Controlling For Domestic-Level Commitments:

An Analysis of the Authoritative National Commitments
Made in Canada and the United States from 1995-2000

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With the advent of globalization as the new force shaping international relations, the foreign policy activity of states has become increasingly preoccupied with the negotiation, adoption, and implementation of international agreements. When nations enter into such agreements, they alter their behaviour in accordance with its terms and therefore to some extent comply with the undertakings they have made. Since 1975 the principal forum for such policy coordination has been the G7/8 Summit of the largest industrial democracies. As a mechanism for synchronizing economic and foreign policy, the effectiveness of this process has recently been challenged on a number of fronts. Critics like W. R. Smyser contend that even when summits generate ambitious agreements on pressing economic and political issues, these collective agreements are not consistently implemented by member states. The American decision to sanction the soviet gas pipeline in the wake of the Versailles 1982 Summit and thereby unilaterally renege on one of its summit agreements is one such example of non-compliance. Other summit scholars like Ella Kokotsis are proponents of a more optimistic view. Kokotsis maintains that the annual summits “influence and shape significant global economic and political events” and have thereby become “an increasingly potent dynamic in international politics.”

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1 Please refer to G. John Ikenberry, Salvaging the G-7.
As part of this burgeoning debate on the effectiveness of the annual G7/8 Summits, empirical attempts have been made to measure member state compliance with summit agreements. Underlying some of these analyses is the assumption that summit compliance is due to the G7/8 commitment itself, and not commitments made in other international or domestic fora. Many of these compliance studies do not control systematically for other causal variables in the domestic or international realm. To demonstrate that the G7 is a regime whose norms and rules constrain member behaviour, the first test is to control for the counter argument that compliant behaviour with Summit commitments is due to autonomous national decisions and not collective international ones. The purpose of this essay is to control for this domestic variable in both Canada and the United States. This paper will identify the authoritative national commitments expressed in both the American State of the Union Address and Canadian Speech from the Throne, compare Summit commitments with these national commitments made in both the given and preceding year, and examine the compliant behaviour of each country against the most relevant Summit and national commitment in order to show that American and Canadian compliant behaviour with Summit commitments did not principally arise from autonomous national decisions.

To begin with it is first necessary to clear the analytic ground for discussion. The underlying aim of this study is to build on an earlier analysis conducted by the author in which the summit compliant behaviour of Canada and the United States was examined in two issue areas spanning over four years. As an analytic extension of this earlier work, the present study will explore the issue specific commitments made at the domestic level in both Canada and the United states in order to control for national-level commitments.
By employing a two-country comparative approach, this paper will examine the compliance record of two summit states that lie at opposite ends of the relative capability spectrum, thereby directly testing hegemonic theories of cooperation—which suggest a correlation between a country’s relative size, as measured in terms of GNP, and its overall compliance record. A comparative approach between Canada and the United States also allows for an examination of two predominantly English-speaking countries that differ in their national institutions and position within the international community, thereby shedding light on whether an internationalist middle power operating under a parliamentary system of government (Canada) has a higher compliance record than a unilateralist great power operating under a presidential system of government (United States).

By exploring the issues of international trade and debt relief, this study will build on the empirical analysis of the author’s earlier work. Admittedly, an examination of such foreign policy oriented issues makes it more difficult to assess the pattern of autonomous decision-making at the domestic level since national presidential or parliamentary addresses tend to focus on more domestically oriented issues like education, health care and employment. Given the interdependency of domestic economies in recent years, however, international trade commitments will undoubtedly be included in such national addresses, as will debt relief albeit to a lesser extent.

Finally, due to specific time and research constraints this study will only control for the compliance behaviour of Canada and the United States in the Summits from 1996 to 1999.³ To test whether national initiatives in the areas of trade and debt relief shaped

³ A more comprehensive study would control for the compliance behaviour of all eight Summit states and span a longer period of time.
Summit agreements, the commitments identified at the Summits will be compared with those identified in the domestic presidential and parliamentary addresses in the pre-
Summit and post-Summit period. To illustrate this point, consider the compliance behaviour of the United States in 1996. The international trade and debt commitments identified in the American State of the Union address in January 1996 and January 1997 would be compared to those identified at the Lyon Summit in June 1996.

