From NAFTA to 9/11: Challenges and Dilemmas Facing Western Canada–U.S. Border Towns

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Abstract

Dramatic economic and security policy changes have occurred along the Canada–U.S. border as a result of the implementation of the 1989 Canada–U.S. Free Trade Agreement, the North American Free Trade Agreement of 1994, and new security measures that were introduced after September 11, 2001. The resulting consequences for western border communities have been profound. This paper examines how the interaction of national and international policies influences activity at the local level and describes mechanisms that are available to small communities as they attempt to adapt and survive in these ever-changing policy environments.

Key words: border towns; U.S.–Canada trade policy; cross-border shopping; collaborative planning; psychological border

1.0 Introduction

Since the signing of the 1846 Oregon Treaty between Great Britain and the United States, which extended the 49th parallel as the boundary separating the future Dominion of Canada from the United States, border towns in this distinctive region have had to deal with constantly shifting political and economic circumstances. Although famously peaceful as “the world’s longest undefended border,” the entire Canada–U.S. boundary line has both influenced and defined the regions and towns that lay within its shadow. This situation has long been recognized by political geographers, who have coined the term *borderlands* to refer to the regions that have formed along the political frontiers of nation-states. By definition, borders separate nations but they also, in contrast, serve as places where countries are in a state of continuous interaction and where trade and exchange constantly occur. As a result, border towns are often locations where the separate national policies of nation-states interact and their differences are the most discernible.

Over the last two decades, deliberate and often controversial policy decisions made at the national level have had profound influences in a limited geographical area:

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specifically, the communities and regions that lie along the Canada–U.S. border. This paper discusses and documents the often dramatic policy changes that have occurred over the past 20 years and the resulting consequences for western border communities. Most of the challenges facing these border communities are due to national policies or international conditions, such as the 1989 Canada–U.S. Free Trade Agreement (FTA), the 1994 North American Free Trade Agreement (NAFTA), shifting monetary exchange rates, and most recently, new U.S. security measures implemented since September 11, 2001. In particular, this research explores how the interaction of national government policies influences events at local levels and describes the unique challenges and dilemmas that border communities confront as they adapt to rapidly changing circumstances.

