



## Backgrounder: The North American Future 2025 Project

New documents obtained by the Council of Canadians provide damning evidence of how North American integration is being carried out by stealth. They describe a series of closed-door meetings with government officials and business leaders from Canada, Mexico and the United States to discuss everything from bulk water exports to a joint security perimeter and a continental resource pact, all with the explicit aim of helping executive-level politicians further integrate our three countries.

Under the title **North American Future 2025 Project**, the U.S. Center for Strategic and International Studies (CSIS), in collaboration with the Conference Board of Canada and Centro de Investigación y Docencia Económicas (CIDE), is currently holding a series of “closed-door roundtable sessions” with government “practitioners” and private sector “stakeholders” in order to “strengthen the capacity of Canadian, U.S., and Mexican administration officials and that of their respective legislatures to *analyze, comprehend, and anticipate North American integration*” (emphasis ours).

According to leaked documents obtained by the Council of Canadians:

- **Bulk water exports are being discussed:** A roundtable on the “Future of the North American Environment,” planned for Friday April 27, 2007 in Calgary, will discuss “water consumption, water transfers and artificial diversions of bulk water” with the aim of achieving “joint optimum utilization of the available water.” Since water was included as a “good,” a “service,” and an “investment” in NAFTA, once Canada begins exporting fresh water to the U.S. for commercial purposes, the tap can’t be turned off.
- **The Canadian government is intimately involved:** “To adhere to the desired time line for this project,” the CSIS report will, “derive its assumptions from existing projection scenarios [and] relevant *future-looking work* dealing with each of the six topics upon which *the three governments have agreed*—namely, labor mobility, energy, the environment, competitiveness, and border infrastructure and logistics” (emphasis ours). These are exactly the same policy areas currently being integrated between Canada, Mexico and the U.S. through executive level, closed-door meetings of the Security and Prosperity Partnership of North America (SPP), agreed to by the leaders of all three countries in March 2005.

- **This is about drafting policy, not making recommendations:** CSIS isn't just any think tank. The organization describes itself as, "a strategic planning partner for the government." And according to the leaked documents, all three governments have agreed, "that there would be a tremendous benefit to the current decision-makers" if a roundtable on border issues could serve, "as the underpinnings to develop a blueprint for future border infrastructure and logistics systems as it relates to labor mobility, energy, the environment, security, and competitiveness." CSIS's final report is to be reviewed twice by the Canadian, Mexican and U.S. governments before September 2007, when it will be re-submitted to these governments in English, French and Spanish, with the aim of "maximizing the policy impact."
- **There will be meetings in Canada:** Two of CSIS's closed-door meetings will take place in Calgary on April 26 and 27, 2007. The first, on energy, will discuss "developing and maintaining physical and virtual infrastructure that ensures for interconnected electric, oil, and natural gas networks across Canada, the United States, and Mexico." The second, on the environment, will discuss "future infrastructure and logistics needs as it pertains to," among other things, "water."

### **Key issues with North American Future 2025**

#### **What happened to democracy?**

CSIS claims it wants, "to capture the very best thinking on the six issues that will be covered" in its closed-door roundtables. Yet only between 21 and 45 government officials, business leaders and "highly specialized academics" are to be consulted in order to produce a report that will "enable policymakers to make sound, strategic, long-range policy decisions about North America, *with an emphasis on regional integration*" (emphasis ours). If CSIS really wanted "the best thinking" on North American integration, it would not have limited the debate to government officials, corporate stakeholders and academics who are already devoted to the process.

#### **The push for deeper continental integration**

This latest round of secret meetings is taking place in an environment that is already heavily geared towards Canada-U.S. integration by stealth through agreements like the Security and Prosperity Partnership of North America (SPP), which has not been debated by any of the three participating governments or their citizens. Corporate lobby groups like the Canadian Council of Chief Executives and the U.S. Council of the Americas, and now policy think tanks like CSIS, CIDE and the Conference Board of Canada, have been granted executive-level access to the integration process. No equivalent role has been granted to labour groups, civil society or even Parliament in Canada.

