

A Not So Special Relationship: Pierre Trudeau, Richard Nixon and
the Reshaping of Canada-US Relationship between 1969 and 1974

By

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Abstract

Different policies, plans and personalities led Richard Nixon and Pierre Trudeau to oversee one of the more negative periods in Canada-US relations. Doing things differently, doing the same thing in a different way, and generally not understanding one another's approach to the world created a tense relationship between the two leaders. Examples of this tensions include Nixon's New Economic Policy, starting relations with the People's Republic of China, and the war in Vietnam. After Nixon left office in 1974, he left the Canada-US relationship in a state of disrepair. In the end this is a cautionary tale about the importance personality plays in diplomatic relations.

Introduction

1968 is an iconic year for many reasons: the war in Vietnam went into overdrive with the Tet offensive crushing the notion of an American victory, Martin Luther King, Jr. was assassinated, The Beatles released their *White* album and in Canada, a once obscure law professor, Pierre Trudeau, became Prime Minister. The charismatic and relatively young Trudeau was a breath of fresh air to many, replacing the staid Lester B. Pearson. However, south of the border, Americans were taking a different approach to selecting their next president. Finding Lyndon Johnson's war exhausting, Americans opted for a familiar face and steady hand when they elected Richard Nixon in November. As such, 1968 was filled with turmoil and tumult in many areas. For Canadian-American bilateral relations, it would be a harbinger of things to come.

The Canada-US relationship revolves around economics. Since the end of the Second World War Canada's biggest trading partner has been the United States. Moreover, since the advent of NAFTA (North American Free Trade Agreement) the two economies have become further dependent of one another.¹ Canada's economic relationship with the US has always been a contentious issue in Canadian domestic politics. However, the mighty power of the world's *première* superpower next door has meant that Canada has often drifted closely to its southern neighbour in matters of economic policy.

The time period from 1969 to 1974 marks a departure from what had been the norm, where both Canada and the United States were trying to break away from their

¹ Stephen Clarkson, "Uncle Sam and US: Globalization, Neo-conservatism, and the Canadian State," (University of Toronto Press 2002), 38-9

current economic and political alignments. The "Nixon shock" and his New Economic Program (NEP) along with Trudeau's "Third Option" foreign policy would be the start of a North American political divergence. However, economics was not the only concern of the time; the Vietnam War, defense policy, relations with the People's Republic of China, and Watergate were all issues that caused great concern to both nations for different reasons. The Cold War, détente, and overtures to China were all major parts of American foreign policy, thus making Canadian issues an afterthought for the bulk of Nixon's time in office. But as shall be shown, when the two sides did meet, they not only disagreed, but did so vehemently. Those disagreements were not always substantial as both countries also traded barbs and trifling insults. In the end, Trudeau and Nixon were on two very different tracks, which made otherwise resolvable issues toxic and hard to reconcile.

A Template for Success

Going into 1969, there was reason for optimism about the relationship Canada and the US had developed. For more than three decades prior, the two nations had enjoyed unprecedented prosperity and cooperation. For example, President Roosevelt and Prime Minister William Mackenzie King had personified solid and constructive bilateral relations. The pair, in just one meeting in 1936, secured a major trade deal between the two countries; an accomplishment that had not been achieved since the 1850s.² The two would often have private meetings to discuss trade, defence issues, and of course, the

² J.L. Granatstein, *Mackenzie King: His Life and World*, (McGraw-Hill, 1977) 150-1; Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, (Double Day Canada, 1982) 120; J.L. Granatstein, "Free Trade Between Canada and the United States: The Issue that will Not Go Away," In the Royal Commission on the Economic Union and Development Prospects for Canada (University of Toronto Press, 1985), 12

impending war.³ The leaders also greatly respected and admired one another. Roosevelt knew Canada well, often traveling there in the summer. Moreover, both men attended Harvard giving them yet another commonality.⁴ They bonded well to the point that some observers believed the two were a little too friendly. In fact, King was so tight lipped about his personal meetings with the President that the White House Press corps came up with a little rhyme: "William Lyon Mackenzie King—never tells us a goddamn thing."⁵ Yet, the press could not stop their budding friendship. At one point, the President stopped in at Queen's University on August 18, 1938, to proclaim that the US "would not stand idly by" if Canada ever came under threat or aggression from a foreign power.⁶ Building on that sentiment, the leaders also crafted the Ogdensburg Agreement in August 1940, which created the Permanent Joint Board of Defense.⁷ This is one of the only institutionalized parts of the Canada-US relationship, and it has lasted to this day. Less than a year later, the two drafted the Hyde Park Agreement, which stipulated that Canadian made war goods could be part of the Lend Lease program as aid to the U.K.⁸ It was an excellent example of cooperation between the two countries. King and Roosevelt during the challenging times of the Second World War, did not provide the only example of Canada and the US cooperating well. The war made efficient cooperation necessary for the two countries, thus aligning the foreign policies of each country towards the same political

³ Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 120-1, 124; J.L. Granatstein, *Mackenzie King: His Life and World*, 150

⁴ Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 118

⁵ *Ibid.*, 126

⁶ Jean Edward Smith, *FDR*, (Random House, 2008), 425

⁷ Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 126, 133-4; Denis Stairs and Gilbert R. Winham, "The Politics of Canada's Economic Relationship with the United States," 3-4

⁸ J.L. Granatstein, *Mackenzie King: His Life and World*, 150

plane. King, and eventually Louis St. Laurent, worked well with President Truman and Eisenhower.