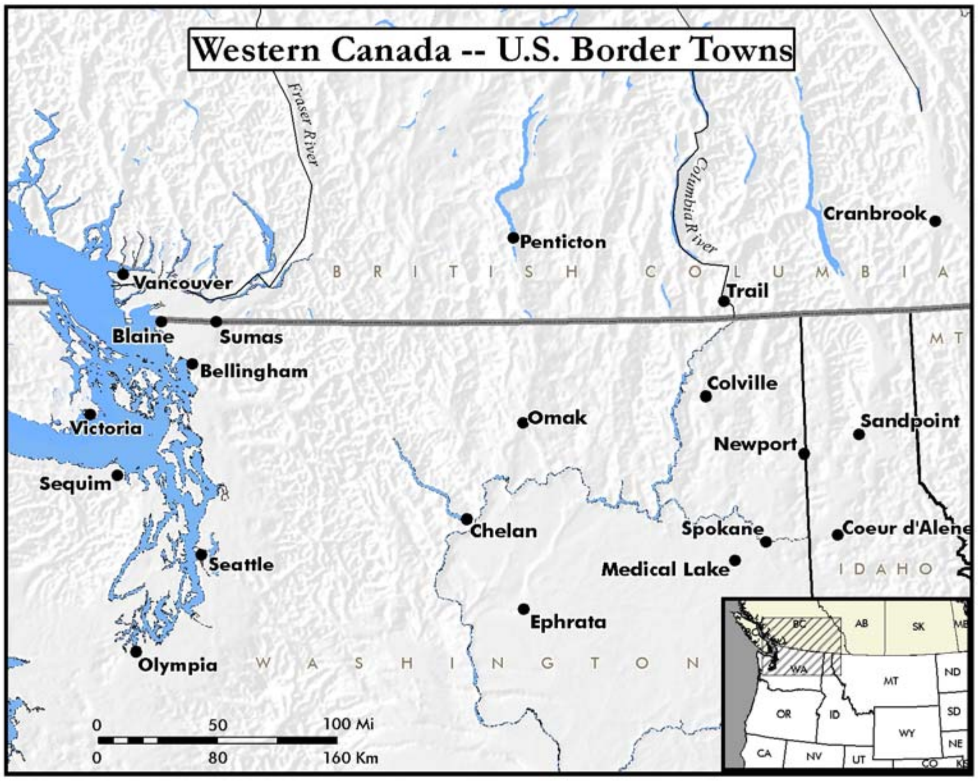
2.0 Study Area and Methodology

This research focuses on the Pacific Slope of the Canada–U.S. border (see Figure 1), a region originally defined by the Oregon Treaty of 1846 as extending from the summit of the Rocky Mountains to the Pacific Ocean via the 49th parallel and the Strait of Juan de Fuca. Case study methodology was used to document the characteristics of border towns in this region, as well as the challenges and dilemmas they have experienced over the past 20 years within this constantly changing national policy environment. Two strengths associated with case study methodology are the ability to trace changes over time and the ability to deal with a full range of evidence, including documentation, interviews, observations, artifacts, and quantitative data, all of which were utilized in this study (Creswell, 2003; Yin, 2003). In evaluating the changes that these western border towns have experienced over the past two decades, a two-step approach was used. Observations and evidence discussed in this paper are drawn from a series of research projects that have been carried out by the authors over the past 15 years (Bradbury & Turbeville, 1998; Turbeville & Bradbury, 1999). A similar field project in 1996 provided a baseline and comparison for much of the data collected by the researchers in 2007. In both cases, a number of western border towns were visited, allowing for on-site observations and interviews with border personnel, local government representatives, and area merchants. These findings were also compared and further supported by data collected from reliable governmental sources (including Statistics Canada, the U.S. Bureau of Transportation Statistics, and the U.S. Bureau of the Census). These data allowed for patterns to be examined over time and for the national and regional situations to be compared, thereby strengthening the validity of the study. This published data, along with on-site observations, interviews, and government reports, proved invaluable in identifying and understanding basic trends in the borderland region. However, before examining trends at the local level, the paper will outline and examine the respective national situations in order to establish a context in which localized impacts can be explored.

3.0 Economic Policy Shifts and National Impacts

Prior to the passage of the FTA, Canada and the United States enjoyed the largest bilateral trading relationship in the world. However, the FTA and NAFTA represented significant policy shifts. These agreements essentially redefined the economic relationship among and between Canada, the United States, and Mexico, dramatically transforming traditional patterns of trade, traffic, and investments.

Figure 1. Western Canada–U.S. border towns.



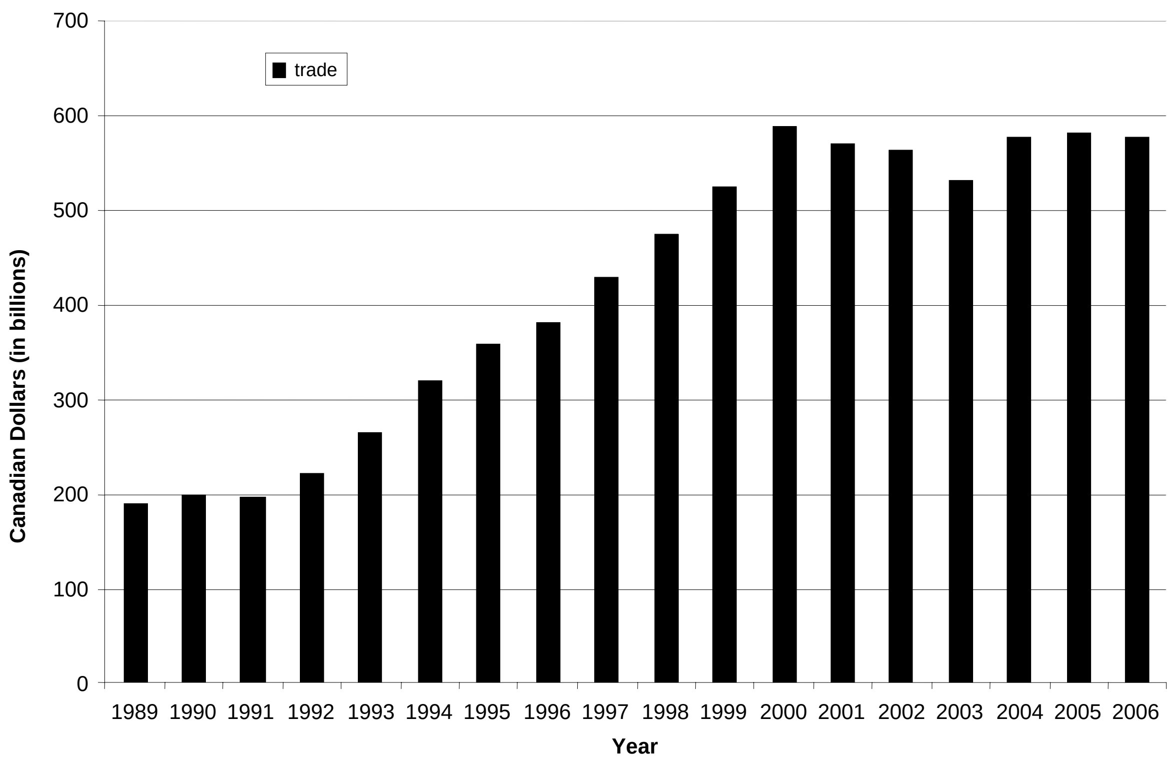
The FTA and NAFTA liberalized trade, reduced tariffs, and greatly expanded the amount of trade between the three countries. Between 1989 and 2000, for instance, the amount of trade between Canada and the United States tripled, reaching a peak of Can$589 billion (Foreign Affairs and International Trade Canada, 2003) (see Figure 2). While these agreements were negotiated by the respective national governments in Washington, Ottawa, and Mexico City, their economic impacts have been most acutely felt in the distant smaller cities and towns located along the borders.

The FTA and NAFTA altered not only the economic relationship between the three countries but also long-established transportation patterns (Bradbury, 2002; Woudsma, 1999). Prior to the implementation of free trade agreements, the principal historic transportation flows throughout North America were predominantly oriented east–west. After the implementation of free trade, 10 times as much truck traffic crossed the Canada–U.S. border as moved between western and eastern Canada, a reversal of the situation before 1985 (Clayton & Blow, 1995). Thus, the FTA and NAFTA significantly reoriented the flow of goods in North America from east–west to north–south.

