

The U.S. and Canada must work together to navigate a troubled world
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In recent weeks Canadian business leaders have made multiple trips to Washington for meetings with Democrats and Republicans in both the House and Senate. Our message was clear: Amid rising global risks, America's most reliable trading partner is its neighbor to the north.

We were encouraged by the response we received. Russia's invasion of Ukraine has galvanized free-market democracies and underscored the vital need for even greater cooperation among G7 economies and like-minded countries such as the United States and Canada.

To that end, the public and private sectors of our two countries must work together to increase trade and investment within North America while remaining vigilant concerning any constraints to commerce, whether physical or political, wherever and whenever they could arise.

Global supply chains are now badly strained, causing shortages in goods and commodities and driving inflation to levels not seen since President Reagan was in office. Consequently, we must act to not only shore up the resilience of our supply chains but increase cross-border trade.

Reagan's response to the challenges of his time is worth remembering. He did more than preserve the status quo. Together with our Prime Minister Brian Mulroney, he pushed past entrenched protectionism and negotiated a historic, comprehensive free trade agreement with Canada.

That deal—which later evolved into NAFTA and, recently, USMCA—would not have come to pass without the concerted, consistent, and constant advocacy of business leaders in the U.S., Canada, and Mexico who argued forcefully for a strong North American partnership.

North American business leaders have called on our respective governments to harness the potential of a fully implemented USMCA. That includes the USMCA Competitiveness Committee, which to date has not been given the focus or priority it deserves.

Today, in the face of geopolitical tensions, much of the world is coalescing into a series of formal and informal regional economic blocs. The U.S. and Canada must do even more to enhance continental competitiveness. We must think of ourselves as partners in a vital joint venture.

Canada is unlike many of America's other trading partners. We share more than just a border. We share values and a common commitment to capitalism, democracy, equality, and environmental sustainability.

Canadian businesses have over \$496 billion invested in the U.S., and American exports of goods and services to Canada exceed a combined \$360 billion annually. These are longstanding ties. Our integrated auto manufacturing sector, for example, has flourished for over 50 years.

Canadian businesses are helping to feed, fuel, and finance much of the U.S. economy. Working closer together, North America can feed, fuel, and finance more of the global economy.

During our meetings in Washington, we were pleased to hear elected representatives from both sides of the aisle acknowledge these facts and express their support for increased bilateral economic ties. But as former Speaker Tip O'Neill often said: "All politics is local."

American business leaders must continue to speak out against protectionist measures which could disrupt or de-incentivize U.S.-Canada trade and investment. At the same time, they must explain how world events are influencing businesses, especially in relation to energy security.

To seize this moment and increase cross-border trade and investment, American business leaders should urge U.S. officials to act on three commitments in President Joe Biden and Prime Minister Justin Trudeau's Road-map for a Renewed U.S.-Canada Partnership.

First, we must build the necessary supply chains to make the U.S. and Canada global leaders in all aspects of battery development and production by strengthening the Canada-U.S. Critical Minerals Action Plan and targeting batteries for vehicles as well as renewable energy storage.

Second, recognizing the benefits of our energy partnership and its highly integrated infrastructure, we must enhance cooperation as global leaders in responsible energy production both in traditional oil and gas as well as in renewable forms as the world transitions to a low-carbon economy.

Third, we must strengthen cyber-security and confront foreign interference across all sectors and, in particular, implement a Framework for Collaboration on

Cyber-security to safeguard both the security and resiliency of our cross-border energy infrastructure.

The past two months alone have presented the United States and Canada with unprecedented challenges which struck at the heart of North America's economic security, energy sovereignty, and supply chain resiliency. We must overcome them together.