

# BRITISH COLUMBIA'S INTERNATIONAL RELATIONS

## *Consolidating a Coalition-Building Strategy\**

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BRITISH COLUMBIA HAS A HISTORY of maverick premiers and cabinet ministers and maverick foreign policies. It has been described as “perhaps more international in outlook than any other province,” and W. A. C. Bennett’s initiatives on the Columbia River dams are recognized as having established “ground rules for provincial international behaviour.”<sup>1</sup> Yet, surveys of the international activities of Canadian provinces have often made only limited reference to the Pacific Province.<sup>2</sup> Some have even suggested that British Columbia’s international activities are insipid; commenting on relations with Washington State, Gerard Rutan concludes:

The total effect can even be said to be dull. The mundane and the dull. . . . It is a reality that is not exciting or even terribly interesting. There is little, very little, drama. But such is the stuff of microdiplomacy in the rain and fog of the Pacific Northwest.<sup>3</sup>

\* The author wishes to thank Paddy Smith, Theodore Cohn, Norman Ruff, Douglas Brown, and Edwin Black for their comments on earlier drafts. This article comprises excerpts from a previously unpublished source. See James P. Groen, “Provincial International Relations: Case Studies of the Barrett and Vander Zalm Governments in British Columbia” (Simon Fraser University: Master’s Thesis in the Department of Political Science, January 1991), 361 pp.

<sup>1</sup> See P. Roff Johansson, “British Columbia’s Relations with the United States,” *Canadian Public Administration* 21 (Summer 1978): 213-233.

<sup>2</sup> One such example is Tom Keating and Don Munton, *The Provinces and Canadian Foreign Policy* (Proceedings of a Canadian Institute of International Affairs Conference: Edmonton, University of Alberta, March 28-30, 1985).

<sup>3</sup> Gerard F. Rutan, “Micro-Diplomatic Relations in the Pacific Northwest: Washington State-British Columbia Interactions,” in Ivo D. Duchacek, Daniel Latouche, and Garth Stevenson, eds. *Perforated Sovereignities and International Relations* (Westport, CT: Greenwood Press, 1988), p. 187.

Nothing could be further from the truth; in fact, B.C.'s international relations have defied this conception on numerous occasions and have been the focus of some of the most extraordinary policy outputs of previous New Democratic Party (NDP) and Social Credit administrations, resulting in what some have described as "quixotic" provincial foreign policies. Many of British Columbia's international initiatives have followed a familiar formula in which spectacular "attention getting" activities, spawned by the province's self-perception of neglect and dissatisfaction with the return from Confederation, have been used in an attempt to strengthen international links and attract federal recognition. The results have served to highlight the province's reputation as peripheral, and Ottawa's attempts to distance itself from many of these provincial initiatives have underscored B.C.'s iconoclastic reputation. However, beneath the chicanery, a very specific formula of international activity has been developed; it involves the use of "coalitions" with foreign actors as a method of prompting federal support for provincial needs. P. Roff Johannson identified W. A. C. Bennett's partiality towards establishing alliances with foreign governments.<sup>4</sup> This practice of bringing foreign actors into the domestic intergovernmental relationship can be partially attributed to the province's lack of influence through the regular intergovernmental channels, and in this respect, regionalism and international relations appear to be inextricably tied.

#### TOWARDS A CATEGORIZATION OF PROVINCIAL INTERNATIONAL ACTIVITY

The international activities of British Columbia can be most easily interpreted by categorizing them according to type. Brian Hocking has divided the international activity in which non-central governments are engaged into two categories: *mediating activity*, which refers to domestic attempts to motivate the federal government to act on its behalf; and *primary activity*, which refers to direct actions in the international realm. However, a politically more significant variation of these two options has been identified by American authors Robert Keohane and Joseph Nye which they term *transgovernmental coalition-building*. In this form of international activity, primary and medi-

<sup>4</sup> P. R. Johannson identified this stratagem in his study of the Alaska-Yukon-British Columbia conferences, at which the three substates jointly proposed numerous ambitious transborder infrastructure projects in the hopes of "forcing" federal support for the economic development of northern frontier territory. The tactic failed. See "A Study In Regional Strategy: The Alaska-B.C.-Yukon Conferences," *BC Studies* 28 (Winter 1975-76): 29-52.

ating activities become mixed as governmental sub-units attempt to establish links with foreign actors for the purpose of increasing domestic influence on specific issues. According to Keohane and Nye, "To improve their chances of policy success, governmental sub-units may attempt to bring actors from other governments into their own decision-making processes as allies."<sup>5</sup> They suggest that for a trans-governmental coalition to take place, there must be a certain measure of conflict with the central government: "High conflict of interest among sub-units of the government suggests that there may be sub-units of other governments with which advantageous coalitions can be made."<sup>6</sup> Evidence indeed suggests that a measure of dissatisfaction, rivalry and a sense of neglect underlies much of B.C.'s international activity.

#### BRITISH COLUMBIA'S ATTEMPTS AT INTERNATIONAL COALITION-BUILDING: 1972-75 AND 1986-91

B.C.'s international activities have been typecast as limited and of a mediating variety; Elliot Feldman states that B.C. "seeks above all to mobilize the federal government . . . to pursue foreign policies protective of provincial interests."<sup>7</sup> This study reveals that in addition to mediating and primary activity, B.C. is engaging in more complex forms of activity by directly addressing foreign governments and by establishing liaisons with foreign actors as a means of altering federal policies. The province's international activities under the 1972-75 Dave Barrett NDP and the 1986-91 Bill Vander Zalm Social Credit governments show that B.C. has been an active international actor, particularly on specific resource and environmental issues, and transcended the narrow "functional" activities normally associated with provincial internationalism. An overview presented in table 1 containing the most significant international initiatives of the Barrett and Vander Zalm administrations also reveals that increases in the more "proactive" primary and coalition-building types of activity occurred — a development which suggests that B.C. is increasingly bringing

<sup>5</sup> Robert O. Keohane and Joseph S. Nye, "Introduction" in Annette Baker Fox et al. *Canada and the United States: Transnational and Transgovernmental Relations* (New York: Columbia University Press, 1976), 10-11. This volume includes an article by Thomas Levy which deals with the transgovernmental activity of provinces.

<sup>6</sup> Robert O. Keohane and Joseph S. Nye, "Transgovernmental Relations and International Organizations," *World Politics* 27 (October 1974): 48-49.

<sup>7</sup> Elliot J. Feldman and Lily Gardner Feldman, "The Impact of Federalism On the Organization of Canadian Foreign Policy," *Publius* 14 (Fall 1984): 41.

TABLE I

TYPE OF ACTIVITY	PRIMARY	MEDIATING	ATTEMPTED COALITION BUILDING
<i>Dave Barrett administration: 1972-75</i>			
T.A.P.S. dispute	*	*	*
High Ross Dam dispute		*	
Attempt to renegotiate Columbia River Treaty	*	*	
Natural gas dispute	*		
Urging Ottawa for removal of trade barriers posed by National Trade policy		*	
Promotional trips to China, Japan, and Europe	*	*	
<i>Bill Vander Zalm administration: 1986-91</i>			
1987 softwood lumber dispute	*	*	*
West coast driftnet fishing overture	*	*	*
West coast salmon and herring dispute		*	
Establishment of Vancouver as international banking centre	*	*	
Provincial promotion of trade ties with South Africa	*		
Establishment of B.C.-U.S. state oil spill agreements	*	*	*
Numerous Northwest economic and environmental accords	*		
Pacific Rim and European trade and investment promotion	*	*	

foreign actors into its decision-making process.<sup>8</sup> This pattern of activity on international issues which are effectively beyond provincial jurisdiction seems to suggest that a general expansion of B.C.'s foreign policy competence is occurring.

