to consider further options. Statehood is one possibility. However, neither fragment nor polity should be under any illusion that the extension of statehood would be easy, automatic, or trouble-free. On the Canadian side, adjustment to the American lifestyle, to the kind of social safety net and medical insurance programs Americans favor, to a political system that pampers less and sometimes demands more, would not be easy, even for the most conservative members of the Reform Party. Moreover, the Canadian fragments ought not delude themselves. While adjustments could be phased in over time, and some exceptions could be made regarding conditions, the terms of admission to the United States would essentially be American. Admission means accession, not enosis.

On the U.S. side, statehood for one or more disgruntled Canadian provinces could likewise create strains. With the exception of perhaps one province, Alberta, most Canadian constituents would vote to the left of the American mainstream. Addition of new states north of the 49th parallel would thus affect the partisanship and voting balance of

the American electorate. Some analysts assume that Canada is a cornucopia of minerals and raw materials that would suddenly open up, to U.S. advantage. Others believe that large new strategic benefits would flow to the United States, for example, from adhesion of a coastal province. But each of these expectations is likely to be disappointed. Since the private sector already controls the exploitation, processing, and distribution of raw materials and products, they are already available to the United States at market prices. Access to some raw materials such as water would in any case remain under the control of a provincial (or state) government and therefore unlikely to become more accessible to U.S. interests. Likewise, through the North American Air Defense Command and other bilateral defense agreements, Canada and the United States already closely coordinate their defense postures. How U.S. membership for a province could enhance this already close strategic partnership is a puzzle. But despite adjustment pains and sometimes conflicting values and institutions, adhesion could be made to work. Statehood for one or more dissident provinces is feasible. Realism, however, ought to shape expectations.

HANGING TOGETHER

IN THE AFTERMATH of the Cold War, is the system of world politics evolving toward larger and more stable polities? Or is the system devolving toward smaller, more fragmented states, cast adrift by the loss of ideology at the top of the system and rising nationalism at the bottom? At the turn of the 21st century, the real tension is caused by the struggle, on the one hand, of the huge multicultural state to survive, and on the other, by the thousands of populist, ethnic, and linguistic regional culture centers to carve out their own identities. Not limited to the poor Third World states, this new challenge to institutional authority is common to all multicultural states, regardless of political makeup or wealth.

Can North America stay whole in the face of centrifugal tendencies that could eventually spill over the borders of Canada? No one wants a North America composed of bits and pieces. Many would like it to replicate the increasing integration of Europe. Yet eventually North America could look more like the former Soviet Union, with

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one large state at the center, the United States, edged by a series of small, isolated, weak entities along its northern border. Where else cultural nationalism and regional fragmentation might take root is hard to predict. The challenge in North America is to shape a continent-wide framework that is reasonably cohesive and harmonious.

NAFTA cannot serve this unifying purpose since it has no political motivation, is already tripartite, is losing its North American focus as new members are admitted, and consciously rejects supranational institutions. The United States must therefore think more imaginatively about how to manage the aftermath of Quebec separation, which should no longer seem impossible or remote. Long accustomed to contemplating North America as a secure continental island untouched by the turmoil affecting other world regions, the United States may find that on the threshold of the 21st century, its relations with Canada are far from exceptional. ②