In economic, trade and monetary terms, the European Union has become a major world power. However, some have described the EU as an economic giant but a political dwarf. This is an exaggeration. It has considerable influence within international organisations such as the World Trade Organisation (WTO) and the specialised bodies of the United Nations (UN), and at world summits on the environment and development.

Nevertheless, it is true that the EU and its members have a long way to go, in diplomatic and political terms, before they can speak with one voice on major world issues like peace and stability, relations with the United States, terrorism, the Middle East and the role of the UN Security Council. What is more, the cornerstone of national sovereignty, namely military defence systems, remain in the hands of national governments, whose ties are those forged within alliances such as NATO.¹

Half a century of European integration has shown that the EU as a whole is greater than the sum of its parts: it has much more

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economic, social, technological, commercial and political clout than if its member states had to act individually. There is added value in acting together and speaking with a single voice as the European Union.²

The leadership of the European Union (EU) would like member nations to move together politically and diplomatically so that, like a single nation-state, they can communicate with one voice. This desire highlights both the challenges and the promises facing nations as they join other nations in multinational or supranational organizations.

Consider the economic and political power that a group of 27 democratic countries can have, compared to that of one nation facing the world alone. Reflect on these questions:
- Do members of the EU have to give up aspects of their culture or their language?
- Could traditional national industries be sacrificed for the sake of the greater economic good?
- Could this kind of union prevent another world war, or just change what that war might look like?

**Chapter Issue**

To what extent should nationalism be sacrificed in the interest of internationalism?

Must nationalism be sacrificed in the interest of internationalism? In this chapter, you will explore what nations and nation-states might sacrifice when they favour internationalism. Are the gains worth the losses? As a Canadian, what would you give up in terms of your national identity to support world peace and security? The following inquiry questions will be used to guide your exploration:
- Why is nationalism sometimes sacrificed in favour of internationalism?
- How is nationalism sometimes sacrificed in favour of internationalism?
- What are some of the impacts of sacrificing nationalism in the interest of internationalism?

This chapter concludes your exploration of the Main Issue for Part 3 (chapters 11–15) and should enable you to answer the Main Issue question: *To what extent should internationalism be pursued?*

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Consider Perspectives when Developing a Position

When you state an opinion or express a position on an issue, you are presenting your point of view. It is very important to remember that others might have different views. For example, in a class discussion, you argue strongly that German and French citizens have dramatically different cultures—they have fought each other in several wars, and have different ways of seeing the world. You ask, given their differences: How can they consider belonging to the EU?

There is, however, another perspective. An advocate of EU membership might say that the EU protects member countries’ cultures and encourages them to take pride in their separate histories and accomplishments. He or she might say that the EU supports members’ differences while working for the benefit of all, and that the EU focuses not on differences but on commonalities.

It is important to examine a variety of perspectives, as it can help you see multiple sides of the issue and, thus, to better understand it. While examining perspectives on nationalism and internationalism, use these steps to help you develop an informed position.

Organize Your Research

When beginning the process of developing a position, seek a wide range of information from a variety of sources. Look at

- books and videos
- primary sources
- artifacts
- the Internet
- cultural sources

Investigate All Sides of the Issue

In the process of developing your position, you need to identify the different perspectives on the issue. Answer questions such as:

- Who is affected by the issue?
- How are they affected?
- What are the perspectives of those affected by the issue?
- What are the perspectives of others?
- What possible biases are involved in these different perspectives?

Compare and Contrast

Once you have identified and examined a range of perspectives on the issue, compare and contrast the different perspectives. Use a graphic organizer, such as a Venn diagram, chart, or web, to organize your comparison. For example:

<table>
<thead>
<tr>
<th></th>
<th>Economics</th>
<th>Culture</th>
<th>Peace and Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perspective #1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perspective #2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perspective #3</td>
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</tbody>
</table>

Practise It!

Look at various perspectives to determine your position on the benefits or consequences of the EU for member nations. Consider the perspectives of such groups as

- wealthy and developing member nations
- communist groups
- nations neighbouring Europe
- business leaders
- workers and unions
- ethnic/racial groups
- economists
- artists and entertainers
- professionals, such as doctors and engineers
Reconciling Nationalism with Internationalism

**Question for Inquiry**

- Why is nationalism sometimes sacrificed in favour of internationalism?