### **Key questions about North American Future 2025**

#### **Who is involved in these closed-door roundtables?**

Who are these government "practitioners" who have been invited to participate in CSIS's closed-door roundtables? Are they bureaucrats, cabinet members or both? Which corporate "stakeholders" will be involved? Are any also key members of the North American Competitiveness Council, a group of 30 CEOs which is currently driving the integration process through the SPP?

### **Who is paying for this report?**

The Center for Strategic and International Studies, CIDE and the Conference Board of Canada are North America's pre-eminent public policy think tanks. CSIS receives over a third of its funding from corporate and government sources. The Conference Board of Canada is "funded exclusively through the fees we charge for services to the private and public sectors."

### **What is the role of the Conference Board of Canada?**

A highly disputed 2006 Conference Board study of alleged inter-provincial trade barriers between Alberta and British Columbia led directly to the signing, behind closed doors by the premiers of both provinces, of the Trade, Investment and Labour Mobility Agreement (TILMA). What government policies are destined to come out of CSIS's new project on North American integration?

### **Key quotations from the leaked CSIS documents**

#### **On Water**

"Juxtaposed to the relative scarcity of water in the United States and Mexico, Canada possesses about 20 per cent of the earth's fresh water."

This simply isn't true. Canada does not have an unlimited supply of fresh water. While it contains many lakes and rivers, it holds just seven per cent of the world's available freshwater supplies – water that can be used without damaging the ecosystem or decreasing overall water stock.

"Policymakers will benefit from a more proactive approach to exploring different creative solutions beyond the current transboundary water management agreements that the United States has reached with both Mexico and Canada. One such option could be regional agreements between Canada, the United States, and Mexico on issues such as water consumption, water transfers (and) artificial diversions of fresh water..."

There is no spare water in the Great Lakes and most of the rivers coveted by the U.S. flow north. Using them to supply the United States would require monumental feats of engineering that would inevitably lead to ecological devastation by reversing the natural flow of water. It would also quickly lead to Canada losing complete control over its water. Under NAFTA, water is described as a "good." Since under the free trade deal, "no party may adopt or maintain any prohibition or restriction on the exportation or sale for export of any good destined for the territory of another party," once Canada starts exporting fresh water to the U.S., we would not be able to turn off the tap.

Furthermore, NAFTA's "National Treatment" provision would give U.S. water companies equal rights to Canada's water as Canadian companies. This would create a situation much like what has happened to Canada's oil and gas sector, which is over 50 per cent U.S. owned and where 70 per cent of Canada's oil heads directly south.

"The three nations will have to overcome the bureaucratic challenges posed by their different political systems and legal regimes, particularly if the *overriding future goal* of North America is to achieve *joint optimum utilization of the available water* and to implement procedures that will

help avoid or resolve differences over water in the face of ever-increasing pressures over this priceless resource” (emphasis ours).

Much of the pressure over Canadian water is coming directly from the U.S. government. In fact Erik Peterson, listed in the “Key Personnel” section of CSIS’s North American Future 2025 project, has said that the U.S. government must make water a top priority in foreign policy.

Through CSIS, Peterson has teamed up with ITT Industries, a giant water technology company, Proctor & Gamble, which has created a home water purifier called PUR and is working with the UN in a joint public-private venture in developing countries, Coca Cola, and Sandia National Laboratories to launch a joint research institute called Global Water Futures (GWF).

The mandate of GWF is to effect U.S. policy on the global water crisis and to develop technology in order to solve that crisis. A September 2005 report by GWF called “Addressing Our Global Water Future” contains the following passage: “Policies focused on water in regions across the planet must be regarded as a critical element in U.S. national security strategy. Such policies should be part of a broader, comprehensive, and integrated U.S. strategy toward the global water challenges.”