This reorientation, along with expanded trade between Canada and the United States, was predominantly felt along major highways, railways, and at border ports of entry. For the most part, these transborder corridors and port facilities were not designed to handle the amount of traffic they were now attempting to serve. Figure 3 depicts the increase in the number of trucks crossing the Canada–U.S. border from 1995 to 2006. Transborder truck traffic increased at an annual rate of 13.3%

between 1989 and 2000, and this trend was expected to continue (Department of Foreign Affairs and International Trade, 2004). Not surprisingly, border communities suddenly had to deal with increased traffic and congestion.

Figure 2. Value of Canada–U.S. trade.



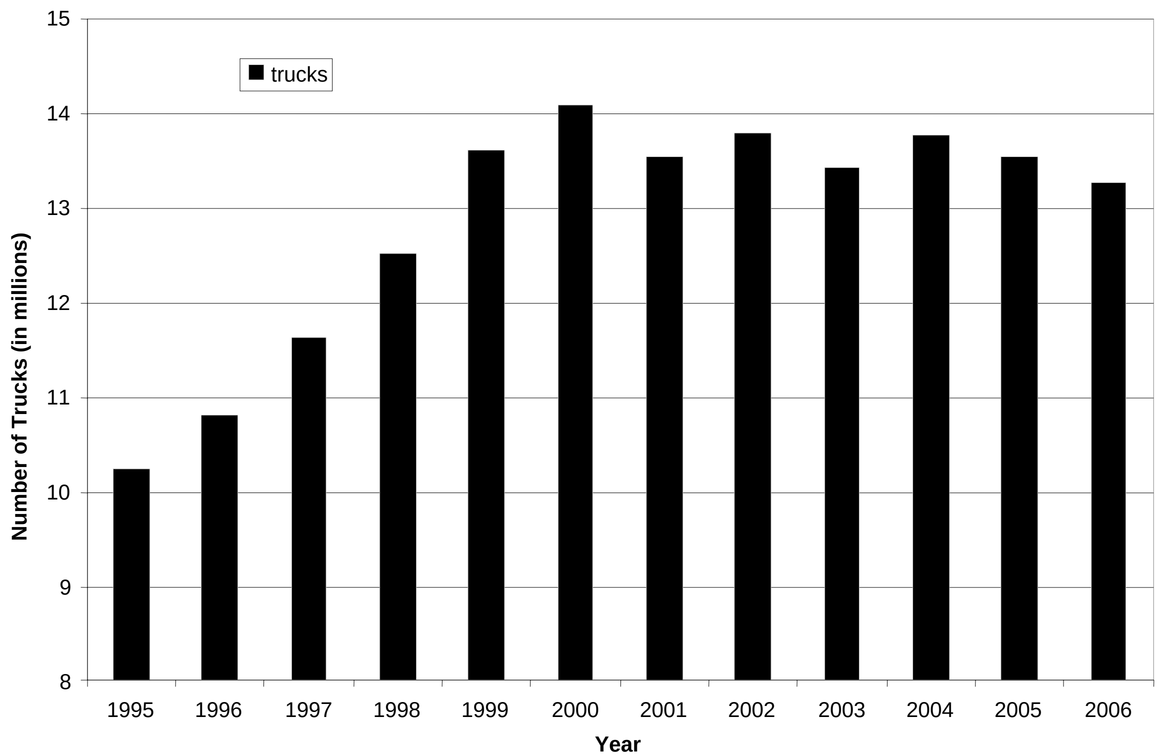
Source. Statistics Canada, International Trade Division, 1990 to 2007.

In addition, free trade not only reduced the economic barriers to trade between the two countries but also contributed to a smooth and relatively painless flow of noncommercial traffic as well. Although Canadians and Americans have traditionally enjoyed relatively easy access across the border, the process became much more streamlined after the passage of the FTA and NAFTA. Crossing the border was relatively uncomplicated, with simple oral declarations of citizenship normally accepted.

Figure 4 shows the number of cross-border travelers between Canada and the United States from 1980 to 2006. It is important to note that Canada's population is only a 10th that of the United States, yet between 1986 and 1991 the number of Canadians crossing the border to visit the United States doubled. This dramatic increase was largely due to the implementation of the FTA, a relatively favorable exchange rate between the Canadian and U.S. dollars, and the introduction of a federal Goods and Services Tax (GST) by the Canadian government in 1991.

The GST was implemented not just as a replacement for the former federal sales tax but was extended to cover the consumption of services as well as consumer goods. When first imposed, the tax was highly unpopular and, not surprisingly, has remained so. The GST is commonly referred to by western Canadians as the "Gouging and Screwing Tax" and, according to Newman (1995), led to a revolution of sorts, one that encouraged Canadians to cross the border to shop in the United States as a means to avoid paying the tax. The significance and magnitude of cross-border shopping as a form of both political and economic protest should not be underestimated. The GST, when first introduced, was 7% (it was reduced to 6% in July 2006) and, when combined with the 7% provincial sales tax in British Columbia, created a total tax rate of 14%. This actually overrode the difference in the currency exchange rate between the Canadian and U.S. dollars at the time. Canadians surged over the line into U.S. border towns in order to shop, save money, and avoid paying the tax. It was estimated that the Canadian government lost Can$140 billion annually due to Canadians' crossing the border to

Figure 3. Number of trucks crossing Canada–U.S. border.