**Schengen Agreement and the European Union**

Two agreements among European states made in 1985 and 1990 are collectively known as the Schengen Agreement. It abolishes border controls between the participating members of the European Community (a name that predates European Union). The agreement emerged outside the framework of the EU, and was initially signed by Belgium, France, Germany, Luxembourg, and the Netherlands, in 1985.

Nineteen other countries (not all EU member states) have since joined them. As freedom of movement is a main objective of the EU, the Treaty of Amsterdam agreed to incorporate Schengen into EU law. But the UK and Ireland remained outside the agreement due to fears of terrorism. Iceland and Norway signed an agreement with the EU in 1999 to involve them in the development of Schengen.

The agreement came into force in 1995, but has been troubled by fears about illegal immigration and drug trafficking, particularly from countries with vulnerable coastlines, such as Italy and Spain.

The European Union (EU) is a political and economic community of 27 member states, located primarily in Europe. It was established in 1993 by the Treaty of Maastricht, adding new areas of policy to the existing European Community.

The Schengen Agreement is now part of the EU legal framework, and countries applying to join the EU must comply with it.

Amongst the key rules adopted by Schengen group members are:

- removal of checks on persons at common EU internal borders;
- common set of rules applying to people crossing EU external frontiers, regardless of the EU country in which that external frontier is situated;
- separation at air terminals and, where possible, at seaports of people travelling within the Schengen area (European Union nations) from those arriving from countries outside the Schengen area;
- harmonization of the rules regarding conditions of entry and visas for short stays;
Why would nations in Europe agree to the terms of the Schengen Agreement? What implications does belonging to the EU have for national identity, economics, tourism, security, and immigration?

For an example, look at Slovenia’s choice to join the EU. Created in 1991 from the dissolution of Yugoslavia, this nation chose to join the EU through a national referendum. Slovenia has a history of frequent wars, is vulnerable to aggressive nations, and has much internal ethnic infighting. It had a huge incentive to follow an isolationist policy. However, when given the chance to vote on EU membership, Slovenians voted overwhelmingly in favour of it.

As nations in Europe open their borders within the EU, their relationships to one another change. Almost like Canada’s provinces, these nation-states allow unimpeded travel among themselves. Trade tariffs and restrictions are reduced.
Slovenia’s Decision To Join the EU

Following its independence, one of the primary objectives of Slovenia’s foreign policy was to join the EU. This objective was supported by all parliamentary parties.

There was wide consensus on the issue, which was confirmed in monthly opinion polls showing that public support only rarely fell below 50 per cent.

In the referendum on accession on 23 March 2003, voters were asked the following question: “Do you agree that the Republic of Slovenia becomes a member of the European Union (EU)?” 89.64% of the electorate voted yes.

In a May 2005 article reflecting on the first anniversary of Slovenia’s joining the EU, the Republic of Slovenia’s Government Communication Office said:

A year after buckets of champagne and wild fireworks celebrated a major event in the country’s history, the hard facts of EU membership still feature very low on the public radar. There is little euroskepticism, but nor is there much excitement. According to the latest semi-annual Eurobarometer survey, over 52 per cent of Slovenians support EU membership. This is a far cry from the nearly 90 per cent who voted in favour of EU entry at the 2003 referendum.

Many Slovenians realized that joining the EU might give Slovenia a better chance of economic prosperity. It also created many reforms, noted by Nikolai Jeffs of the University of Ljubljana:

Not surprisingly, EU membership in 2004 and the adoption of the Euro in the beginning of 2007 was seen as natural and inevitable as were the other reforms characterizing society made in the name of the “Europeanization” of Slovenia: the dismantling of its industrial base, the progressive privatization of the health service, education and social security system, the tightening of population control and implementation of restrictive border regimes.

In 2007 the euro became legal tender in Slovenia, replacing the Slovenian tolar.

If you were living in Slovenia, would you have supported joining the EU?

Why do you think public support of Slovenia’s membership in the EU has declined since it joined?

On 23 March 2003, Slovenians voted in favour of EU membership in a national referendum. On 1 May 2004, Slovenia became a member of the EU.

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People can search for work over a much greater area, and employers can draw from a much larger pool of workers and professionals. Immigration, however, is a problem for some EU nations. For example, an influx of Muslim immigrants has led to many new challenges. Some of these arise from differences in religious traditions, such as rules about dress. One sign of a problem is that a disproportionate number of people in European jails are Muslim. Are Muslims being unfairly targeted? What about other nations or groups within the EU? What rights and obligations do individuals and collectives have within the EU?