The Barrett administration engaged in a total of four "major" direct initiatives. Even before assuming the premiership, Barrett announced his desire for "a new dimension of political action" with respect to B.C.-U.S. relations. Consequently, transborder relations with the U.S. emerged as the vehicle for some of the most important activity undertaken by the NDP. The Barrett administration's political objectives of resource nationalization, improved environmental management, and energy repricing resolutions placed the province in direct confrontation with its largest trading partner, the U.S. In response, the U.S. State Department labelled B.C. a "problem province" as a result of disputes involving natural gas and Barrett's attempts to renegotiate the Skagit dam and the Columbia River Treaty; evidence from the disputes suggests that Ottawa agreed.<sup>9</sup> Barrett's former Health Minister Dennis Cocke notes that the conflict which ensued was attributable to Barrett himself as well as the NDP's nationalist philosophy:

The fact that Barrett went to university in St. Louis and Seattle probably, if anything — and remember they were Jesuit universities — probably made him more cantankerous than would have been otherwise. And on a wider plane, we recognized what was going on and we weren't as vulnerable as the previous government and certainly the subsequent government to U.S. influence.<sup>10</sup>

Clearly the NDP's most significant foreign policy action involved price increases and reductions in natural gas exports to the U.S., an action which escalated into a major bilateral dispute involving a variety of federal actors. Of lesser notoriety were the NDP's conflicts with Seattle City Light concerning the raising of the Skagit Dam, and more significantly, its concerted attempt to reduce B.C.'s trade reliance upon the U.S. by developing stronger commercial ties with

<sup>8</sup> The nature of coalition-building ensures that it will always encompass primary and mediating activity; however, there are instances where both mediating and primary activity are used without any clear attempt to achieve "coalition-building" objectives.

<sup>9</sup> Frank Rutter noted that among U.S. federal officials in Washington, Barrett was regarded as "rambunctious and highly unpredictable" and a common question asked by U.S. officials was, "What shape are they in up there-how popular are they? It's U.S. vs. Chairman Dave," *Vancouver Sun*, 21 September 1974, p. 1.

<sup>10</sup> Taped interview with former B.C. Health Minister Dennis Cocke, 6 November 1990.

Asia and Europe. These efforts facilitated a remarkable shift in B.C.'s export share away from the U.S. which received 56.9 percent of B.C. exports in 1972 but only 46 percent in 1974, Barrett's final full year in office — while Japan's share jumped from 16.4 percent to 25.2 percent during the same period. Of further significance were Barrett's attempts to reduce W. A. C. Bennett's insularity and "fortress province" framework with an increased level of intergovernmental dialogue on trade and tariff issues through the completion of the Western Bloc.

My predecessor W. A. C. Bennett had ignored a number of federal-provincial conferences and had symbolically taken down the Canada #1 highway signs and put B.C. #1 and the symbolism of the empty chair at those conferences was what I wanted to end and I ordered the Minister of Highways to put back the Canada #1. We were part of Confederation and that was our role and there is no question that we tried to increase our input at federal-provincial conferences . . . particularly the Western Economic Opportunities Conference.<sup>11</sup>

In contrast to the churlish quality of B.C.-U.S. relations under Barrett, transborder relations under the 1986-91 Vander Zalm administration were convivial. The factors promoting this trend were multiple; federal External Affairs officials perceive the greater cross-border "synergy" in the Pacific Northwest to be the result of economic regionalism, federalism, and party agenda:

All this contact between the province and the governments in the Northwest has only developed since the Free Trade Agreement and the Nestucca-Valdez oil spill. The Vander Zalm government has decided they better have more of a national and international presence though really they are only talking about forging a presence with the Northwest. So it's got to do with the failure of Meech lake and the province of B.C. trying to show that the West can do what Quebec can do. Alberta was further along in this until a year ago but it's got to do with East versus West Canadian politics. . . . It started out as symbolism, and it's got to do with the business type image Social Credit wants to present itself versus that of the NDP.<sup>12</sup>

<sup>11</sup> Taped Interview with former NDP Premier Dave Barrett, 6 September 1990.

<sup>12</sup> Taped interview with Art Goddard, Political and Economic Relations Officer, Canadian Consulate, Seattle, Washington, 2 October 1990.

To this end, B.C. joined the U.S. Western Legislative Conference in 1989 and concluded numerous agreements on environmental protection, enhanced trade, and most significantly more efficient sharing of energy resources. As table 1 demonstrates, the Vander Zalm administration engaged in seven major international ventures, three of which involved attempts at coalition-building, including B.C.'s joint creation of the Pacific Northwest Substate oil Spill Response Agreement following a major oil spill off B.C.'s Gray's Harbour in 1989. Instances of "direct" activity included Vander Zalm's efforts to establish Vancouver's International Finance Centre and the ill-fated attempts to strengthen trade relations with South Africa, two actions which engendered considerable hostility in Ontario and Ottawa respectively.

The choice of these two administrations — the one social democratic, the other conservative and free-market oriented — provides an obvious contrast in operational philosophy. Yet, there is also considerable evidence that under both administrations, a redefinition of B.C.'s approach to international relations occurred. By comparison, though active in promoting trade with the Pacific Rim, the 1975-86 W. R. Bennett government's focus upon federal-provincial relations eclipsed the development of any discernible provincial foreign policy. While a bureaucratic resolution to the Skagit Treaty was struck with Washington State, under Bennett B.C.'s international initiatives were comparably sporadic, with Rutan concluding that Bennett was resistant to the creation of any structured transborder relationship.<sup>13</sup> In contrast, both Barrett and Vander Zalm appeared preoccupied with transborder initiatives.

Four case studies of international activity are presented below, two from each of the Barrett and Vander Zalm administrations, which provide insights into the operating mode of these governments:

- i) The *Trans-Alaska Pipeline Dispute (TAPS)*, in which the Barrett administration found itself at odds with Alaska, Washington State, as well as the Canadian and U.S. governments;
- ii) The *Columbia River Treaty Dispute*, in which the province was at direct odds with Washington State, Montana, the U.S. government and the Canadian government, which refused to renegotiate the treaty on B.C.'s behalf;

<sup>13</sup> This was partly owing to Bennett's poor relationship with Washington State Governor Dixie Lee Ray. Gerard F. Rutan, "B.C.- Washington State Governmental Interrelations: Some Findings Upon The Failure of Structure," *American Review of Canadian Studies* 15 (Spring 1985): 98-107; and D. K. Alper and R. L. Monohan, "Regional Transboundary Negotiations Leading to the Skagit River Treaty," *Canadian Public Policy* 12 (Winter 1983): 164-73.

- iii) B.C.'s role in the 1986 *Canada-U.S. Softwood Lumber Dispute*, in which B.C.'s actions heavily influenced the terms of the agreement, to the chagrin of federal negotiators;
- iv) B.C.'s joint creation of the 1989 *Northwest Pacific Driftnet Declaration* with neighbouring U.S. states, which will contribute to the reduction of the international driftnet fishery.

In these four cases, B.C.'s technique ranged from open confrontation with the U.S. to more sophisticated attempts to establish liaisons with foreign actors. While Barrett's confrontational style stood in sharp contrast to the "coalition-building" approach of the Vander Zalm government, both administrations displayed a proclivity for engaging in "direct" international initiatives. While the coalition building technique was successfully implemented in only the final case study presented, what is equally significant are the failed attempts and the motivations which prompted them. The inciting factors include B.C.'s general frustration with federal advocacy of provincial needs and the perception of federal sacrifice of B.C.'s interests on international trade and environmental issues. This underlines the importance of federal authority over treaties, international trade and fisheries, which contribute to Ottawa's position as a sought after advocate.

*i) The Trans-Alaska Pipeline (TAPS) dispute*

While the running aground of the *Exxon Valdez* on Blich Reef in 1989 familiarized many to the hazards of shipping oil down the B.C.-Alaska coastline, the concerted attempt made by the 1972-75 NDP administration to halt the now familiar shipment scheme has received little attention. The provincial alternative to TAPS remains one of the most ambitious proposed infrastructure projects in British Columbia's history, but despite Barrett's prophetic warnings of the dangers of TAPS, the NDP's alternative failed largely as a result of domestic conflict with the Canadian federal government.