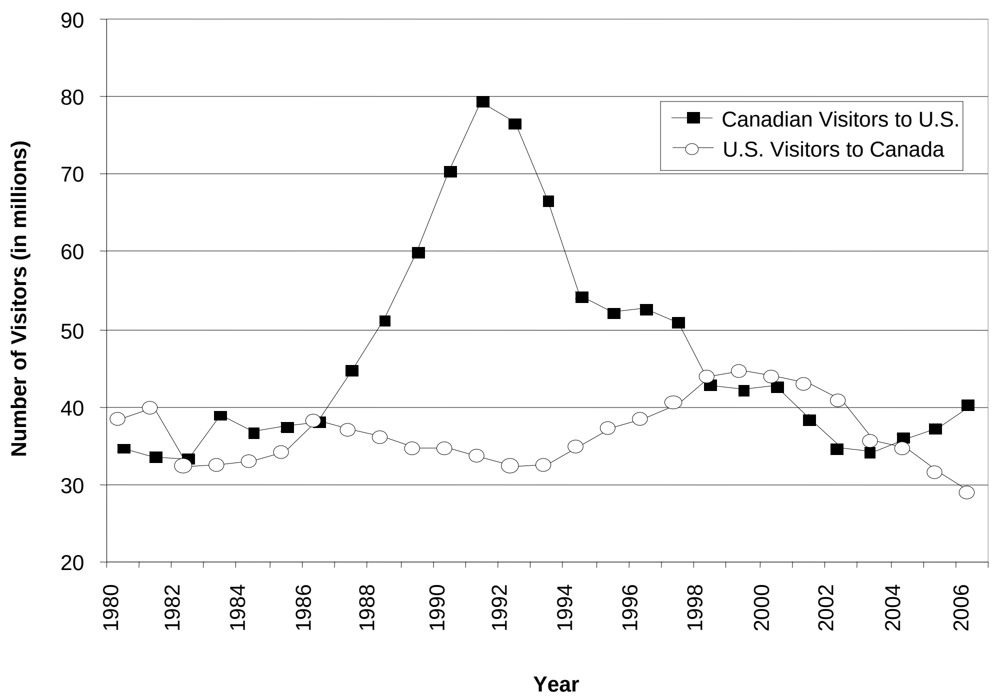


Source. United States Department of Transportation, Bureau of Transportation Statistics, Border Crossing/Entry Data, 1995 to 2006.

shop (Newman, 1995). One of the most interesting aspects of this cross-border shopping phenomenon was the fact that it involved people who lived in close proximity to the border shopping and returning home all in the same day. Same-day visits composed approximately 72% of the total trips made by Canadians to the United States between 1986 and 2000 (Statistics Canada, 2001). Similarly, same-day trips dominated the number of trips made by Americans to Canada between 1986 and 2000 at 65% (Statistics Canada, 2001). From 1989 to 1994, a brief golden era of cross-border shopping emerged in the United States as the Canadian dollar strengthened relative to the U.S. greenback and continued protest against the GST encouraged cross-border activity by Canadians (see Figure 4). During this period, Canadian residents making numerous same-day trips across the border annually dominated cross-border shopping.

Despite the wide fluctuations in the number of visitors crossing the border over the last 20 years, most of these variations can be explained by changes in the currency exchange rate between the Canadian and U.S. dollars (see Figure 5). Correlation coefficients identify a strong relationship between the number of visitors crossing the border and the exchange rate. Strong positive coefficients (close to 1) indicate that Canadians are slightly more sensitive to variations between the dollars than are Americans. Between 1989 and 2000, as the Canadian dollar strengthened relative to the U.S. dollar, Canadians were more likely to be willing to cross the border (with correlation coefficients of 0.93). Similarly, as the U.S. dollar strengthened relative to the Canadian dollar between 1989 and 2000, the number of Americans willing to cross the border increased, demonstrating a strong positive correlation of 0.87. Thus, between 1989, when a free trade policy was implemented, and 2000, simple economics seemed to govern the cross-border activities taking place within the western borderland region.

Figure 4. Number of cross-border visits.