Ideas and Opinions

Europe must assume responsibility for peace and development in the world . . . With a single voice we can wield real influence. Only united can we put our own humanist stamp on globalization and infuse it with Europe's social values . . . I am convinced that we need a constitution to mark the birth of Europe as a political entity . . . [The Union] is not an alliance between States or a federation. It is an advanced supranational democracy that needs to be strengthened.

—Romano Prodi, President of the EU Commission, in an address to members of the European parliament, "Shaping Tomorrow’s EU," Brussels, 4 April 2002.

What is the difference between an alliance and an “advanced supranational democracy”? What advantages might this supranational organization have over other kinds of international agencies?

Pause and Reflect

As an international federation of nations, the EU is seen by some people as both the logical extension of globalization and a necessary evil. How much should these nations give up for a European union? What aspects of their national identity should they expect to keep?

Explore the Issues

1. Look at why a nation might compromise its identity to join a larger union. Consider the debate in Canada’s union of 1867. Research the rationale for any one of the colonies that joined Confederation and examine the pros and cons of joining. What did they give up in national identity? What did they gain?

2. Use the strategies from the Skill Path to research the reasons for Slovenia joining the EU. Why did they join? What did they gain and what did they lose? Present your findings in a graphic organizer.  

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Chapter 15: Nationalism versus Internationalism: Understanding the Dilemma
Reconciling Nationalism and Internationalism

When you are with friends, how do you make decisions? Do you reach decisions by consensus—a general agreement, or by the rule of the majority? Do you give in to a friend who feels strongly one way or the other? When you give in to majority rule, you must follow the wishes of the majority. In doing so, you may be sacrificing some of your sovereignty. Nations, too, are confronted with such a dilemma.

Question for Inquiry

- How is nationalism sometimes sacrificed in favour of internationalism?

Idea and Opinions

“As everyone is well aware, in a few days our State will cease to exist as an independent sovereign entity.”

—President Vaclav Klaus, prior to the Czech Republic’s entrance to the EU in April 2004.

“In practice countries and peoples which surrender their sovereignty to the EU become ever more subject to laws and policies that serve the interests of the bigger EU States … In the European Union the Big States, in particular Germany and France acting together, decide fundamental policy.”


“The concept of the nation state is alive and well. Indeed there are more nations in Europe than ever before. Yet it is widely accepted that in the modern world those nations need to pool their sovereignty if only in response to the process of globalization.”

—The Right Honourable Chris Patten, speech at Trinity College, Oxford, on 26 October 2000.

Klaus and Coughlan think that their nation-states must sacrifice sovereignty to belong to the EU. Do you agree? Patten refers to nations needing to “pool their sovereignty.” What do you think he means by this? What would result if nations did this?

Submitting to International Rules

How might nationalism be compromised in favour of internationalism? In economic relations, a globalized economy has resulted in an internationalization of rules. This internationalization comes about due to policies such as deregulation, integration, and harmonization. These policies were brought about to create equitable rules for trade so that governments know what they can and cannot do, and so practices become predictable and fair for everyone.

The EU is a good example of this. Begun as the Common Market, an alliance of sovereign nations, it sought to harmonize or reduce economic barriers such as tariffs, subsidies, regulations, and taxation. It has since developed many of the features of a nation-state, including a common currency (the euro), a parliament, a flag, and even an anthem. There is a European parliament of 785 members (MEPs). The population of each nation-state determines its number of parliamentary seats. This idea is called pooled sovereignty. In this model of internationalism, a political body of elected representatives of each member nation makes decisions for the members of the organization.

The Council of Ministers represents the national sovereignty of all the individual nation-states. It consists of the heads of state of all the member states, who meet four times a year to set policy initiatives.

Similarly, other organizations—such as the WTO—attempt to internationalize rules. In what the WTO calls self-executing enforcement, the organization has the ability to enforce decisions on member nations even if they disagree. National governments may be less able to assert sovereignty in many areas because their hands may be tied by agreements signed by a previous national government. Nations must ask themselves if this is a justifiable sacrifice.

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**Fast Facts**

An interesting political feature of the EU is that, in an attempt to create a sense of European citizenship, citizens of the EU can run for election in any member state.

**Pause and Reflect**

Some people believe that, as a nation-state gives up control over policy areas to a supranational level, the ability of citizens to decide what the common good is within their country, to decide what laws they want, and to amend laws they do not like, is reduced.