The method used to identify domestic-level commitments is identical to the methodology used to identify summit-level commitments. As set out in the author’s earlier paper, a commitment is defined as a “discrete, specific, publicly expressed, collectively agreed statement of intent—a ‘promise’ or ‘undertaking’ by Summit members that they will take future action to move toward, meet or adjust an identified target.” A standard set of definitional criteria is employed to make the identification of domestic-level commitments as simple as possible.

First, commitments must be discrete. That is, each specified goal or target is represented by a separate commitment. If domestic governments specify several measures to attain one goal, each measure does not represent a different commitment but rather one single commitment. To understand why, it is useful to keep in mind that different goals are what make commitments discrete, not different measures to achieve that goal. Hence, if the government ‘pledges to attain goal x through method a, b, c’ then they have made one commitment to attain goal x, not three.

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5 Kokotsis, p.21
Second, commitments must be sufficiently specific, in that the goal that the national government has pledged to attain must be both identifiable and measurable. For example, a pledge to ‘promote global prosperity’ is not sufficiently specific to be considered a commitment because while one can identify the goal—that being to promote global prosperity—it is not readily measurable. A pledge to ‘promote market liberalization’ on the other hand does satisfy the second criteria because the goal—to promote market liberalization—is both identifiable and can be verified scientifically by examining whether the country has taken measures to reduce tariffs, quotas, and other trade barriers.

Third, commitments must be future-oriented, in that national governments must commit themselves to attain a goal by some future date. This condition can be achieved by either rearticulating a commitment initiated in previous years or agreeing on a new commitment, but it is not sufficient to simply endorse or welcome an initiative. For example, a statement that ‘reaffirms a commitment to reduce gas emissions’ is future-oriented whereas a statement that simply ‘recognizes the importance of reducing gas emissions’ is not.

Finally, while the ‘action’ of domestic governments is required in the future, this ‘future action’ need not be specified. For example, a statement pledging support for the ‘establishment of a dynamic and competitive private sector in developing countries’ is still a commitment because it identifies what the future action is—that being to establish

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6 Ibid.
7 When examining the communiqués, one may find the following points helpful. Some key words and phrases which are characteristic of commitments are: “...call on...”; “...encourage...”; “...agree...”; “...pledge...”; “...seek...”; “...reaffirm commitment...”; “...urge...”; “...create...”; “...ought to/should...”; “...insist on...” Some key phrases which are not characteristic of commitments are: “...welcome...”; “...look forward to...”; “...emphasize...”; “...recognize importance...”; “...give particular emphasis to...”; and “...promote...”
a private sector—even though it doesn’t specify how this future action is to be attained. A statement however that articulates, ‘concern over the lack of a dynamic and competitive private sector in developing countries’ is not a commitment because it does not bind the national government to future action.

Having cleared the intellectual ground for discussion, one can now compare and contrast the record of international trade and debt relief commitments made at the domestic level in both Canada and the United States. In Canada the Speech from the Throne was given three times between the years 1995 and 2000. During this time a total of eleven international trade commitments were made. The distribution of the number of commitments was relatively even with four trade commitments identified in 1996, two in 1997, and five in 1999. It is not clear why there were only two trade commitments identified in 1997 although the 1997 Throne Speech tended to place more emphasis on socially-oriented issues: national unity, investing in children, investing in quality care and good health, and building safer communities. While there were a relatively stable number of identifiable trade commitments in each given year, no debt relief commitments were identified. This is not surprising since the Speech from the Throne addresses issues that principally affect domestic constituents.