In May 1972, the Secretary of the Interior announced U.S. government approval of the TAPS plan, which envisaged 100,000-ton American tankers plying B.C. coastal waters en route to Cherry Point, Washington. The Barrett administration maintained that American officials had allowed their own economic interests to override B.C.'s



environmental concerns.<sup>14</sup> Following failed attempts to persuade Governors William Egan of Alaska and Dan Evans of Washington State against TAPS, Barrett contacted President Nixon, stating his opposition to the proposal and announcing his intention to visit Washington, D.C. to discuss his proposed alternative.<sup>15</sup>

On 12 March 1973, Barrett met in Washington with U.S. government officials to whom he conveyed the province's proposal for a \$4 billion project to transport oil by railway from Prudhoe Bay to Lower Post, B.C. and then by underground pipeline to the U.S. As can be surmised, the plan was ambitious and was presented in a glossy twenty-two page presentation entitled "The Way Out" which was offered as an alternative to the U.S.'s TAPS route.<sup>16</sup> The plan was to be financed by a shared-cost formula whereby the U.S. would pay \$Cdn 2 billion (49 percent), the Canadian government \$Cdn 1.2 billion (31 percent), and the remaining 20 percent (\$Cdn 400-800 million) would be split equally between B.C. and the Yukon. Barrett warned the U.S. that serious consideration of the proposal "would go a long way in easing the feeling that B.C. was being taken for granted."<sup>17</sup> While Barrett's claimed motivations for the project were oceanic ecology, ulterior motives were also at play; former Resources Minister Robert Williams suggests that the plan also very neatly

<sup>14</sup> *Position Paper by Premier Dave Barrett on West Coast Tankers*, presented at luncheon meeting between the B.C. Cabinet Committee and Federal Members of Parliament (Vancouver, B.C., 24 September 1974).

<sup>15</sup> Tony Eberts, "Egan Pours Oil On Troubled Waters," *Vancouver Province*, 28 April 1973, p. 10; Don Collins, "New B.C.-Alaska Era Finds Going Slippery," *Victoria Daily Colonist* 15 November 1972, p. 2.

<sup>16</sup> The "Way Out" was based upon a railway report prepared by Prof. Cecil Law of Queen's University, Kingston. Barrett established a task force under Law's direction, which operated in secrecy on the 21st floor of the B.C. Hydro building in Vancouver. Law, who was then Director of the Canadian Institute of Guide and Ground Transport (CIGGT) at Queen's noted that many of the concerns that he and the NDP predicted, "did indeed come to pass, such as the rusting out of the Alyeska pipeline and the likelihood of a tanker accident leaving the port — which of course was laughed off as impossible. Barrett was a brave soul and he was willing to look at a different idea but within the Federal government there were very strongly entrenched ideas about how things would be done. It was Canadian federal reluctance rather than the Americans that killed the thing." Interview with Dr. Cecil Law, Kingston, Ontario, 7 January 1991.

<sup>17</sup> Barrett's choice of words while in Washington alluded to the possibility of "issue tying" by B.C. through nationalist policies: "It is my opinion that our great friend, the United States, may be taking us for granted as friends, and that is not bad, except that there is a growing feeling of nationalism in Canada. . . . We are not suggesting that our proposal is the ultimate answer to the problem, but we are suggesting that a conscious effort to examine our proposal will go a long way to ease the developing emotional feeling that the United States takes us and our resources for granted." News Release from the Premier's Office, 13 March 1973.

matched some of B.C.'s domestic infrastructure needs.<sup>18</sup> Dennis Cocke's interpretation of the plan suggested that the option was an attempt to challenge the Jones Act, a trade restrictive U.S. transportation bill.<sup>19</sup>

U.S. reaction to B.C.'s proposal ranged from general indifference to hostility.<sup>20</sup> From B.C.'s perspective, perhaps most frustrating were U.S. suggestions that B.C.'s demands could not be taken seriously in light of the fact that Canadian federal support was not forthcoming. Federal reaction to "The Way Out" was critical and reflected a number of federal grievances against B.C.: there was resentment that Barrett went to Washington independently and "offered the Yukon as a transit route without having jurisdiction over it"; that B.C. knowingly undermined the federal government's international stature and its stated alternative to TAPS, the Mackenzie Valley Pipeline; and that Ottawa would be financially committed to a plan it had not

<sup>18</sup> Aside from providing enormous earning possibilities for the financially distraught B.C. Railway, the plan opened up 22.5 million acres of untapped forest, iron ore and coal reserves in Alaska and a rail link with the southern forty-eight states, an asset which Highways Minister Robert Strachan termed "a selling point to the Americans." See *The Way Out*, Queen's Printer, 10-20; "Rail Link Would Open Up Other Resources," *Victoria Daily Colonist*, 14 March 1973, p.11. For Williams the prospect of improved transportation links for his very successful Northwest collection of newly created crown companies was also a high priority. The former Resources Minister noted: "there would have been a railway constructed partially by the feds . . . [and] our only equity in the system would have been what the W. A. C. Bennett government had already expended on the Dease Lake line. So for us, it was a hell of a good deal. . . . I liked the idea of routing the resources of the Northwest through the port of Prince Rupert if at all possible and to thereby limit the focus of the BCR upon the lower mainland and the port here. For these reasons we pursued it and it was there to be picked up." Taped interview with former Lands, Forests and Water Resources Minister Robert Williams, 29 August 1990. As these comments suggest, it is arguable that the obvious side-benefits of having a rail link running through B.C. may have been a significant "ulterior motive" which explained why the Barrett administration was not supporting the Mackenzie Valley pipeline, the federal government's alternative which also avoided tanker travel by routing a pipeline over Alberta.

<sup>19</sup> Cocke noted: "Dave was very high on the *Jones Act* in the United States, an act disallowing a load on a freighter from moving from one point to another [in the United States] without being on an American bottom. Dave wanted to go a step further than that and ship their resources on Canadian rails with Canadian crews. We knew we had a real uphill fight on that situation that would take a hell of a lot more than a provincial government. So while I saw the value of it, I wasn't waiting for it to happen the day after tomorrow." Taped interview with former Health Minister Dennis Cocke, 7 November 1990.

<sup>20</sup> Barrett was not given his expected audience with President Nixon, and U.S. Interior Department officials informed Barrett that the U.S. Government was committed to the TAPS plan. U.S. officials also claimed the plan would require a 127-car train to leave Alaska's North Slope every hour, which would involve filling and emptying a car every thirty seconds. Dave Ablett, "Barrett Proposal Rejected In Washington," *Vancouver Sun*, 13 March 1973, p. 2. Cecil Law claims these figures were completely erroneous, and were spread by Alyeska, the oil consortium drilling in Prudhoe Bay in order to undermine the proposal and ensure American control of the oil during transport.

endorsed.<sup>21</sup> In particular, there was federal resentment of Barrett's independent style.<sup>22</sup> Then acting federal Environment Minister Jack Davis recalled:

He went to Washington and announced it before he went to Ottawa. It was dumb from a protocol point of view. If you really want to pull something like that off, you should be careful to do everything right and approach each level of government with some respect for its jurisdiction. You don't just pull off some fast press conference just to get an instant headline. You certainly don't go to a foreign country before you go to your own country.<sup>23</sup>

U.S. State Department officials confirmed Barrett's claim that Canadian federal indifference was responsible for the U.S. Senate's approval of TAPS.<sup>24</sup>

The federal government's actions suggested a sacrifice of B.C. issues and provided further impetus for the B.C. government to pursue even more actively the international sector. The former Premier recalls with clarity the reasons for the ultimate failure of one of his administration's most ambitious and yet obscured initiatives:

The U.S. actors were receptive. After my trip to Washington D.C. I issued the statement that there was interest in Washington D.C., but it got the cold shoulder in Ottawa. There were benefits for the Americans in the proposal in that we would have a single gauge rail-road with an extension of B.C. Rail right up into the Yukon, joining with the Yukon-Alaska Rail-road, and that would have been a benefit

<sup>21</sup> "Who Would Build Railway?" *Vancouver Sun*, 13 March 1973, p. 43; "Barrett Oil Plan Gets Cool Reception," *The Province*, 14 March 1973, p. 2.

<sup>22</sup> One Senior Department of External Affairs official stated: "They're proposing what? It's ludicrous. . . ; I mean you can't do the thing by railway. You could put a pipeline beside a railway track, but you can't move the thing by rail. What the hell are they up to anyway? We can't have these birds tearing around all over Washington with half-baked schemes." Walter Stewart, "Standing on Guard for B.C.," *Macleans*, 13 August 1973, p. 54.

<sup>23</sup> Taped interview with former Federal Environment Minister and subsequent B.C. Energy Minister, Jack Davis, 21 September 1990.