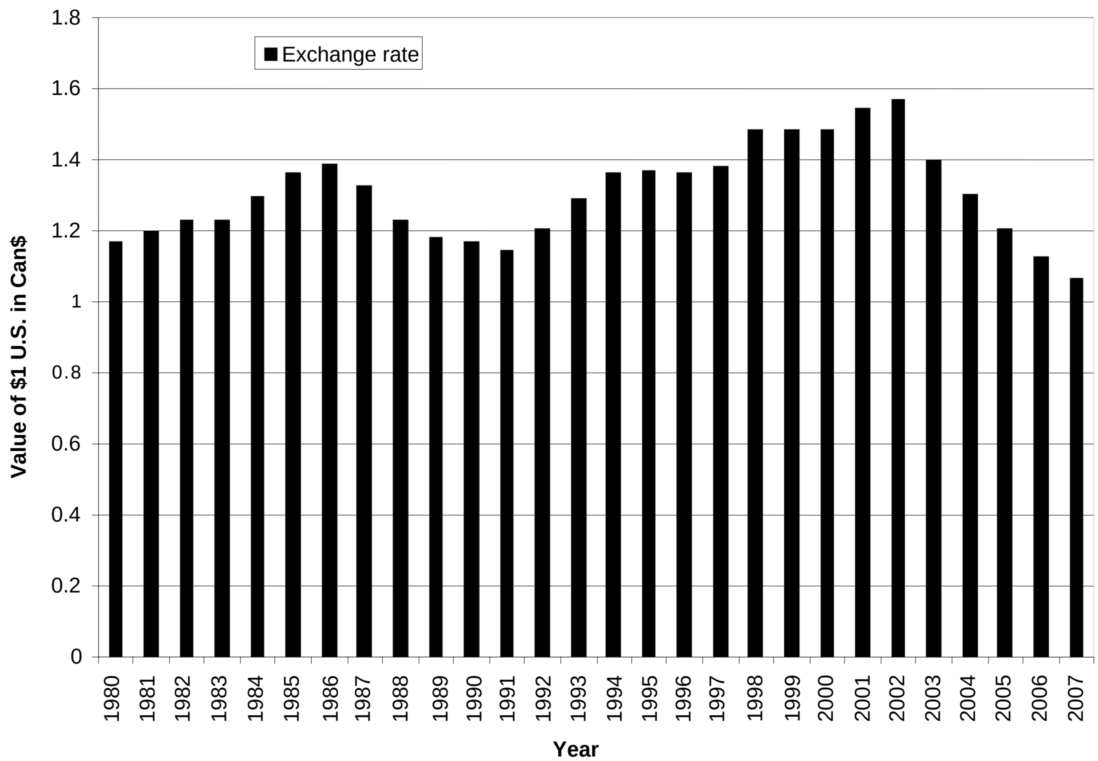


Source. Statistics Canada, Travel and Tourism: International Travel, 1986 to 2006.

4.0 Security Policies

Just as the borderlands were adjusting to the economic changes due to free trade, the terrorist attacks of September 11, 2001, resulted in another swift and significant policy shift, both nationally and internationally. New security concerns took priority over the facilitation of trade in the United States and Canada (Hale, 2002; Molot, 2003; Senate of Canada, 2005). Given both countries' prior commitment to economic integration, the challenge that their respective governments faced was how to simultaneously achieve both secure *and* efficient trade and travel across the border. On December 12, 2001, the governments of Canada and the United States responded to this challenge by signing the Smart Border Accord. This agreement contains a 32-point action plan designed to concurrently enhance security at the border while facilitating the legitimate flow of people and goods (Government of Canada, 2001).

Figure 5. Canada–U.S. dollar exchange rate.



Source. Bank of Canada, 2007.

Both governments reacted quickly in responding to this new security reality. Perhaps the most significant and visible aspect of the new security concerns was the complete restructuring of both nations' border law enforcement agencies. In the United States, a new cabinet-level agency, the Department of Homeland Security (DHS), was created. The former U.S. Customs Service was moved from the Treasury Department and merged with the Justice Department's Immigration and Naturalization Service, creating the Customs and Border Protection (CBP) organization within DHS. In Canada, the Canada Border Services Agency (CBSA) was created out of Canada Customs, Citizenship and Immigration Canada, and the Canadian Food Inspection Agency. CBSA is now administratively located within Public Safety Canada.

Along with the development of these new institutional structures, a more technical and bureaucratic approach to planning and policy implementation was reinstated within the borderlands region. This bureaucratic approach has resulted in the relatively swift implementation of the programs contained within the Smart Border Accord's action plan. The most visible and striking change that has occurred on the ground within the borderlands has been the militarization of the border since 2001. Examples on the U.S. side of the border include the use of uniformed members of the National Guard to assist U.S. Customs and Border Protection personnel. For instance, the Adjutant General of the Washington Military Department at Camp Murray, Washington (adjacent to the Fort Lewis complex), is now tasked to work cooperatively with civilian law enforcement agencies, including the DHS, at the border. Significant changes have occurred on the Canadian side of the border as well. By the end of 2008, all Canadian CBSA officers will have completed the required training and will carry firearms (CBSA, 2007). While all American border officers have been armed since 1979, arming Canadian border officers is a major policy transformation. It is also one that many Canadians find extremely disconcerting and not in keeping with the traditional image of Canada and its ideology of "peace, order and good government."[1]

Additional port staff have also been hired in an effort to expedite trade and travel in the borderland corridors. DHS has doubled the number of U.S. customs inspectors from 1,615 to 3,391, and the number of Border Patrol officers deployed along the northern U.S. border has tripled since 2001 (U.S. DHS, 2006). Similarly, CBSA has hired an additional 400 permanent border officers, thus ensuring that no Canadian border personnel will work alone—a common practice in the past at some of the smaller, more remote border ports (Office of the Prime Minister, 2006). In addition, new Integrated Border Enforcement Teams, consisting of law enforcement and customs and immigration representatives from both countries, now work within the transborder region.

The militarization of the border has expanded beyond increasing border staff to include physical changes at the ports of entry. Since 2001, border ports and facilities have been redesigned in such a way that they resemble military checkpoints. Cross-border travelers are now greeted with barricades, barbed wire, warning signs, and a veritable forest of cameras and license plate scanners, all monitored by armed, body-armor–wearing border personnel. All of this has combined to create what we refer to as the *psychological border*. To put it bluntly, crossing the border is no longer a mere formality: To many it is now a very intimidating experience.

The attitude of the inspecting officers has also changed along with the new regulations. The mood is deadly serious and the process far more lengthy than in the past. Visitors to the United States are now subject to much greater scrutiny, such as fingerprinting and electronic surveillance (U.S. Customs and Border Protection, 2003). Added to this is the issue of personal identification. The creation of the Western Hemisphere Travel Initiative (WHTI) as part of the Intelligence Reform and Prevention Act in 2004 ended the long-standing tradition of oral citizenship declaration by both U.S. and Canadian citizens at the border. New DHS regulations now require presentation of passports for entering travelers at all land ports as of June 2009 (U.S. DHS, 2007). The WHTI requirements are expected to negatively affect travel and tourism in both the United States and Canada, with the largest impact expected on same-day, cross-border trips (Conference Board of Canada, 2006). The passport requirement serves as both a psychological and economic barrier, for the cost associated with providing members of an entire family with passports is a considerable added expense now associated with crossing the border. The combination of all of these changes has created a psychological barrier that ultimately discourages casual cross-border travel.