By comparison a total number of nine international trade commitments were identified in the American addresses in the years 1996, 1997, and 1999. The distribution of the number of commitments was much more skewed, however, with a larger number of commitments identified in 1999. More specifically, there were no international trade

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8 Kokotsis, p. 21
9 From 1995 to the present year, there were six American State of the Union Addresses (one every year) and three Canadian Speeches from the throne (1996, 1997, 1999). Therefore it is not feasible to compare
commitments identified in 1996, one identified in 1997, and eight identified in 1999. This could be in part due to the fact that the American economy was doing much better by the end of the decade than in the beginning, enabling the President to focus on matters other than purely domestic ones. As in Canada, no debt relief commitments were contained in the State of the Union addresses during these years. Since the presidential addresses were given every year, it is useful to examine all five Presidential addresses in the United States. In doing so, no distinct pattern in the number of trade commitments can be identified although there is a general tendency for the number of trade commitments identified domestically to increase in the latter years. From 1995 to 1997, for example, a total of two international trade commitments were identified while fifteen were identified from 1998 to 2000. In much the same way the number of debt relief commitments increased as well, with no identifiable commitments being made from 1995 to 1997 and two identifiable ones being made from 1998 to 2000. In sum Canada observed a larger number of international trade commitments domestically in the mid 1990s while the United States observed a larger number of trade commitments in the latter part of the decade. There does not appear to be any apparent reason for this, although it has been suggested that the United States has become increasingly focussed on internationally oriented economic issues as its economy has been booming.

Although the number of identifiable trade commitments varied between Canada and the United States, with the United States observing a much more skewed right distribution, the content of such commitments was remarkably similar. Both the commitments identified in the presidential and parliamentary addresses focus on the domestic-level commitments made in both Canada and the United States for all specified years, but every attempt will be made to make realistic comparisons for the years in which the speeches overlap.
liberalizing trade, bilateral and multilateral trade agreements, and developing measures to enhance domestic export development. For example, the Government of Canada in the 1999 Speech from the Throne officially pledged to “work with its partners in the hemisphere toward the establishment of a free trade area of the Americas by the year 2005.” At the Same time, in the 1999 State of the Union address, the President of the United States asked the Senate to “support creating a freer and fairer trading system for 21st Century America.” In focusing on the transparency and accountability of international organizations, the Canadian government pledged to “use the upcoming round of World Trade Organization negotiations, including those on agriculture, to help build a more transparent, rules-based global trading system—one that ensures a level playing field, provides better access to world markets for Canadian companies in all sectors, and respects that needs of Canadians, our culture, and the environment.” In the United States, the President also pledged that the United States “must ensure that ordinary citizens in all countries actually benefit from trade” and therefore “must insist that international trade organizations be more open to public scrutiny.”

Having compared and contrasted American and Canadian international trade and debt relief commitments, in order to control for initiatives launched at the domestic level the next step is to compare such domestic-level commitments with the collective international agreements made at the G7/8 Summits. Overall, there was a larger number of trade and debt relief commitments identified at the Summit level than at the domestic level in both the United States and Canada. Using all four years 1996 to 1999, a total of 36 international trade commitments were made at the G7/8 Summits while only 17 were identified at the domestic level in the United States. This discrepancy was more striking
in the issue of debt relief, where a total of 20 debt relief commitments were made at the Summit level as compared to two in the United States. Comparing three of the years—1996, 1997, and 1999—10—a total of 26 international trade commitments were identified at the Summit level while only 11 were identified at the domestic level in Canada. On the issue of debt relief, the same pattern prevailed with a larger number of commitments being identified at the Summits (17 in total) and a smaller number in Canada (1 in total).

**Lyon 1996**

To determine whether the national commitments made in both Canada and the United States influenced or were influenced by collective international agreements, it is necessary to examine domestic commitments in the pre-Summit and post-Summit period. To begin with, it is useful to start with the Lyon 1996 Summit. Prior to the Lyon 1996 Summit, both Canada and the United States acknowledged substantive achievements in the field of trade. The American president in particular acknowledged that, “through tougher trade deals for America, over 80 of them, we have opened markets abroad, and now exports are at an all-time high, growing faster than imports and creating American jobs.” The Canadian government went further with a commitment to implement new measures to enhance export development and financing, expand NAFTA, and work towards more world trade liberalization.