<sup>24</sup> State Department Deputy Julius Katz noted "a tremendous sense of frustration" in trying to get Ottawa to table a firm pipeline plan, adding that in negotiations, "Ottawa kept ducking what they saw as an attempt to bully them into a continental policy . . . Ottawa kept stonewalling." Other U.S. officials stated, "we got the impression that your own federal officials thought the [Way Out] was rather harebrained." These responses received heavy coverage in the B.C. press. Frank Rutter, "Canada Blew It on Oil Pipeline," *Vancouver Sun*, 25 July 1973, p. 19; federal documents later revealed that Ottawa shunned B.C.'s proposal partially out of fear that it would escalate native land claims. Moira Farrow, "Tory Bares Confidential Memo," *Vancouver Sun*, 6 July 1974, p. 10.

to both Canada, the Yukon, British Columbia and Alaska, but the federal government didn't have the courage and the imagination to follow through on the plan. . . . The Americans were initially interested, very interested. The feds were lukewarm, and once Bennett came in, that was the end of it. All the conceptual thinking disappeared entirely. If you read the Mackenzie Royal Commission that he ordered on B.C. Rail, you'll see in there what we inherited from W. A. C. Bennett and how foolish Bennett junior had been in cancelling the bloody extension of that railway.<sup>25</sup>

B.C.'s TAPS alternative was the result of factors ranging from an increasing environmental awareness within B.C., the potential of northern economic development — which for Williams loomed large — in addition to Barrett's personal designs. Jack Davis noted:

Ironically, he was impressed always with W. A. C. Bennett's political successes, and one of Bennett's political successes, strange as it may seem to us nowadays, were these announcements about extending a rail-line north, power lines north, and so he really did just the same thing, a rail line north, well God, there was no market — there was no basis for raising a very large amount of money to duplicate a water route which was very efficient.<sup>26</sup>

Viewed from the NDP's perspective, however, the federal government's failure to assist B.C. in its external affairs served to highlight serious intergovernmental disharmony and an apparent sacrifice of provincial interests. Canada's determination to maintain its official prerogative in international affairs was blemished by Barrett's actions, but Ottawa's reluctance to protect B.C.'s interests had encouraged the province to assume the offensive on this and a number of related disputes with Washington State, one of which was the Columbia River Treaty.

*ii) The N.D.P.'s attempt to renegotiate the Columbia Treaty*

One of the more dramatic instances of failed coalition-building was the Barrett government's attempt to renegotiate the Columbia River Treaty in order to increase the compensation paid to B.C. by the U.S. Bonneville Power Corporation for building three water storage dams

<sup>25</sup> Taped interview with former NDP Premier Dave Barrett 6 September 1990.

<sup>26</sup> Taped interview with former federal Environment Minister Jack Davis, 21 September 1990.

along the Columbia River.<sup>27</sup> This initiative has never been chronicled.<sup>28</sup> The former Premier recalled his frustration in falling heir to the deal, and the anomaly of a left-wing party attempting to undo the financial miscalculations of a supposed fiscal conservative, W. A. C. Bennett:

I inherited those deals, I didn't create them. I was in the house for twelve years, before I gained the premiership and you could see the blunders that went on. . . . Those deals [the Columbia and the Skagit dams] were the stupidity of my predecessor. But those stupidities are never printed, you know. The stupidities of the old man's [W. A. C. Bennett's] policies. But in the political context, we were being attacked as dangerous lefties, when in fact we were running a very cautious and very prudent course. It's not always a question of Social Democratic versus right wing, [on the Columbia Treaty] it was a question of common sense versus stupidity. That's what it really boiled down to.<sup>29</sup>

Barrett submitted a formal request asking Ottawa to renegotiate its terms with the U.S. in December 1972, with Barrett demanding an "inflation kicker" amendment under section 5(f) of the agreement which required Ottawa to renegotiate with the U.S. "on any proposal relating to the treaty which Canada and British Columbia agree is in the public interest." However, clearly fearful of potential reprisal from the U.S., Prime Minister Trudeau rejected B.C.'s application for a reopening of the treaty.<sup>30</sup> B.C.'s reaction was to pursue an increasingly familiar formula of action: unable to enlist federal support, retaliation against the U.S. through the diversion of a transborder river was forwarded as a means of encouraging federal renegotiation. It was in essence a "bargaining ploy" designed to coerce the U.S. and Canada

<sup>27</sup> While B.C. had received \$458 million for the dams, the total costs to B.C. had risen to \$1.115 billion. In 1974 it was envisioned that the province would be short \$647,546,312 upon completion of the dams required by the treaty. "Columbia River Power Treaty to Cost \$647 million extra," *Victoria Daily Colonist*, 26 October 1973, p. 23. In contrast, prior to ratification in 1964, the W. A. C. Bennett administration had envisioned a surplus of \$53.4 million. *Vancouver Sun*, 12 December 1972, p. 26.

<sup>28</sup> Neil Swainson's *Conflict over the Columbia* (Montreal: McGill Press, 1979), considered the definitive work on the subject, does not cover the NDP's U.S. directed actions.

<sup>29</sup> Taped interview with Dave Barrett, 6 September 1990.

<sup>30</sup> This was the end result, but it was preceded by a confusing, and for dam opponents, heartbreaking reversal by Trudeau. Quote of agreement in Alan White, "Extra Money Sought," *The Province*, 23 February 1974, p. 15; "Columbia Reopening Okayed," *Vancouver Sun*, 11 December, 1972, p. 4; Ian Hunter, "P.M. Hits Barrett's Treaty Complaints," *Vancouver Sun*, 14 December 1972, p. 3.

into voluntarily reopening the treaty. Williams recalled that the move was B.C.'s "last option" in view of Ottawa's lack of support:

One of the options was diverting water through the Canal Flats projects in the East Kootenays. That was strategically the right thing to do. We did bring in people to look at different aspects of the treaty, and we brought in people at the early stages from Ontario Hydro and various academics who were familiar with transborder work. . . . Beyond that and sort of recognizing the options we had down the road, it [the diversion plan] was all we could do.<sup>31</sup>

The plan, enacted under Article 13 of the Columbia treaty, came just nine days after the \$500 million Libby Dam was dedicated by Gerald Ford and would reduce by 25 percent the amount of power generated by the U.S. project.<sup>32</sup> Jack Davis recalled his horror at the dam's dedication ceremonies, where Williams made B.C.'s intentions public:

Bob Williams went up to the ribbon cutting at the Libby Dam as he was the guest and spokesman from British Columbia and he, with that brand new dam there and all those U.S. Army Corp engineers with their medals and guns sitting in rows, says to them, "you know we can cut off your water for this dam any time we want. It was incredible."<sup>33</sup>

The U.S. reaction was livid, and U.S. Bonneville Power Administration officials were further incensed by Barrett's admission that the diversions were a bargaining tactic.<sup>34</sup> Furthermore, Barrett's action

<sup>31</sup> Taped interview with former Resources Minister Robert Williams, 29 August 1990.

<sup>32</sup> "B.C. Considers Cutting Flow To Libby Dam," *Vancouver Sun*, 3 September 1975, p. 1. The partial diversion would be accomplished by diverting the Kootenay River, upstream from the Libby Dam, into the Columbia River which served B.C.'s proposed Mica Dam. Former NDP cabinet minister Alex Macdonald noted to the author that "while Dave [Barrett] was just on a political flyer about it, Williams was sort of mean." A *Globe and Mail* correspondent who interviewed Williams at the time revealed that B.C. had timed the announcement of its intentions to divert the water until the dam's ceremonial opening in Montana by Ford and federal Energy Minister Donald Macdonald in order to maximize the U.S. response and to "make sure that B.C.'s unhappiness with the treaty is noticed." See Malcolm Gray, "The Barrett-Williams Government's Other Half," *Globe and Mail*, 18 November 1975, p. 5. Barrett denied the author's comment that it appeared vindictive. "No, no, it wasn't a question of being mean, it was a question of being tough for Canada and tough for British Columbia." Taped interview with Dave Barrett, 6 September 1990.

<sup>33</sup> Taped interview with Jack Davis, 21 September 1990.