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[1] Referring to section 91 of the British North American Act of 1867, the legislation that created the Dominion of Canada.

The impact of this psychological border can be seen in Figures 2 through 4. The amount of trade between Canada and the United States has remained relatively flat since 2001, while the number of Canadians and Americans crossing the border has declined since 2000. In addition, since 2001 the percentage of same-day, cross-border trips compared to total trips has declined for both Canadians (down 10% from 72% to 62%) and Americans (down 7% from 65% to 58%). Similarly, the close relationship between the exchange rate and the number of cross-border Canadian visitors is not as strong as it once was, which is indicated by a much weaker correlation coefficient of 0.51 between 2001 and 2006. Thus, despite the strengthening of the Canadian dollar since 2002, the number of Canadians traveling across the border has failed to increase as they would have in the past. Although the exchange rate in 2005 was approximately the same as in 1992, the number of Canadian cross-border visitors was over 50% higher in 1992 than in 2005. Research by Roy (2007) supports the findings that the close relationship between the exchange rate and the number of cross-border shoppers changed after 2001. Thus, it appears that the introduction of the new security measures has created a psychological barrier that is now superseding economics. While national trends have periodically caught the attention of politicians and the national press, the economic and social impacts on the small towns that lie along the border have largely been ignored.

5.0 Economic Policies and Western Border Towns

Border towns developed in order to take advantage of the channels through which people and goods are exchanged between countries. Towns that developed at or near official border ports of entry along major transportation routes and their local economies were linked to traditional border functions. In the West, these towns served as economic outposts within a sparsely settled, rural landscape. For instance, the town of Colville, Washington, dates back to old Fort Colville, a Hudson's Bay Company fur trading post established in 1825. In addition to providing traditional border functions such as ports of entry and customs and immigration services, the economies of these towns are also tied to regional primary economic activities such as mining, logging, or agriculture.

The seven border towns involved in this case study are identified in Table 1, and their locations are shown on Figure 1. As the table indicates, all of these border communities are small towns: Most of them range in size from 1,000 to 5,000 in population. The most common characteristic of these towns is their rapid transformation resulting from the introduction of the FTA and NAFTA. Largely as a result of these economic policies, as well as the introduction of the GST in Canada and fluctuations in the exchange rate, these border towns have become destinations for cross-border visitors. In response, these small towns have recently experienced significant restructuring within their retail sectors, along with alternating booms and busts as the shifting economic situation favors first one side of the border and then the other (Campbell & Lapham, 2003). The particular retail activities that developed and expanded in these border towns as a response to cross-border shopping include gasoline stations, auto parts stores, grocery stores, shoe stores, eating and drinking establishments, and discount stores.

Local businesses are not the only ones to have expanded to take advantage of the rapidly changing marketplace: Many national and regional retailers were quick to recognize and capitalize on these economic shifts. Wal-Mart is active on both sides

Table 1. *Border Town Characteristics*

Border Town	Population 1990*	Population 2006	Distance to Border	Major Retailers	Casino
Blaine, WA	2,489	4,508	At border	1**	Yes
Sumas, WA	744	1,132	At border	1	Yes
Omak, WA	4,117	4,751	40 miles	2, 3	Yes
Colville, WA	4,360	5,049	39 miles	1, 2, 3	No
Sandpoint, ID	5,203	8,206	25 miles	1, 2, 3	No
Trail, BC	7,921	7,237	7 miles	2	No
Cranbrook, BC	16,447	18,267	40 miles	2, 3	No

*The population estimates for Canadian towns are for 1991.
**1 = NAPA Auto Parts; 2 = Wal-Mart; 3 = Payless Shoe Source.
Source. U.S. Census, Statistics Canada.

of the border. Of the seven border towns involved in this study, five have welcomed a Wal-Mart store since the introduction of free trade policies. Other commonly found retailers in these border communities include NAPA Auto Parts stores, Payless Shoe Source, and Les Schwab Tires. Certain services such as car repair shops have developed in these communities because the acquired service and/or parts can be easily hidden from customs inspections and thus are often not declared. Also particularly attractive to Canadians is the presence of casinos on the U.S. side of the border, since gambling, pull tabs, and bingo are restricted in Canada. Three of the U.S. border towns in this study either have, or did have, a casino at one time. When compared to other Washington and Idaho towns of similar size experiencing similar rates of population growth, the border communities of Blaine, Sumas, Omak, Colville, and Sandpoint contained more than 30% more retail establishments, 20% more grocery stores, 75% more gas stations, 25% more auto supply stores, 30% more eating establishments, and 560% more shoe stores than the comparison (nonborder) towns (see Table 2). As a result of this cross-border commerce, some unusual and very specific adaptations have developed, especially the two-drawer cash register, providing travelers with the option of paying and receiving change in either Canadian or U.S. funds.