Does allowing for the easier exchange of goods, the movement of capital, the free movement of labour, and the ease of travel among members of the EU offset reductions in national sovereignty?

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**Figure 15-6**

The Kyoto Protocol

From the United Nations Framework Convention on Climate Change:

The Kyoto Protocol is an international agreement linked to the United Nations Framework Convention on Climate Change. The major feature of the Kyoto Protocol is that it sets binding targets for 37 industrialized countries and the European community for reducing greenhouse gas (GHG) emissions. These amount to an average of five per cent against 1990 levels over the five-year period 2008–2012.\(^\text{11}\)

**Something to Think About:** How does the controversy surrounding the Kyoto Protocol illustrate why countries can find it difficult to place international interests ahead of their own national interests?

**An Example:** In December 1997, representatives of many countries from around the world met in Kyoto, Japan, to share concerns about the effects of greenhouse gas (GHG) emissions on global warming. Out of this meeting came a commitment to reduce GHG emissions called the Kyoto Protocol, which was signed and was to be later ratified by the governments of the individual countries.

Some countries, most notably the United States, have since resisted ratifying the Kyoto Protocol, due to conflicts with their own national interests, mostly based on the potential economic implications of these emissions targets and the fact that the burden of emissions reduction was assigned only to industrialized nations. The United States objected that countries such as China and India were not obligated to reduce their emissions, despite their massive production of GHGs. However, when calculated on a per capita basis, China and India’s GHG production is substantially lower than other countries.

**Figure 15-7**

In 2006, Canada’s total greenhouse gas emissions was 721 megatonnes of carbon dioxide equivalent, a decrease of 1.9 per cent from 2005 levels.

\(^{11}\) From: http://unfccc.int/kyoto_protocol/items/2830.php
**An American Perspective:** President George W. Bush has taken a strong stance against ratifying the Kyoto Protocol and instead has promoted US-led initiatives. In an address to the nation on 11 June 2001, he stated:

*This is a challenge that requires a 100 per cent effort; ours, and the rest of the world’s. The world’s second-largest emitter of greenhouse gases is China. Yet, China was entirely exempted from the requirements of the Kyoto Protocol.*

*India and Germany are among the top emitters. Yet, India was also exempt from Kyoto. These and other developing countries that are experiencing rapid growth face challenges in reducing their emissions without harming their economies. We want to work cooperatively with these countries in their efforts to reduce greenhouse emissions and maintain economic growth. …

*Kyoto is, in many ways, unrealistic. Many countries cannot meet their Kyoto targets. The targets themselves were arbitrary and not based upon science. For America, complying with those mandates would have a negative economic impact, with layoffs of workers and price increases for consumers. …

*The United States has spent $18 billion on climate research since 1990—three times as much as any other country, and more than Japan and all 15 nations of the EU combined.*

*Today, I make our investment in science even greater. My administration will establish the US Climate Change Research Initiative to study areas of uncertainty and identify priority areas where investments can make a difference.*

**Canadian Perspectives:** Ratification of the Kyoto Protocol by the Canadian government took ten years, slowed by economic concerns, the rejection of the protocol by the United States, and a change in government. Despite the eventual ratification of the protocol by the previous Liberal government, Prime Minister Stephen Harper has expressed his concerns and has taken actions to undermine the Kyoto Protocol. On 2 May 2006 the Washington Post reported:

*Canada’s Conservative government on Tuesday slashed funds for environmental programs designed to cut greenhouse gas emissions, a move that critics said gutted support for the Kyoto accord on global warming.*

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Prime Minister Harper has insisted on a “made-in-Canada” solution for climate change. For example, at the Commonwealth Heads of Government meeting in Uganda, in November 2007, he stated:

\textit{We don’t need an international agreement that says Canada should accept binding targets. We are already imposing binding targets on ourselves. We need an international agreement to make sure the world will accept targets.}^{14}

University of Toronto professor Paul Rutherford, a marketing expert, thinks the Canadian government used the idea of nationalism as a rationale to distance itself from the protocol.

You have a policy—Kyoto or not Kyoto. How are you going to sell it? You don’t really want to be against environmental policy. You might challenge it on the grounds that it means economic disaster—but going ahead is not a good tactic.