<sup>34</sup> Alex Young, "Barrett Admits River Diversion A Ploy," *The Province*, 20 September 1975, p. 27; U.S. Senate majority leader Mike Mansfield of Montana branded the B.C. proposal "a

against the Libby dam occurred simultaneously with threats of a further gas export price increase to \$2.25, and the timing of these two actions was not missed; Washington State newspapers declared Barrett as being "the most villainous Canadian."<sup>35</sup>

Evidence suggests that Ottawa recognized that it had little legal jurisdiction to halt a possible diversion, and the former federal minister Davis recalled Ottawa's relief over the province's scuttling of the plan on the grounds of environmental infeasibility.

On the Columbia Treaty, the NDP stance was anti-American and was basically for storing as much Canadian water as possible and then putting it through the Thompson-Fraser system which ecologically would flood everything we had up there, all the valleys. It would have done great violence environmentally so their approach was in today's context ridiculous. But that was because that was anti-American, to keep the water in Canada, so they went for it . . . but later they realized that if you did it on any scale, you immediately jeopardized lake levels all through that tourist country so they just weren't about to do that . . . it became an idle threat.<sup>36</sup>

Federal support for further renegotiation of the treaty was never provided, and in the final analysis Barrett's attempt to independently "bargain" the U.S. into voluntary renegotiation failed. Nevertheless, B.C.'s inability to renegotiate the Columbia treaty had numerous implications: it became the Barrett administration's policy not to provide the U.S. with net additional exports of B.C. hydro-electric energy, and the episode precluded closer federal-provincial relations.

From these two cases, a number of conclusions can be drawn regarding the NDP administration. First, transborder relations with the U.S. appeared relatively frequently at the highest provincial levels of the cabinet and Premier. However, Barrett's defiant manner appeared to pre-empt the formation of alliances with foreign actors, and in fact, the opposite held true in a number of instances such as the Columbia treaty. In light of this, the attempt by the Barrett government to marshal U.S. support for B.C.'s railway project, though too clumsily handled to receive serious U.S. or Canadian consideration,

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disaster for the Northwest States" while others noted that "Barrett must lie awake at night thinking of new ways to shaft Americans." "Angry Reaction in U.S. Follows Libby Dam Proposal," *Vancouver Sun*, 4 September 1975, p.2.

<sup>35</sup> "Bargain Hunter," *Victoria Times*, 5 November 1975, p. 4.

<sup>36</sup> Taped Interview with Jack Davis, 21 September, 1990; John Sawatsky, "U.S. Clearly Gave B.C. Right To Divert River," *Vancouver Sun*, 18 November 1975, p. 5.

represented an intriguing instance of attempted alliance-building for the purpose of attracting greater Canadian opposition to TAPS. Second, the NDP generally sought the assistance of the federal government in its international relations, suggesting a provincial awareness of the limitations of "going it alone" in foreign jurisdictions even on matters of provincial legislative competence.<sup>37</sup> Third, in the disputes between B.C. and the U.S., the Canadian government's support was either muted or non-existent; this reaction was prompted by direct opposition to B.C.'s essentially province-centric actions (as in the Columbia River Treaty dispute), by competition with B.C. (TAPS), or simply out of concern for Canada-U.S. relations. Frequently, this lack of federal support in turn forced the province to take an independent and antagonistic stance in its relations with the U.S. which was antithetical to the development of trans-border coalitions. In terms of the model, these conclusions point towards the significance of the intergovernmental component. While party philosophy, individual leadership, and the hiring of outside bureaucratic expertise facilitated the NDP's transborder initiatives, ultimately these factors appeared subordinate to the larger legal/intergovernmental considerations.

It could be hypothesized that this relationship could alter if increases in provincial capacity, independence, and jurisdictional capability were to occur relative to the federal government. The evidence suggests that the Vander Zalm administration — which ostensibly benefited from an eleven year maturation process of provincial bureaucratic expertise — was far more effective in its implementation of the coalition-building technique. The 1986 softwood lumber dispute and the 1989 Substate Driftnet Declaration demonstrated a high degree of provincial potency on both international resource and environmental issues.

<sup>37</sup> While the case studies have stressed B.C.-U.S. relations, this tendency was also evident on other fronts; one instance was Barrett's 1974 visit to Japan, where B.C.'s independent style caused a series of diplomatic disputes with Ottawa which "strained for the entire 10 day trip" relations with federal External Affairs officials. "Barrett Bows To Protocol," *Vancouver Sun*, 15 April 1974, p. 1. Former cabinet minister David Stupich notes that what was missed by most observers was that B.C.'s independent style was a strategy designed to force the federal government to pursue B.C.'s international interests more vigorously: "They just weren't ready for a provincial government having something to do directly about international trade, which was their role — but they weren't doing it. It was kind of embarrassing to them in the sense that here was a trade mission by a provincial government, one of the first ever, and being well received. . . . the federal government wasn't doing it so the provincial government had to and then the federal level did get interested. . . . We goaded them into action. That was the purpose of the trip. We wanted federal government involvement." Taped interview with former B.C. Agriculture Minister and Minister of Finance David Stupich, 8 September 1990.



iii) *The 1986 softwood lumber dispute*

Perhaps the most controversial episode in Canada-U.S. trade relations in the past decade culminated in the Memorandum of Understanding (MOU) signed on December 30, 1986 in which Canada agreed to impose a 15 percent tax on Canadian softwood exports to the U.S., the largest self-imposed fiscal penalty in world trade history, and one which was facilitated by the actions of British Columbia. Though a number of reviews of the 1986 softwood lumber dispute have been written, B.C.'s role has received only limited reference in the contest despite the fact that its forest industry was the focus of the U.S. countervail petition.<sup>38</sup>

One of the significant factors altering Canada's approach to the 1986 softwood lumber dispute was the replacement of Premier William Bennett, whose "no concessions" stance had minimized B.C.'s influence but had contributed to a Canadian "victory" in a similar dispute in 1983. Bennett's long-serving Forests Minister (1975-86) Tom Waterland recalled:

Our position was to make a very strong and technically backed up case to Washington that there were no subsidies in British Columbia. I did a lot of travelling down to Washington D.C. and Ottawa . . . and we took a very pragmatic, legalistic, no-nonsense approach where we were not going to make concessions because we could demonstrate that in fact the cost of wood delivered to most mills in British Columbia was more than in the adjoining mills in Washington, Oregon, and Idaho. The thing became more politicized the last time around [1986-87] and that's the reason why the findings changed, because nothing else changed . . . they blinked and jumped under the table and said, "we're guilty, what are you going to do to us," rather than fighting the thing.<sup>39</sup>

Indeed, three months after gaining power, Premier William Vander Zalm's Forests Minister Jack Kempf called for a review of stumpage policies in the province in the hope that the expected reforms would influence the U.S. Commerce Department to drop its countervail petition. The tactic failed.<sup>40</sup> However, B.C. had "blinked" and its actions implied that Canadian lumber was subsidized,

<sup>38</sup> For example see Charles F. Doran, Timothy J. Naftali, *U.S.-Canadian Softwood Lumber: Trade Dispute Negotiations* (The Johns Hopkins Foreign Policy Institute, 1987).

<sup>39</sup> Taped interview with former Forests Minister Tom Waterland, 13 November 1990.

<sup>40</sup> "U.S. Lumbermen Unswayed," *Vancouver Sun*, 9 September 1986, p. A 1.

thereby harming the federal government's bargaining position with the U.S.<sup>41</sup>

In late October 1986, the U.S. International Trade Administration ruled that provincial stumpage conferred a countervailable subsidy on Canadian softwood producers. B.C. became doubtful of Ottawa's commitment to a rapid settlement and broke ranks with the rest of Canada by announcing its intention of striking a unilateral deal with the U.S. if its "demands" were not met.<sup>42</sup> Vander Zalm's threats prompted federal MPs to demand that the federal government "rein in" B.C., and External Affairs Minister Joe Clark reiterated Ottawa's primacy over international trade relations and its opposition to independent provincial negotiations. Canadian Ambassador to the U.S. Allan Gotlieb appealed directly to the U.S. Commerce Department not to reach a deal with B.C., a request Washington honoured.<sup>43</sup> Kempf recalled his disappointment that the province was prevented from dealing more directly in the negotiations, a tactic he felt was necessary given that B.C.'s interests were not receiving adequate representation:

There were all kinds of rumours abounding at that time that Allan Gotlieb [*sic*] was calling the U.S. Commerce Department telling them not to deal directly with B.C. and it probably was true. They were afraid of losing their authority over the whole dispute and they didn't really want a lowly province dealing directly with the Commerce Department in the States. . . . I felt a little miffed that we couldn't play a direct role because the forest industry in Canada takes place to a very large part in B.C. In fact 70% of the total industry in Canada is in B.C. and I felt as though we should have been able to play a larger part with respect to the negotiations.<sup>44</sup>

B.C.'s attempt at unilateral negotiations undercut Ottawa's position, and serious criticism was directed at B.C. by federal officials for

<sup>41</sup> The *Toronto Star* quoted numerous federal trade officials who stated that "the turning point in the dispute occurred when Vander Zalm declared that the province was not charging the industry enough for its trees." Robert Fife and Gord McIntosh, "B.C.'s-Behind-The Back Meddling Hurt Softwood Strategy, Officials Say," 9 January 1987 p. A 16; American lawyers also concluded that B.C.'s actions ensured that the overall Canadian interest was not well-served.