It does not appear, however, that these domestic-level commitments influenced the Summit commitments on trade contained in the 1996 Lyon Communique. That is, the collective agreement on market accessibility at the Lyon Summit did not closely reflect the Canadian government initiative. The Summit leaders instead focussed on measures to eliminate obstacles that still seriously impede freer access to markets. In particular, they

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10 The years for which there is a corresponding Speech from the Throne.
agreed to encourage more convergence between national standards and international
norms and more regulatory reform—through mutual recognition of procedures for testing
and for certification and through the development of an interim arrangement on
transparency, openness, and due process in government procurement practices.

Although there is not a strong correlation between domestic commitments made
prior to the summit and the commitments made at the Summit itself, there is a correlation
between Lyon Summit commitments and subsequent commitments made in both Canada
and the United States, suggesting that domestic governments were in fact adjusting to
international agreements. In his 1997 State of the Union Address, the President did in
fact acknowledge the Lyon commitment on market accessibility by making a
commitment of his own, albeit one more closely concerned with domestic interests: “We
must act to expand our exports, especially to Asia and Latin America—two of the fastest
growing regions on Earth—or be left behind as these emerging economies forge new ties
with other nations. That is why we need the authority now to conclude new trade
agreements that open markets to our goods and services even as we preserve our values.”

This correlation is further reflective in American attempts to comply with its
Summit market accessibility commitment. Although there is little evidence that
American leaders allocated substantive budgetary resources to fund the Lyon market
accessibility initiative, efforts were made to implement the initiative in the United States.
Indeed the commitment was officially reaffirmed and significant program proposals were
introduced. Daniel Tarullo, Deputy Assistant to the President for Economic Policy,
spoke about developments in America’s trade initiatives at a press briefing on 14
November 1996. Tarullo remarked that the President hopes to use the regional
discussions at the APEC process to give a boost to US efforts to achieve an international technology agreement within the world trade organization. This agreement would eliminate all import duties on a broad range of items in the information technology area.”

In noting that the final offer lists were not in yet, Tarullo nevertheless announced that there will be some tariff reductions and some harmonization of non-tariff barriers, a “concrete start on what is going to be an extended period of step-by-step liberalization.”

Since there is evidence that the United States implemented measures to open up markets in all areas, not just markets for American exports, it is suggested that the United States was altering its behaviour in accordance with international agreements more so than with domestic ones.

**Denver 1997**

As in Lyon, the trade commitments made at the domestic level in the United States prior to the Summit did not influence those collective agreements made at the Summit itself. To be more specific, this market accessibility commitment made by the President in his State of the Union Address in February 1997 did not reflect the market accessibility commitment identified at the Denver Summit that coming June. The American initiative focussed on opening up foreign markets to American exports whereas the Summit initiative focussed on opening up domestic markets to African exports. At Denver, the Summit leaders agreed to “continue to improve, through various means, access to our markets for African exports.” The fact that the domestic and summit

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13 Ibid.
commitment do not closely correlate is significant since the Denver Summit was hosted by the United States, and it would therefore be expected that the United States would be in the best position to assert its national interest than at any other Summit. Indeed there is evidence that the United States did influence the agenda on debt relief. As Nicholas Bayne points out, “the extensive communiqué paragraphs [on African development] were an uneasy blend of the US approach, which required all beneficiaries to meet conditions, and the European and Canadian approach, which focused on greatest need.”

The fact that the United States was able to shape the Summit agenda on African development and not on market accessibility further supports that argument that American interests in trade were constrained by international collective factors.

As in Lyon, the compliant behaviour of Canada and the United States reveals an attempt to conform to the Summit commitment on market accessibility identified in the Denver communique. In Canada, the Throne Speech which opened the first session of the 36th Parliament of Canada made mention of improving market accessibility in general terms. The government pledged to “continue its campaign for liberalized trade” since “breaking down trade barriers, both within Canada and around the world helps ensure markets for Canadian goods and services and provides the best opportunity for greater prosperity.” In his State of the Union Address on 28 January 1998, President Clinton was more specific in that he pledged to “forge new partnerships with Latin America, Asia, and Europe…and pass the new African Trade Act.”