So what you want to do is find something else that says we will do something better than Kyoto, but that will be suited to our purposes. So you plug it in to a different set of values—not just environmentalism but patriotism.\textsuperscript{15}

\begin{enumerate}
\item What American and Canadian national interests would be affected by ratification of the Kyoto Protocol?
\item What does Rutherford’s statement suggest about whether the Canadian government’s actions regarding Kyoto are internationalist or nationalist? Do you agree? Why or why not?
\item Investigate and summarize the arguments for and against the Kyoto Protocol. To what extent do these arguments represent an internationalist stance or a nationalist stance?
\item How does the controversy surrounding the Kyoto Protocol illustrate why countries can find it difficult to place international interests ahead of their own national interests?
\end{enumerate}


\textsuperscript{15} Paul Rutherford, quoted in Zoe Cormier, “Playing Dirty”, \textit{This Magazine}, Vol. 40 no. 2 (September/October 2006), p. 23.
Chapter 15: Nationalism versus Internationalism: Understanding the Dilemma

Mutual Benefit

As nations struggle with the dangers of international terrorism, shared security is a growing concern. As a result of the terrorist attacks in the United States in September 2001, Canada and the United States have increasingly coordinated their security and defence, including coordinated threat assessments, coordinated relations between the countries’ intelligence agencies (CSIS and the CIA), and shared border databases.

Coordination between the two countries is apparent in the military. Is this coordination hegemonic or mutually beneficial? The 2005 Waco Declaration on a Security and Prosperity Partnership of North America aligned Canada with US security and economic concerns. Since then, Canada has increased military spending by increasing troop levels and shifting toward multi-force, multi-country operations.

To make this coordination possible, the Canadian military has increased its technological networking and inter-operation capacity to support US military operations and work under the leadership of US forces. Certainly, this appears to be hegemonic, but it has been suggested that both countries do benefit—Canada’s defensive capabilities improve, and the United States can increase the size of its military forces by getting help from Canada.

Empower a Collective: Assembly of First Nations

The Assembly of First Nations (AFN) is an organization of separate and distinct nations—Canada’s First Nations. This organization seeks to empower First Nations by providing a collective voice while respecting the sovereignty of individual nations within the collective.

Pause and Reflect

Does military coordination with the United States as the leader of operations jeopardize Canadian sovereignty? Do you think it poses a danger to Canadian identity?

Figure 15-8

Prime Minister Paul Martin (R) speaks to US President George W. Bush (C), and Mexican President Vicente Fox (L) before the start of their meetings in Waco, Texas in March 2005 to discuss plans to strengthen economic and security ties.
Article 3 of the Charter of the Assembly of First Nations states that:

*The role and function of the Assembly of First Nations is:

*a) To be a national delegated forum for determining and harmonizing effective collective and co-operative measures on any subject matters which the First Nations delegate for review, study, response or action.*

Does the term “harmonizing” have a different meaning for the AFN than it does in international trade agreements? In expressing the ideals of the AFN, Article 1 states:

*a) By virtue of their rich heritage, historical experience and contemporary circumstances, First Nations possess common interests and aspirations to exercise their political will in common and to develop a collective struggle or cause based upon the Indian values of trust, confidence and toleration.*

Growing out of the National Indian Brotherhood, the AFN is a forum to provide support for, and address challenges facing First Nations. Collective action has allowed the AFN to maintain a high profile in addressing problems such as acid rain, pollution, endangered species, and Aboriginal rights. As decisions are based on consensus making, there is a need for *principled compromises*. What principles might be considered when making a compromise? What sort of sacrifices might be required to achieve consensus?

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**Explore the Issues**

1. Determine a set of criteria for deciding if membership in an international organization is acceptable. Use these criteria to determine if Canada’s membership in an international organization of your choice is acceptable.
2. Research the charter of the World Council of Indigenous Peoples, the WTO, and one other international alliance.
   a) Create a chart that shows the pros and cons of membership in each alliance from the perspective of a citizen of a member nation, a leader of the organization, and a non-member nation that has a relationship with a member nation.
   b) Determine if each alliance is primarily co-operative or hegemonic.
   c) Use a scale from 1 to 5 (where 1 represents the least and 5 the greatest) to assess the degree of compromise to their sovereignty required by nations in each of the alliances.
   d) In which cases do the pros outweigh the cons, and vice versa?

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A Matter of Perspective—The Impact of Balancing Nationalism with Internationalism

The impact of internationalism—and whether it is positive or negative—often depends on perspectives. For example, with regard to the Kyoto Protocol, one can look at the short-term economic costs to businesses of curbing emissions or at the long-term environmental and economic benefits of cleaning up the environment, and the effects of all these issues on workers, employers, and consumers.