<sup>42</sup> These demands included: i) reaching a compromise with the U.S. by the end of November 1986; and ii) ensuring provinces the capacity to levy their own lumber tax, or receive all the export surcharge if collected by Ottawa. Jennifer Lewington, Christopher Waddell, "B.C. Ready To Act Alone To Stop Tariff," *Globe and Mail*, 26 November 1986, p. A 5.

<sup>43</sup> See Martin Cohn, "B.C. Threatens Solo Fight on Lumber Tariff," *Toronto Star*, 26 November 1986, p. A 1, 14.

<sup>44</sup> Taped interview with former Forests Minister Jack Kempf, 29 August 1990.

harming Ottawa's negotiating position and Canada's international stature.<sup>45</sup> Kempf assumed an apathetic position regarding these accusations, arguing that the provincial administration's allegiance was to B.C. first, and Canada's negotiating position second:

I'm not sure if [my statements] were Pat Carney's wish, but it really was all I could say given the pressures that were on her. . . . It made her job easier you know. She was getting a lot of pressure not to negotiate at all, not to accept anything. . . . I think that by doing what I did and saying what I said the pressures came off and settlement could be made.<sup>46</sup>

Federal accusations were substantiated in April 1987 when in an astounding revelation, it was disclosed by the U.S. Coalition for Fair Lumber Imports that during the dispute, Kempf and his Deputy Bob Flitton had established a coalition with the powerful U.S. lobbying consortium, thereby strengthening the U.S. negotiating hand.<sup>47</sup> These disclosures suggested that B.C. actors had been operating as "moles," betraying the Canadian position, which was to oppose any duty. The B.C. government publicly attempted to distance itself from Kempf by suggesting that his actions were taken independent of cabinet knowledge.<sup>48</sup>

There is clear evidence that Kempf's philosophy was shared by some of the more powerful cabinet actors, particularly Vander Zalm and Finance Minister Melville Couvelier — and in some respects it appears that Kempf served as the "fall guy" for cabinet — which had

<sup>45</sup> Federal officials stated that "persistent public back room meddling by British Columbia kept Canada from striking a better deal with Washington in the softwood lumber dispute. . . . the [U.S. Department of Commerce] was able to use this knowledge to strengthen its negotiating hand because it knew B.C. Premier Bill Vander Zalm was desperate for a deal." *Toronto Star*, 9 January 1987, p. A 16; "B.C. Officials Deny Lumber-deal Meddling," *Vancouver Sun*, 9 January 1987, p. A 2.

<sup>46</sup> Taped interview with Jack Kempf, August 29, 1990.

<sup>47</sup> Gus Kuehne of the Coalition stated: "I don't think there would have been a negotiated settlement without Jack Kempf. He was the only one in Canada who recognized that B.C. was getting ripped off. . . . and made it plain to the Coalition that the B.C. government wanted to take more out of the industry, and after the initial meeting, we agreed to keep each other informed. . . . Until Kempf got involved, Pat Carney was stonewalling us." Don Whitely and Tom Barrett, "Premier Probes Kempf's Secret Lumber Talks," *Vancouver Sun*, 3 April 1987, p. A 18.

<sup>48</sup> This was demonstrated in the Attorney General's investigation of Kempf's relations with Kuehne. Gary Mason, "Premier Acts On Lumber Report," *Vancouver Sun*, 28 April 1987, p. A 3. Interviews, with former Forest Minister David Parker (13 November 1990) and former Minister of Intergovernmental Affairs, Bruce Strachan (1 October 1990) revealed harsh criticism for Kempf's actions and a polarization within cabinet over B.C.'s adopted position in the softwood dispute.

used the international dispute as a cover for its unpopular mandate of increased stumpage rates.<sup>49</sup> In discussing his transnational negotiations, Kempf stressed that as Forests Minister, he had more in common with the U.S. "opposition" than with federal negotiators and this made the coalition natural.<sup>50</sup>

In conclusion, the 1986-87 softwood case demonstrated the interplay of economic regionalism, intergovernmental relations, and the interesting role played by the political philosophy of provincial élites in determining national policy. Regionalism was clearly a motivation for dealing directly with the U.S.; the greater centrality of the resource to B.C., the opposing provincial positions, and the perception that B.C.'s interests were not being adequately represented encouraged regionally based international action. The intergovernmental component suggests that Ottawa permitted B.C. considerable latitude in dictating the terms of the agreement; various federal officials, including former federal Forests Minister Frank Oberle, were unequivocal in stating that B.C.'s actions were the determining factor in the dispute:

There's no doubt what happened here. We, that is the federal government, accommodated nobody else but the B.C. Government, who had lost their nerve, who did not want to take the chance — and for good reason. . . . This has been a neat arrangement for the

<sup>49</sup> Former Finance Minister Melville Couvelier hinted to the author that the entire affair had been choreographed. "When we took office in 1986, we were determined to deal with the issue of getting our fair share of resource revenues. The action that ensued where we moved to keep the taxes here was always in our game plan. . . . So it wasn't like Jack Kempf pulled off a coup. In fact shortly after taking office we worked out the strategy that we eventually used." Interview with former Minister of Finance, Melville Couvelier, 19 September 1990.

One author observed: "There is no doubt why the Premier finds the deal so 'tremendous'. It nearly resolves Mr. Vander Zalm's deficit problem, and if the industry objects, he can blame the Americans. "Why Mr. Vander Zalm is Chuckling: U.S. Lumber Deal May Virtually Solve His Deficit Problem," *Western Report*, 26 January 1987, p. 4; The provincial government's revenue on the old stumpage system was \$138 million, or an incredible 1.4 percent of the industry's 1986 revenues of \$9.3 billion. "Woodsman, Pay For That Tree," *Western Report*, 28 September 1987, pp. 12-13.

<sup>50</sup> Kempf noted, "You realize that I didn't last very long as Minister of Forests because of my personal views of what should or should not be done in the industry or in these international negotiations. . . . My figure [for an appropriate tariff] was in excess of 1 billion dollars so I think the [U.S. Coalition for Fair Lumber Imports] 36 percent figure was pretty close to the mark. . . . I took a lot of flack — having been investigated for having talked with Gus Kuehne of the Coalition — but it was my intent coming in virtually at the end of this thing to be as knowledgeable as possible and to do so I had to find out what the opposition was doing. You see, the position that B.C. had taken rightly or wrongly by the previous administration was that we shouldn't pay anything at all. Well it was quite clear to me that the U.S. Commerce Department and Coalition for Fair Lumber Imports had a very good case and so it behoved us to try then and get the best deal that we could, and I think we did." Taped interview with Jack Kempf, 29 August 1990.

province. In the first year we collected the tax, we sent them a cheque for \$320 million. Since then, through their negotiated annex to the MOU agreement, the province has netted a windfall of \$1.2-1.4 billion. . . . and are laughing all the way to the bank. This was not a federal initiative. We were responding to provincial demands to get them out of this GATT problem. They came up with this idea, which then on behalf of British Columbia we sold the Americans on.<sup>51</sup>

Consequently, B.C.'s coalition-building strategy enabled the province to influence the negotiation through a variety of "back door" methods without resorting to extensive transgovernmental negotiations with Washington. At the same time, the dispute also demonstrated Ottawa's difficulty in presenting a sovereign international front when provinces pursue short-term needs which may be at variance with national ones.