On the Canadian trade front, Jean Chretien did officially reaffirm Canada’s commitment to improve market accessibility at the Edinburgh Summit, although the reaffirmation made no explicit mention of Africa and was therefore only tangentially

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14 Bayne, p. 130
connected to the commitment made in Denver. In the Edinburgh Communiqué, the commonwealth countries including Canada resolved to “strengthen the multilateral trading system within the framework of the WTO, in order to prevent regional arrangements from becoming exclusive trading blocs and provide for the greatest flow of international trade on the basis of agreed rules which are fair and equitable.”

Although there was little evidence of any attempts by the national government to establish a formal policy task force on this initiative, introduce new programs, or allocate sufficient budgetary resources for its implementation, Canada nevertheless made substantive attempts to honour its international trade commitment.

The United States was more aggressive in its efforts to comply with this market accessibility initiative. In a letter to the Chairmen and Ranking members of the House Committees and Senate Committees on 23 December 1997, the President reiterated America’s commitment “to provide increased access to [American] markets for African exports.” Three months later at the Entebbe Summit for Peace and Prosperity, the United States pledged to implement as quickly as possible President Clinton’s Partnership for Economic Growth and to legislate the African Growth and Opportunity Act, an enactment that will explicitly allow for broader market access for African goods. Although there was little direct evidence that budgetary resources were

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allocated to fund this initiative, it may be inferred that such an allocation of funds was forthcoming in light of the program initiatives introduced.18

**Birmingham 1998**

In contrast to either Lyon or Denver, there was no market accessibility commitment in the Summit Communique at Birmingham, apart from the extensive regional integration initiatives in developing countries and commitments on simplifying and standardizing customs procedures. There is also little evidence that international trade commitments made in Canada and the United States prior to the Summit shaped the Summit agreements on international trade. In Canada, the government made no commitment on regional integration initiatives in developing countries, but rather pledged to “continue its campaign for liberalized trade.” The only correlation was with the United States and its efforts in developing country initiatives. In particular, the United States pledged to pass the New African Trade Act, which was tangentially connected to the Birmingham pledge to use technical assistance to support regional integration among developing countries in Africa. Additionally, there is little evidence that the trade commitments identified in the Birmingham Communique significantly shaped American initiatives in the following year.19 In fact, in his 1999 State of the Union Address, the President went against trade liberalization initiatives and promoted various forms of domestic protectionism: “We must enforce our trade laws when imports

18 With respect to debt relief, in the 1998 State of the Union address the President called on Congress to renew America’s commitment to the International Monetary Fund. At the Summit that coming year in Birmingham, the Summit leaders “agreed to work in the OECD Development assistance committee, the IMF/IBRD Development Committee...to promote more flexible funding of aid and technical assistance programmes to developing countries, programmed in partnership with recipient countries.” Although the commitments were not the same, they did address similar issues.

19 Since there was no Throne Speech within this time, it is not possible to ascertain whether Canada was affected.
unlawfully flood our nation. I have already informed the government of Japan that if that nation’s sudden surge of steel imports into our country is not reversed, America will respond.”

Indeed, the compliant behaviour of the United States during this time reflects these domestic concerns. As is evidenced in Fact Sheet on the US-Japan Enhanced Initiative on Deregulation and Competition Policy, the government announced that “the Enhanced Initiative is an important component of the Clinton Administration’s strategy to further open the Japanese market, and is designed to complement on-going bilateral enforcement efforts with respect to such issues as steel, insurance, flat glass, automobiles, and government procurement. It also reinforces our effort to reduce Japanese trade barriers through the World Trade Organization and Asia Pacific Economic Cooperation forum.” Furthermore, as evidenced in the Steel Report to Congress on 7 January 1999, “the President and the Administration are taking forceful steps with our trading partners to end unfair trading practices and subsidization and to fairly share the burden of absorbing additional steel imports. Efforts have focused on Japan, Korea and Russia, the three countries which account for 78 percent of the increase in our steel imports, and on the European Union as a major steel consumer.”