Consider the dilemma First Nations face regarding the Kyoto Protocol. Central to most Aboriginal culture and ideology is the relationship with the land. Canada’s northern First Nations and Inuit will be significantly affected by climate change. Yet, there is not universal support among First Nations for the Kyoto Protocol.

The uncertainty of the impact of the Kyoto Protocol is expressed by journalist Geoff McMaster:

*The latest calculations, federal-provincial estimates released last week in the Globe and Mail, say the cost to Canada of complying with the Kyoto Accord could reach $23 billion in 2012 alone. Or it could add $5 billion to the economy that year. It all depends on which crystal ball you use.*

It is an abuse of language to say that when a country joins a military alliance or trading bloc it is “surrendering its sovereignty.” On the contrary, it is exercising its sovereignty so long as it retains the option to quit the alliance or trading bloc if it chooses.


Lind, a journalist, challenges the notion of sacrificing sovereignty in the name of international agreements. Is this true for Canada? Do you agree with Lind? Why or why not?

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The European Union and the Public

In Europe, there is an ongoing argument that the EU and its effects on nationalism have resulted in the loss of “people power.” The counter-argument to this perspective is that the Council of Ministers comprises the leaders of the member nations, each elected by their respective population. The will of each people resides in their duly elected prime minister or president. The MEPs may not initiate legislation, but they certainly do debate, amend, addend, and have all kinds of parliamentary input.

Ideas and Opinions

Author Joel Skousen suggests that as the EU experiences success and grows stronger, it may choose to circumvent nationalist movements by preventing nations from leaving the Union.

Now that European nations have had a chance to taste of the (perceived) benefits of regionalization, and are committing themselves more solidly to EU membership, these control aspects will begin to attain mandatory status in the EU. A fundamental shift in sovereignty is planned, moving dramatically away from nationhood and toward regional government. The most dangerous provision proposed in the new constitution is that secession from the EU will no longer be an option. In short, opting out will no longer be an option.

—Joel Skousen, “Dangers of the New EU and How It Affects Everyone”

Do you agree that the EU should have a “no opting out” policy? Why or why not?

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20 From: http://www.worldaffairsbrief.com/keytopics/EU.shtml
Chapter 15: Nationalism versus Internationalism: Understanding the Dilemma

Web Link

The October 2006 edition of *New Internationalist* looks at the arguments in favour of a social organization in Europe versus an economic organization. Follow the links on the *Perspectives on Nationalism* website to read the full article by Susan George, and several others related to the EU.

Fast Facts

The EU includes nearly 500 million people with a total GDP of over US $15 trillion in an area slightly less than half the size of Canada. Not all of Europe belongs to the EU, but some overseas dependencies do, including Aruba, Martinique, and Guadeloupe, in the Caribbean.

Ideas and Opinions

Northern European countries like Sweden and Norway have been recognized as world leaders in providing conditions necessary for a high quality of life. Can the EU continue to provide the social programs to which these and other Europeans are accustomed and still encourage economic growth?

Dr. Susan George, who has written extensively on the politics and economics of globalization, explores the links between economic security and social benefits:

*... The premise of the report [Economic Security for a Better World by the International Labour Organization] is that the quality of security in your daily economic activity will have an overwhelming influence on the quality of your life. The International Labour Organization further believes, with considerable justification, it has come up with an ‘objective measure of individual happiness and wellbeing’... This average shows that, objectively measured, Europe’s systems take top marks; that Europeans can be said to enjoy greater personal wellbeing than other people.*

*... It holds up to the world the fact that a decent life for everyone can be imagined and largely put into practice; that politics must remain dominant over the marketplace, that the system of taxation and redistribution can result in universal social protection, that people are not only less stressed and depressed when they benefit from economic security but also more productive and creative; that this system generates positive, measurable economic benefits as well as social ones.*

—Susan George, “Whose Europe? Our Europe!”

*New Internationalist* (October 2006): 5.

Swedish journalist Peter Gustavsson fears that the present leaders of the EU, countries like Britain and Germany, have little interest in social programs and more interest in market efficiency, and that their influence will endanger Sweden’s progressive social welfare system. He states:

*Swedish anxiety over handing powers to the EU comes from the knowledge that you cannot build a socially progressive society if decisions are taken out of the hands of the people and put in the hands of the unaccountable. It is no coincidence that the establishment of an unaccountable, unelected bureaucratic élite in Brussels corresponds with a drift to the Right in European politics. Strong democracy seems to be the first principle for building and protecting a social model that works.*


Does internationalism promote a better quality of life than nationalism? Why or why not? Can internationalism be accountable to the people of a nation? Should it be? Why or why not?