The effects of federal economic policies have obviously been felt on both sides of the border. Between 1989 and 1994, border towns in the United States became major destinations for Canadians. Washington border towns such as Blaine, Sumas, Omak, and Colville, as well as Sandpoint, Idaho, all experienced tremendous growth and expansion within their retail sectors. However, the boom quickly turned to bust in the late 1990s as a decline in the currency exchange rate severely eroded the buying power of Canadians. Merchants in these communities responded by offering incentives, such as advertising prices at a reduced exchange rate or at par, in an attempt to lure Canadians across the border. However, numerous empty storefronts and boarded-up buildings remain as evidence of the overexpansion that took place on the U.S. side of the border between 1989 and

1994. The fluctuating exchange rate aids in explaining the variations in the number of cross-border visitors within the region (see Figure 6). From 1998 through 2006, small Canadian border towns such as Trail and Cranbrook, British Columbia, became destinations for American tourists because of a very favorable exchange rate. Research by Campbell and Lapham (2003) shows that American and Canadian border residents quickly shift their expenditures toward the less expensive country and thus are very sensitive to changes in the exchange rate.

Table 2. *Comparison of Border Town Retail Activities with Nonborder Towns*

Number of establishments	Border towns	Nonborder towns	Ratio of border/nonborder establishments
Retail	3,975	2,995	3,975/2,995 = 1.3
Grocery stores	207	171	207/171 = 1.2
Gas stations	405	214	405/214 = 1.9
Auto supply	213	168	213/169 = 1.3
Shoe stores	99	15	99/15 = 6.6
Eating establishments	1,168	878	1,168/878 = 1.3
1990 population	16,913	17,289	
2006 population	23,646	23,417	

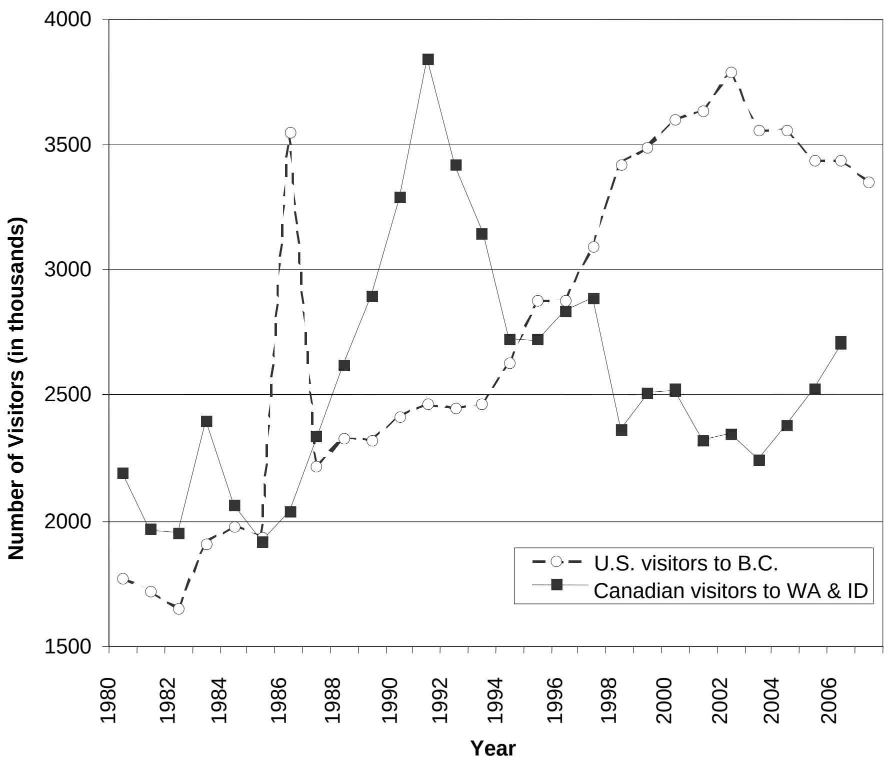
Note. Border towns include Blaine, Sumas, Omak, Colville, and Sandpoint. Comparison nonborder towns include Sequim, Chelan, Ephrata, Medical Lake, and Newport.
Source. United States Census, County Business Patterns, 1994 to 2005.

6.0 Transportation and Border Improvement Policies

As the discussion and figures indicate, the passage and success of the free trade agreements contained direct implications for transportation. Unfortunately, the FTA and NAFTA were simply written and considered as economic policies with no real adjustment provisions for the resulting impacts on other related policy areas, such as transportation, security, or immigration (Milner, 1998). Communities on both sides of the border struggled with issues of border congestion and delays and the need to better facilitate the trade and tourism that were developing in their region. However, when it came to transportation policies and planning, each country worked independently with little thought toward coordinating efforts. In the United States, the Intermodal Surface Transportation Efficiency Act (ISTEA) was passed in 1991. ISTEA provided funding for studies on border congestion and identified priority projects and infrastructure improvements to overcome operational deficiencies near the borders (both the Canada–U.S. border and U.S.–Mexico border). In 1998, Congress passed another transportation act, the Transportation Equity Act for the 21st Century (TEA-21).

This act contained two programs specifically targeted at transportation improvements within the borderlands: the National Corridor Planning and Development Program (NCPD) and the Coordinated Border Infrastructure Program. Combined, these two programs consisted of over US$700 million in infrastructure investments to help facilitate the flow of trade and traffic in the border region (U.S. Department of Transportation, 1998). It was not until 2000 that the Government of Canada finally announced a 6-year, Can$2.65 billion transportation package aimed at improving transportation infrastructure, with Can$665 million specifically designated for the Strategic Highway Infrastructure Program for improvements within transborder corridors.

Figure 6. Number of cross-border visits.



Source. Statistics Canada, Travel and Tourism: International Travel, 1986 to 2006.