*iv) B.C.'s attempts to terminate the high-seas driftnet fishery*

Further evidence of B.C.'s international capacity for coalition-building was clearly demonstrated on the issue of the driftnet fishery, in which B.C. asserted its fisheries interests in co-operation with its primary competition — the states of Washington and Alaska — for the purpose of altering federal and ultimately international fishery regimes. While many fisheries issues directly impinge upon B.C.'s resources, the province has traditionally been unable to directly influence many of them. Until 1988, nowhere was this more evident than in the North Pacific driftnet fishery. The process, which is engaged in primarily by Japan and Taiwan, and which provincial officials dub "an ocean strip-mining operation," makes a mockery of federal-provincial enhancement efforts, and was linked to disturbing declines in pink salmon in B.C. north coast rivers in 1988. In 1989, B.C. Agriculture and Fisheries Minister John Savage forecast that the entire B.C. salmon industry "could be in jeopardy to a great extent because of the driftnet fishery."<sup>52</sup> Provincial officials claim this illegal harvesting of up to forty million B.C. salmon contravenes the United Nations

<sup>51</sup> Taped interview with federal Forests Minister Frank Oberle, 12 November 1990.

<sup>52</sup> Salmon may be caught by: i) high seas fisheries directed at salmon, and ii) the "flying squid" fishery. The 1,200 vessel squid fishery captures a "by-catch" of 40,000 metric tons of salmon, up to 80,000 marine mammals, and as many as 1 million birds annually. These figures are taken from the *Statement on High Seas Driftnet Fisheries in The North Pacific Ocean*, signed by the Province of B.C. and the States of Alaska, Washington, Oregon, Idaho, California, and Hawaii, October 1989, p. 1.

Convention on the Law of the Sea.<sup>53</sup> Though driftnet fishing was debated in the B.C. legislature since 1985, it was only in 1989 that Premier Vander Zalm called for a federal ban on the use of driftnets, a request federal Fisheries Minister Tom Siddon refused on the grounds that insufficient data existed on the fisheries effects.<sup>54</sup> Premier Vander Zalm's International Affairs advisor Chris Watts recalled:

The feeling was that it was a B.C.-West Coast issue that people in Ottawa really weren't peeved off about as much as we were. . . . [federal] people say the evidence isn't conclusive that B.C. fishing stocks have been impaired. So either you keep on doing it till you find the evidence to prove its wrong, or you don't do it until you find the evidence is right. Our view was for the latter and there was frustration that this was an increasingly important issue, and a number of reports on Alaska fishing stocks galvanized the substates together.<sup>55</sup>

B.C. responded to federal inaction by sending James Anderson, provincial Director of Aquaculture and Commercial Fisheries, to a driftnet conference in Souva, Fiji. The motivation was to ally B.C. with some of the more "proactive states" on the issue, thereby placing pressure upon the federal government for more immediate action. In recognition of B.C.'s participation, the forum's following conference was held in Victoria in July 1989. Six U.S. State Department officials and the nineteen represented nations met — with the federal government in attendance. Provincial actors state that the conference's objective of goading Ottawa into action worked perfectly, though not without causing a certain degree of intergovernmental tension.<sup>56</sup> A

<sup>53</sup> The relevant sections include the general provisions of the economic zone (Articles 55 to 75) which give the coastal state "sole authority for exploiting and conserving the living resources within its economic zone" and the specific provision relating to anadromous species (Article 66) which gives the state of origin the "primary interest in and responsibility for" salmon stocks. Barbara Johnson, Director of Special Projects: B.C. Ministry of Regional Development "Treaties and Legislation" in British Columbia, *North Pacific Driftnet Conference: Proceedings Vol. 1* (Queen's Printer: Victoria, Ministry of Agriculture and Fisheries, July 17-18, 1989), 132-33.

<sup>54</sup> Brad Ziemer, "Vander Zalm Seeks Tight Line on West Coast Driftnet Fishing," *Vancouver Sun*, 20 April 1989, p. A 1; House of Commons *Debates*, "Drift-Net Fishing," 9 May 1989, and Documents Provided by Canadian External Affairs Consulate, Seattle.

<sup>55</sup> As Watts suggests, the issue has achieved a particularly high profile on the west coast, with some sectors of the media suggesting that Ottawa had been unresponsive on the issue. Alan Merridew, "Driftnet Duplicity: Siddon's Dancing Around The Issue," *The Province*, 28 June 1987, p. 37.

<sup>56</sup> One high-level provincial official noted: ". . . We clearly ignored federal policies and it did bruise some political egos, particularly in DFO — I mean they were being hammered first by

communiqué resulting from the conference led to the creation of the six point *Proclamation on High Seas Driftnet Fisheries in The North Pacific Ocean*, which was signed by B.C., Alaska, Washington, Idaho, California, and Hawaii and calls for the cessation of the salmon driftnet fishery by June 30, 1992.

Provincial officials maintain that the coalition-building influenced External Affairs and the Federal Ministry of Fisheries and Oceans (DFO) to quicker action. James Anderson notes:

Because of the pressure caused by the Dunsmuir Conference, Canada realized it had to turn up the heat and be more aggressive with Japan, and it resulted in the U.N. resolution that there be a cessation of the fisheries by 1992. Canada saw coming the NPDNP signed by the Premier and five Governors, and they saw they were in danger of having regional politicians dominate and they responded. Joe Clark was extremely aware of what was going on in B.C. and realized that Canada had no choice but to co-sponsor it.<sup>57</sup>

The evidence suggests that the perception was that on this and other fisheries issues, the federal government was not pursuing B.C.'s interests with sufficient vigour. The province's response was not simply to extend its jurisdiction, but rather to stimulate Ottawa to endorse a more activist approach. Provincial Minister Savage clearly underscored Ottawa's jurisdictional primacy on issues regarding oceanic fisheries which B.C. sought to shape through direct international action.

I suppose that the responsibility lies with the federal government, but we felt that there was not enough action being undertaken by the federal government. It took B.C.'s belief that something had to be

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External who wanted to be much more aggressive in the U.N. than DFO did, and here was Savage beating Canada over the head for not doing enough. We forced them to do things faster and more systematically than if they had been left on their own. I suspect here are some staff in DFO whose noses are out of joint because we were perceived to be leading a charge in which they were the major player. . . . In 1989, there was a very strained relationship because DFO politicians were upset at the extent to which we were upstaging them. Siddon was personally upset at the time of the Driftnet Conference."

Indeed, Tom Siddon's comments at the time revealed a certain vexation with B.C.'s position: "too many too often expect an immediate, simple resolution to a complex issue. It is far too easy to call a moratorium on all drift net fishing. It is far too easy to call for an international conference on the issue." Notes For Speech by The Honourable Tom Siddon, Minister of Fisheries and Oceans to The North Pacific Driftnet Fisheries Conference, Dunsmuir Lodge, British Columbia, 18 July 1989, Canada, Fisheries and Oceans, pp. 2-3.

<sup>57</sup> Interview with James Anderson, Director Aquaculture and Commercial Fisheries Branch, B.C. Ministry of Agriculture and Fisheries, 5 December 1990.

done — and it wasn't as if we weren't trying to get the federal government on side, we did everything we could, but it was finally decided that if the federal government wasn't going to do it we would work state to province. . . . [w]e finally got the federal government to recognize this proposal put forward at Dunsmuir lodge that they finally came on-board. We even pressured External Affairs to the extent that Joe Clark took it to a proclamation to the U.N. so you see it did eventually get to them but we were very disturbed by the fact that it took them so long.<sup>58</sup>

In this respect, B.C. operated in a manner reminiscent of Keohane and Nye's "coalition-building" theory. In terms of the intergovernmental component, provincial officials view the issue as a successful instance of "constructive jurisdictional one-upmanship" in which the province compensated for its lack of firm legal jurisdiction with other means — primarily member state co-operation — and with considerable success. Anderson notes:

. . . . Alaska was looking for allies and as a consequence you had a joint approach that is not that common — that two rival jurisdictions get along that well, and then can both influence their national governments in the same way and get them to go forward.<sup>59</sup>

Most interesting is the gracious admission by the External Affairs official in charge of Canada's driftnet policy, Piotr Andrzejewski, that B.C.'s coalition-building activity did influence the federal position to the United Nations:

In our foreign policy formulation, we had to take them [the subnational governments] into account — including problems articulated particularly on the West Coast — and do something about it. This is exactly what we did. . . . We did not view it as browbeating at all. We viewed it as an expression of concern for vigorous action which was quite legitimate and buttressed the efforts we were taking. The perception was that the NWPD was very positive and we welcomed it to the point that it is part of Canada's submission to the U.N. under resolution 44:225 and an important element in the submission to the Secretary General. So I think there was a useful

<sup>58</sup> Taped interview with former B.C. Minister of Agriculture and Fisheries, John Savage, 31 July 1990.