Like Canada’s oil and gas, the United States has obviously staked its claim over Canada’s water supplies and is ready to make it a national security issue if those supplies are not forthcoming.

## **On Energy**

“To address the energy outlook, the study will rely on various models developed in each of the three countries, such as the Global Energy Futures Model and the Electricity Generation Cost Simulation Model developed at Sandia National Laboratories; ‘The Outlook for Energy: A View to 2030’ prepared by ExxonMobil; and data compiled by the U.S. Department of Energy’s Energy Information Agency.”

Sandia National Laboratories’ motto is “securing a peaceful and free world through technology” and one of its goals is to “maintain U.S. military and nuclear superiority.” ExxonMobil’s top priority in terms of energy security is, “supporting free and open markets to enable consumers to access the energy they need, and to spur continued innovation.” And of the two Canadian sources cited as energy references in CSIS’s preliminary bibliography, one is actually a Security and Prosperity Partnership document, drafted by Canada, the U.S. and Mexico, called the “North American Natural Gas Vision.” So much for Canadian input into CSIS’s North American energy plan!

“Trilateral coordination of energy policy is crucial to assuring North America’s future competitiveness and regional security.”

Translation: The United States economy needs guaranteed access to Canadian and Mexican oil and gas. Limits to that access must be ironed out through trilateral, closed-door discussions on energy integration.

## On Labour

“The changing global production system and the increasing demand for a mobile labor supply will inherently affect domestic and international labor markets and wages into the year 2025.”

“In order to remain competitive in the global economy, it is imperative for the twenty-first-century North American labor market to possess the flexibility necessary to meet industrial labor demands on a transitional basis and in a way that responds to market forces.”

It's not a stretch to say that a “flexible” labour supply means a cheap labour supply, and all the better if it “responds to market forces” instead of demanding better working conditions and better pay. Obviously labour is much cheaper in emerging economies like China and India. Unfortunately for many companies in North America who cannot simply pick up and move their operations overseas (energy and other resource companies, for instance), remaining “competitive” will require a steady supply of low-wage labour. Currently, talks are underway within the framework of the Security and Prosperity Partnership to expand Canada's migrant worker program in order to broaden the situations where it is acceptable to rely on foreign workers with fewer rights.

## On Security

“Whatever **North American security architecture** is ultimately conceptualized and agreed upon, it is clear that the protection of critical infrastructure will continue to be of foremost importance from the standpoint of protecting human life and ensuring national and North American economic stability. The critical infrastructure referred to here involves the following areas: agriculture, water, health and emergency services, energy (electrical, nuclear, hydro, and gas and oil), transportation systems (air, roads, rail, ports, and waterways), information and telecommunications networks, and banking and financial systems” (emphasis ours).

A 2003 CSIS report on “North American Economic Integration” proposed that Canada and Mexico should work with the United States to take “concrete steps to create a North American security perimeter and further harmonization of immigration and refugee policies for those coming from non-NAFTA countries.” That same year, the Canadian Council of Chief Executives released a report called “Security and Prosperity: Toward a New Canada-United States Partnership in North America,” which proposed, “reinventing borders by... shifting the emphasis to protection of the approaches to North America,” and, “rebuilding Canada's military capability both to defend our own territory and to do our share in ensuring continental and global security.”

Canadian politicians eventually agreed to all of these recommendations when they formalized the Security and Prosperity Partnership in March 2005.

Now it appears, from these new CSIS documents, that the focus of security integration has expanded to include joint procedures for protecting so-called shared critical infrastructure. From the list above, it's obvious that the U.S. government has staked a

security claim to almost every aspect of Canadian life – from our food and roads to our pipelines and telecommunications networks.

Creating a Fortress North America will not make Canadians safer. It will only more closely align us with a U.S. agenda that ignores basic human rights and civil liberties for the sake of tenuous claims to improving its own security and prosperity.