7.0 Local Responses: Grassroots Planning Institutions

Despite the establishment of these transportation packages, progress at the national level was slow to accomplish the much-needed improvements to facilitate cross-border trade, transportation, and tourism. In response, western communities came together to create the International Mobility and Trade Corridor Project (IMTC). The IMTC was conceived of as a means to facilitate local-level, binational planning efforts. The IMTC began in 1997 and was one of several test projects funded under TEA-21's NCPD program. The IMTC consists of a coalition of Canadian and American businesses and government entities and was formed to identify and promote cross-border mobility improvements within the Cascade Gateway (consisting of the four land border ports located in extreme western Washington and British Columbia: Peace Arch-Douglas, Pacific Highway, Lynden-Aldergrove, and Sumas-Huntingdon). Today, membership in the IMTC consists of more than 200 binational public and private organizations that are committed to the shared goal of facilitating trade, transportation, and tourism as a means to improve the regional economy (IMTC Project, 2007). The IMTC provides a forum that encourages collaboration among businesses, government, and transportation and border agencies and works to identify and prioritize transportation projects so that coordinated action can take place on both sides of the border. Based in Bellingham, Washington, the Whatcom Council of Governments, whose mission is to facilitate and encourage regional cooperation among counties, cities, and other entities, administers the IMTC. Since its inception in 1997, the IMTC has helped to secure over $38 million from Canadian and U.S. agencies for border infrastructure projects, studies, and other improvements (IMTC, 2007).

Officials in the region point to the IMTC as a model for establishing regional coordination on border issues and planning efforts. Prior to the establishment of the IMTC, transportation planning and the implementation of the free trade agreements within the region were part of a top-down, bureaucratic planning process typically dominated by federal, state, and provincial players. While the IMTC formalized a practice of binational, interagency communication that had been taking place informally, it also broadened the number of participants within the process. In particular, the IMTC was crucial in providing many of these small communities with an entryway into the discussions and planning that were taking place within the region. The IMTC was pivotal in converting the planning process to include a more collaborative information-gathering and -sharing approach. Including local governments, businesses, and agencies on both sides of the border helped to legitimize the concerns and discussions that have taken place and assisted in reaching consensus on goals and prioritizing among projects. By providing a forum, the IMTC contributed to the development and appreciation of a shared destiny among the members, thus creating awareness that their economic futures were linked together. In addition, since IMTC members live and work in the region, they particularly understand the problems, challenges, and constraints unique to the borderlands. As a result, the IMTC's response to problem solving has been more creative and responsive to local needs. The IMTC has repeatedly served as a test location for what have become national border programs (examples include the Peace Arch Crossing Entry program, which eventually became known as NEXUS, an expedited border-crossing program for frequent, low-risk travelers). Most important, especially given the dynamic and volatile changes that have taken place within the borderlands over the past 20 years, the IMTC has helped members to recognize that by planning collaboratively, they can achieve a higher level of stability and confidence in their decision making.

8.0 Conclusions

As the preceding discussion strongly suggests, free trade, global terrorism, and exchange rates have had profound impacts on the communities that lie along and near the Canada–U.S border. These border towns have little control over the national policies and international decision making that established them. In addition, there are relatively few mechanisms by which these border communities can influence these policies and how they are implemented. The top-down, highly bureaucratic approach to decision making that dominates the borderlands means that it is up to these communities to adjust and adapt to the shifting political and economic environment that surrounds them.

Obviously, it is in this type of environment, where change is constant and uncertainties are manifold, that intelligent and sensitive planning is most needed. Concern is growing within the borderlands that security is trumping not only trade but also, especially, travel and tourism. While these communities are supportive of national security policies, they feel that they have been left to shoulder a proportionally massive burden for securing their national borders. As a result, serious disagreements have appeared between various levels of government within the borderlands. For instance, there is disagreement between some border states, particularly Washington, and DHS over the creation of enhanced state driver licenses as identification cards. In addition, border communities and border agencies are increasingly coming into conflict over issues of jurisdiction and over which level of government has the authority to control development along or near the border (Christoff, 2008; Fong, 2007). While the centralized, bureaucratic approach to policy implementation worked well initially by quickly executing uniform security measures across the borderlands and fortifying the border, it has also caused friction. The inability of these measures to account for situational differences has caused tension and growing frustration among and between various levels of government. As frustration and friction grows, ignoring the concerns of these border communities and other interested parties could limit the success of national security programs and policies in the long term.

As a means to garner support for security programs that are often dependent upon local cooperation, the federal governments and their respective border agencies need to consider instituting a more collaborative planning process. The main problem with the bureaucratic process currently in place is that it lacks the ability to sort through the inevitable conflicting interests within the borderland region. A collaborative planning process would work better in this situation, where there is a wide diversity of interests that are also highly interdependent (Innes & Gruber, 2005). By providing such a mechanism for participation among the interested parties, including border communities as well as private and commercial interests, a shared understanding of the local situation will be introduced, enhancing the possibility that policies will be adapted to fit with the local context. This will introduce greater flexibility to the policies already in place and help to build loyalty and support for existing programs and security measures, thus increasing the ultimate likelihood of success. The existing IMTC project could and probably should serve as a model for institution building and process adjustments all along the border. The IMTC model offers an institutional framework for how to structure and develop a collaborative process for information sharing and for planning purposes. Failure to recognize and deal with these critical issues will have serious negative consequences for both the United States and Canada that could extend well beyond the border region.

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