Figure 15-10

NAFTA

NAFTA seeks to reduce trade barriers such as tariffs, regulations, and subsidies to let goods flow easily between member nations (Canada, the United States, and Mexico). Harmonizing these rules and regulations results in sacrificing sovereignty. What has been lost and what gained through this agreement?

Some people point to the job losses, while others point to lower consumer prices. Still others say the countries have become more productive; others counter that there is growing inequality as the gap between rich and poor has increased. There has been job growth, but how can it be determined how much of this resulted directly from NAFTA? Who is correct in their assessment of the impact of this agreement?

When NAFTA came into effect in 1994, it had a dramatic impact. The harmonization of rules and regulations allowed for increased trade and economic integration. Trade with the United States now accounts for 85 per cent of all of Canada’s exports. Consider the following:

- Since the signing of NAFTA, trade with the United States has increased by 40 per cent.
- NAFTA has resolved some long-standing trade problems.
- NAFTA created the largest trading area in the world, which includes 406 million people in Canada, the US, and Mexico.
- The auto sector is the largest sector of US–Canada trade. It accounted for $104.1 billion in 1999.
- The US imports well over 50 per cent of Canada’s food exports, and Canada imports almost 20 per cent of US food exports.
- Nearly two-thirds of Canada’s forest products are exported to the United States.

Figure 15-11

The North American Free Trade Agreement was initialed in San Antonio, Texas, on 7 October 1992, with President George Bush (C) Mexican President Carlos Salinas de Gortari (L) and Canadian Prime Minister Brian Mulroney (R) in attendance. Chief trade representatives Jaime Serra Puche (L) of Mexico; Carla Hills (C) of USA; and Michael Wilson (R) of Canada are seated, signing.
Canada is the United States’ largest energy trading partner, with $66.7 billion being exported annually from Canada.

The US and Canadian electrical grids are interconnected, and even share hydropower facilities in the West.

A 1999 agreement provided increased access for the US publishing industry to the Canadian market.

Air traffic between the two countries has increased significantly since an aviation agreement was reached in 1995.

The United States is Canada’s largest foreign investor, with 72 per cent of total foreign investment in Canada. Canada is the third-largest foreign investor in the United States.

NAFTA … has been in effect almost 12 years and a new stage, NAFTA Plus, is in the works, referred to as “deep integration,” particularly in Canada. The elites of the three NAFTA countries (Canada, the United States, and Mexico) have been aggressively moving forward to build a new political and economic entity. A “trinational merger” is underway that leaps beyond the single market that NAFTA envisioned and, in many ways, would constitute a single state, called simply, “North America.”

The FTA and NAFTA, through clever propaganda, were forced on the Canadian public by the corporate elite … Underlying the public relations flim-flam, the corporate rationale behind the FTA was not about trade (most goods were already freely traded) but its prime function was to restrict the power of Canada as a nation state to be able to intervene in the economy, especially in the matter of energy resources and social and economic policy.

—John Ryan, Professor of Geography and senior scholar at the University of Winnipeg, “An Open Letter to the NDP and Liberal MPs: Canada and the American Empire,” 1 March 2006.

Canada cannot survive as an independent country if we continue to be the victims of the “national treatment” clause in the FTA and NAFTA. We are losing control of our industries and resources at a rate that indicates we are probably only about two years (or less) away from the point of no return after which annexation by the U.S. will become inevitable.

If Canada dies, so will Québec. And the French language and culture in North America will soon disappear. So if the goal of Québec sovereignists is to preserve the French language and culture in North America, they will have to change strategy completely. Their survival depends on a strong independent Canada.

—“Canadian Action Party Policies” (a political party formed in 1997 by a former Liberal cabinet minister).

How can the deep integration of rules by an organization restrict a nation? In what ways might the hegemonic influence of the US be reflected through NAFTA?

Follow the link on the Perspectives on Nationalism website to learn more about the concept of deep integration.