<sup>59</sup> Taped interview with James Anderson, 5 December 1990.



synergy in those efforts. . . . We never viewed it as [one-upping External]. The province's initiatives buttressed our efforts both internally and externally, particularly as they were coupled with the expressed views of other subnational units, not the least of which was Alaska, which was absolutely the key.<sup>60</sup>

These comments suggest that viewing instances of coalition-building in discordant, conflictual terms, as Keohane and Nye do, may not always reflect reality. If federal actors are amenable to subnational input, such actions can have beneficial consequences for both levels of government. B.C.'s subnational work brought together international expertise which might not otherwise have come to Ottawa's attention. In return, Canada's standing as a sovereign nation capable of submitting ecumenical legal positions provided the vehicle for the international representation of B.C.'s concerns.

#### CONCLUDING REMARKS ON THE TRANSGOVERNMENTAL THEORIES OF KEOHANE AND NYE AND HOCKING

Reflecting the ideological differences and time lapse between the two administrations, a different approach to international relations was apparent under the two governments; while the Barrett government promoted a "nationalist" stance with respect to resources which some maintain was "anti-American," Vander Zalm sponsored the development of increasingly structured relationships along a north-south axis between the U.S. Pacific Northwest Substates and B.C. Yet, as table 2 demonstrates, under both administrations similar factors consistently appeared to promote provincial interest on specific international issues. It does not include all of the components, as some cannot be easily quantified in such a simplistic fashion. The intention here is to demonstrate how on any one issue, numerous factors serve to shape provincial international activity and it identifies those elements which were particularly salient rather than less central to the issue. These findings point to the usefulness of conceptualizing the dependent variable, provincial international activity, as being shaped and influenced by a wide variety of potential variables. Table 2 suggests

<sup>60</sup> Telephone interview with Piotr Andrzejewski, Agricultural Trade Policy Division, Department of External Affairs, Ottawa, 6 December 1990. As might be expected, DFO officials were quicker to criticize B.C.'s actions, one official noting that "British Columbia was just trying to look like a white knight in shining armour, and it was largely done to gain domestic political points with the electorate on a very sensitive topic." Interview with Bud Graham, Director of Pacific Region, Federal Department of Fisheries and Oceans, 8 December 1990.

TABLE 2  
*Factors promoting provincial international activity*

	1	2	3	4	5	6	7	8
<i>Dave Barrett administration: 1972-75</i>								
T.A.P.S. dispute	*			*	*		*	*
High Ross Dam dispute	*	*		*	*	*	*	*
Attempt to renegotiate Columbia River Treaty	*	*	*		*	*	*	*
Natural gas dispute	*	*	*		*	*	*	*
Urging Ottawa for removal of trade barriers posed by National Trade policy				*	*	*	*	
Promotional trips to China, Japan, and Europe	*	*	*		*	*	*	
Input at the Gatt		*	*	*	*	*		
<i>Bill Vander Zalm administration: 1986-91</i>								
1987 softwood lumber dispute		*	*	*	*	*	*	*
West coast driftnet fishing overture	*		*		*		*	
West coast salmon and herring dispute	*		*	*	*	*		*
Establishment of Vancouver as international banking centre	*	*	*		*	*	*	
Provincial promotion of trade ties with South Africa		*	*		*		*	
Establishment of B.C.-U.S. state oil spill agreements	*	*		*	*	*		*
Numerous northwest economic and environmental accords	*	*		*				
Pacific Rim and European trade and investment promotion	*	*	*			*		*
Establishment of Western Trade Dispute Panel	*	*	*	*	*	*		
1 Geography					5 IGR Conflict			
2 Constitution					6 IGR Negotiation			
3 Economic					7 Ideology			
4 Regionalism					8 Popular Demand			

that economic, intergovernmental, constitutional, and regional forces are all central to B.C.'s international activity. It is also apparent that the expansion of provincial international interest stems primarily from subjects which fall within the ambit of provincial jurisdiction or shared jurisdiction. Natural resources and provincial responsibility over economic development and the environment have provided the motivation for most provincial international authority — and are the basis for most intergovernmental confrontation. This development points toward a galvanizing of provincial strength in relation to Ottawa, and may be a harbinger of future challenges to the federal government's international primacy. Given these conditions, it could be expected that increasingly independent international activities will be undertaken.

Keohane and Nye predict that when coalitions are built with "like minded agencies of other governments against elements of their own administrative structures . . . the unity of the state as a foreign policy actor begins to break down."<sup>61</sup> While it is difficult to assess whether B.C.'s activities have had this effect, in certain instances, such as the 1986 softwood lumber dispute and Barrett's presentation of a TAPS alternative to Washington, federal government officials intimated that this was the case. Keohane and Nye also maintain that for a trans-governmental coalition to take place, there must be a certain measure of intergovernmental conflict. Evidence from British Columbia confirms (see "IGR conflict" in table 2) that a measure of dissatisfaction, rivalry, and a sense of neglect are motivating factors and a definable link can be traced between provincial frustration with federal inattentiveness and increases in international activity. This appears to vindicate Hocking's conjecture that direct substate activity is often the consequence of regional discontent.

When regions become primary actors, it is often because disaffection with national policies combines with an inability to alter them through mediation with the national authorities.<sup>62</sup>

The case studies confirm that perceived federal indifference to provincial needs frequently provides the motivation for an independent course of action — which often results in intergovernmental tension. The perception of ineffectiveness was particularly apparent under the NDP; though Barrett did influence national policies, as demonstrated

<sup>61</sup> Robert O. Keohane and Joseph S. Nye, "Transgovernmental Relations and International Organizations," p. 44.

<sup>62</sup> Brian Hocking, p. 484.

in Ottawa's acceptance of a two-price energy export policy, on most other issues an alarming trend was apparent in which federal support of provincial calls for assistance was consistently not forthcoming. This harmed the NDP's electoral pledges, militating against attempts to redress trade and environmental arrangements with its major trading partner, the U.S. The resulting lack of federal support propelled the administration into a number of independent international actions which were doomed by the absence of federal endorsement.

Given the apparent failure of "going it alone" on international issues, and the frequent lack of federal support, it could be predicted that B.C. would seek foreign governments with whom common concerns could be allied and increased pressure brought to bear upon the federal government. This development appeared to have occurred, as evidenced by the increased number of co-operative actions in the international realm undertaken by the Vander Zalm administration. In contrast to the Barrett government, which appeared "ham-handed" in attempting to execute the coalition-building technique, the Vander Zalm government appeared relatively skilful in effecting this strategy. Above all, this indicates the degree of professionalization which has taken place within the B.C. government, particularly during the eleven-year interim under William R. Bennett administration which established a full scale Ministry of Intergovernmental Affairs complete with an International Relations Division. Of further significance was the reorganization of Vander Zalm's Premier's Office under Frank Rhodes which resulted in, among other things, the establishment of an International Advisor to the Premier. These developments were buffeted by the opening of ten foreign offices under the Ministry of International Business and Immigration (MIBI).

The development of a more sophisticated approach to the international realm and the technique of aligning B.C.'s interests with other subnational actors thus appears to be highly dependent upon a professionalised intergovernmental structure capable of orchestrating trans-border strategies. In a number of areas, such as softwood lumber, oil spills, and driftnets, British Columbia has proven to be a capable actor, and its success in exercising influence over these matters points to a general expansion of provincial jurisdictional competence. Whether this progression towards greater levels of "direct" international activity can remain complementary to the federal foreign policy process and whether these "assaults from within" can be contained will be a meaningful issue for the future, for if the province increases its use of this tactic, intergovernmental rivalry can be expected to increase in ferocity.