In spite of this, however, there is evidence that the United States was also following Summit initiatives. In May 1998 in Birmingham, the United States and Japan announced a First Joint Status Report under the Enhanced Initiative detailing a package

20The fact sheet further stated that “Japan has been a key focus of [American] efforts, since Japan has been the single largest contributor to the current pressures faced by the American steel industry. Japan alone accounts for almost half of the entire US import surge. During his visit to Tokyo in November, the President expressed strong concern about the extraordinary increase in Japan’s steel exports to the United States and the resulting impact on the US market. The President underscored the need for fair, rule-based trade, full enforcement of trade commitments and greater market opening. He pressed Japan to adopt and implement effective economic stimulus and reform measures.”
of measures to substantially deregulate Japan’s telecommunications, housing, medical devices, pharmaceuticals, distribution, and financial services sectors. According to the Second Joint Status Report under the US-Japan Enhanced Initiative on Deregulation and Competition Policy, it has been reported that teams of American government experts overseen by American Deputy Trade Representative Richard Fisher have met throughout the year with Japanese experts from a number of Japanese Ministries to further the process and push the envelope of Japanese deregulation and restructuring. Therefore, although there is little evidence that trade commitments made in the United States in the post Birmingham Summit period reflected Summit commitments, there is evidence that the United States did in fact attempt to comply with Japanese trade initiatives.

**Cologne 1999**

American initiatives at domestic protectionism appear to have had a profound effect on the 1999 Cologne communiqué since it was the only Summit of the four that specifically addressed the issue of domestic protectionism. Indeed the leaders in Cologne called on “all nations to resist protectionist pressures and to open their markets further.” Although the President did not specifically address domestic protectionism in its State of the Union Address for 1999, there were several instances in which American pledges were reflected in the Cologne communiqué. First, the president did “issue a call to the nations of the world to join the United States in a new round of global trade negotiations to expand exports of services, manufacturers and farm products.” This call was echoed by the Summit leaders in Cologne: “We call on all nations to launch at the WTO Ministerial conference in Seattle in December 1999 a new round of broad-based and ambitious negotiations with the aim of achieving substantial and manageable results.”
Second, the President pledged that “we must ensure that ordinary citizens in all countries actually benefit from trade…We must insist that international trade organizations be more open to public scrutiny, instead of mysterious, secret things subject to wild criticism.” At the Cologne Summit, the also “agree[d] on the importance of improving the WTO’s transparency to make it more responsive to civil society while preserving its government-to-government nature.”

Although it appears that initiatives launched in the Presidential State of the Union address were adopted in the subsequent Cologne summit, there is also substantial evidence to suggest that Summit commitments influenced American initiatives launched this year. For instance, at the Cologne Summit the Summit leaders agreed to “encourage those states not yet members of the WTO to join it, by accepting its principles.” Seven months later, the President announced that “Congress should support the agreement we negotiated to bring China into the WTO, by passing Permanent Normal Traded Relations with China as soon as possible this year.” Furthermore, at the Cologne Summit the leaders reaffirmed their commitment to improve market accessibility to the least developed countries. This past January, the President too announced that “we have to make developing economies our partners in prosperity….I would like to ask you again to finalize our groundbreaking African and Caribbean Basin trade initiatives.” Finally, on the issue of debt relief, the summit leaders in Cologne welcomed the Koln Debt Initiative which was designed to provide a greater focus on poverty reduction by releasing resources for investment in health, education and social needs. Seven months later, the President addressed this issue by asking Congress to continue its payments to reduce the debts of the poorest countries.
As in the United States, the Canadian government endorsed a number of ideas encoded in the Cologne communiqué. Inspired by the Cologne commitment on WTO transparency, a few months after the Cologne Summit the Canadian government made a pledge “to use the upcoming round of World Trade Organization negotiations, including those on agriculture, to help build a more transparent, rules-based global trading system.” Additionally, the Canadian government pledged to “increase international development assistance and work in innovative ways to enable poor countries to improve the quality of life of their citizens.” This commitment reflected the earlier pledge made in Cologne to “increase the share of grant-based financing in the ODA provide[ed] to the least developed countries.”