Canada’s need for a trade agreement and special relationship with the United States has been discussed for over 100 years. As recently as the 1950s, calls for a continentalist approach were common in Canada. Government reports—such as the 1964 Merchant-Heeney Report, written by Canada’s ambassador to the United States—called for Canada to recognize the special position of the United States and pursue quiet diplomacy on global issues of importance to the United States. This meant that Canada should not visibly challenge US policy, but should instead coordinate its actions with those of the United States. NAFTA is an example of coordinated action. This economic alliance seeks to reduce trade barriers. For Canada, the aim was to obtain easier access to the large markets to the south. However, in important ways, NAFTA does not go as far as the EU in integrating member states (for example it has no joint political administration or currency).

*Economic security* is a term used by NAFTA to make new rules to protect markets and ensure a supply of resources. For instance, under NAFTA, Canada must continue to export petroleum to the United States at levels comparable to the previous three years. Were an oil shortage to occur, Canada would be unable to restrict exports to the United States in favour of domestic use. The increased reliance upon oil sands production in Alberta is seen as a direct consequence of this policy.

**Pause and Reflect**

**Is NAFTA the North American equivalent of the EU?**

NAFTA made it easier for the US publishing industry to access the Canadian market. The idea of a *national interest* clause means that in some areas, Canada cannot restrict foreign investors. What impact might this have on Canada’s culture? How might this change our sense of nationalism?

**Figure 15-12**

Syncrude’s oil sands project in Ft. McMurray, Alberta.
National treatment is another way in which sovereignty is sacrificed under NAFTA. This clause in the agreement means that foreign investors have the unrestricted right to invest in member nations without conditions and without limits. As a result of this clause, Canada has lost the ability to say that only investment that will help Canada is acceptable. What might this mean to our resources, manufacturing, or cultural industry?

Why would Canada sign an agreement if it did not know how it would be interpreted? What impact might foreign investments have on our cultural industries?

Policy protecting cultural industries is still subject to severe economic retaliation under the terms of the global trade regime. Under these conditions, the actual meaning of the cultural exemption, for which the Canadian government has fought so gamely, is difficult to ascertain.27


International trade bodies and agreements … threaten to replace democratic government and a strong civil society with a world in which unelected bodies can supersede the decisions of elected national governments in order to protect the interests of corporations. In such a world, regular people will no longer be treated as citizens, with the political power to choose policies which benefit civil society, but rather simply as consumers. In such a world, those qualities which have made Canada a model (if an imperfect one) of civil society will be quickly replaced with a structure that favours markets rather than people . . .

The politicians, bureaucrats, business lobbyists, think-tanks and media pundits who brought us NAFTA dismiss NAFTA’s negative effects and deny its failed promises as they push ahead with their deep integration agenda. They claim that we can go down this road without compromising our sovereignty, but warn of the dire consequences of being offside with U.S. policy. This path promises ever deeper integration (read: assimilation), but with no articulation of what kind of Canada would exist at the end of it all.28


Do you think NAFTA has benefited Canada? Why or why not?

**Explore the Issues**

1. When considering joining the Kyoto Protocol, some nations have concerns about the effects it might have on their economies. Especially troubling is the question of international competitiveness. While co-operating to solve environmental problems seems like a good thing for a nation to do, is this advisable when competitors in the international marketplace may not participate in the environmental initiative? In a small group, discuss the possible impacts of a nation committing to meeting its Kyoto obligations, from the perspective of
   - a government official of a nation fully participating in Kyoto
   - a citizen of a nation fully participating in Kyoto

2. First Nations nationalism is strengthened by membership in organizations like the AFN and the World Council of Indigenous Peoples. La Francophonie enhances linguistic nationalism. Explore the actions of one of these organizations to see how membership has affected a nation’s sense of itself. Refer to the criteria you developed in the Explore the Issues feature earlier in this chapter to decide if membership in international organizations is acceptable.

**Reflect and Analyze**

In this chapter you have explored the challenges nations face when choosing between national and international interests. You have also investigated why nations are involved in internationalism, the benefits and drawbacks of internationalism, and the effects of internationalism on national identity. Throughout the chapter you have been reminded to consider a variety of perspectives regarding the Chapter Issue: *To what extent should nationalism be sacrificed in the interest of internationalism?*

**Respond to Ideas**

1. Conduct research on the future of NAFTA. Explore the differences between NAFTA and the EU.

**Respond to Issues**

2. Examine Canada’s record on reducing greenhouse gas emissions. Do you think Canada should have remained a signatory of the Kyoto Protocol, or has the “made-in-Canada” solution been effective?

3. The Main Issue for Part 3 is: *To what extent should internationalism be pursued?* Write your position on this issue based on what you have learned in Part 3.