Nevertheless, as a contrast to King and Roosevelt, warm personal relations between leaders, while helpful, were not necessary in order for the two nations to work well together. The early and mid-1960s were proof of worsening interpersonal relationships between Canadian and American leaders. The manufacturing of consumer goods was an integral part of US and Canadian economies at the time, particularly the manufacturing and sale of automobiles.⁹ The issue required close attention from politicians. Nevertheless, President Johnson and Prime Minister Lester B. Pearson were not the closest of friends and their styles were not always compatible. The Prime Minister was low key, diplomatic, and perceptive; the President was the embodiment of a good old boy, brutish, supersensitive, and pugnacious.¹⁰ However, these differences in personality between the pair did not stop them from drafting the auto pact of 1965. The pact eliminated the taxes and tariffs on cars, their parts, and other automobile related goods to facilitate cross-border trade. Overall, this would render cars more affordable for people looking to purchase vehicles and provide benefits to the manufacturers in the US. In exchange, the big three auto makers—Ford, General Motors, and Chrysler—guaranteed that a certain percentage of their vehicles would be produced in Canada.¹¹ What was perhaps most impressive about this achievement was the fact that it was accomplished

⁹ Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 149-51; Dimitry Anastakis. "Continental auto politics: The failure of opposition to the 1965 auto pact in Canada and the United States," 131-3

¹⁰ Robert Dallek, *Flawed Giant: Lyndon Johnson and His Times, 1961-73*, (Oxford University Press, 1995) 3-5

¹¹ Dimitry Anastakis. "Continental auto politics: The failure of opposition to the 1965 auto pact in Canada and the United States,"; Bruce Muirhead, "From Special Relationship to Third Option: Canada, the US., and the Nixon Shock" 443

despite entrenched opposition on both sides of the border.¹² The pact had wide-ranging economic effects, all the way from cheapening auto parts to flooding the market with more affordable cars.¹³ This was all accomplished despite diplomatic disagreement regarding the war in Vietnam, nuclear weapons, and a political discord between the Canadian and American leaders. However, these issues did not impend progress overall between the two nations; in fact, it was a watershed moment, creating a framework for economic cooperation and development.¹⁴

In the years prior to 1969, there was a high degree of collaboration, cooperation, and teamwork that led to tangible economic and political benefits for both nations. Likewise, there had been a precedent for cooperation and partnership—whether it be closer interpersonal relations, or difficult political negotiations. The bottom line was that the Canada-US relationship was highly functional, thus making the coming rift a surprise and shock to many onlookers. Still in the years just prior to 1969, there were perhaps some warning signs that things might get off to a bad start. There was an uproar from Canada over US economic dominance, the Vietnam War was reaching a fever pitch, and the past few office holders had strained personal relations with each other. This situation was not helped by the fact that Richard Nixon was considered by many to be “an antagonistic opposite” to work with.¹⁵ Another more obvious note is perhaps needed to explain why Nixon and Trudeau may have been destined to disagree. Richard Nixon was a man of the right, and portrayed himself as a moderate—albeit pragmatic--conservative;

¹² Dimitry Anastakis. “Continental auto politics: The failure of opposition to the 1965 auto pact in Canada and the United States,”; 131-2

¹³ Greg Donaghy, “A continental philosophy: Canada, the United States, and the negotiation of the auto pact, 1963-65.” 441

¹⁴ *Ibid.*, 441

¹⁵ Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 237; Pierre Trudeau, *Memoirs*, 216-8

Pierre Trudeau was his political antithesis, a progressive, left of centre liberal. For instance Trudeau, in his years as justice minister, reformed and liberalized many of Canada's antiquated laws. This included the regulations around divorce, abortion, and homosexuality.¹⁶ Richard Nixon, on the other hand, burnished his conservative credentials long before becoming President. Nixon used political tactics reminiscent of McCarthy in congress in order to make a name for himself.¹⁷ And, as President he was a staunch anti-communist, and a hardliner on foreign policy (with a touch of pragmatism).¹⁸ In political terms, these two men could not have been more different. Although throughout their public lives, they demonstrated an uncanny ability to survive and endure. Their ideological differences most certainly played a role in causing friction in the relationship.

It is also worth noting how different these two men were on a personal level. Their respective formative years were the polar opposite of one another's. Trudeau prided himself on being a well-traveled man. In his youth, as if to fit the *cliché* of an internationalist intellectual, Trudeau had backpacked around the globe. This voyage included communist countries, such as the Soviet Union and China. These trips helped to humanize otherwise stigmatized regimes and their people, influencing Trudeau's sympathy towards their plight.¹⁹ For such curiosity, the young Trudeau paid a price: he was barred from entering the United States due to his travels to Communists regimes.²⁰ As a few decades passed, the understanding the Prime Minister had received as a result

¹⁶ John English, *Citizen of the World: The Life of Pierre Elliott Trudeau*, (Vintage Canada, 2007) 439-40

¹⁷ George C. Herring, *From Colony to Superpower: US Foreign Relations*, (Oxford University Press, 2011) 760-64

¹⁸ *Ibid.*

¹⁹ John English, *Citizen of the World: The life of Pierre Elliott Trudeau*, 181-3

²⁰ Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 236

of his voyages remained relatively intact. On the other hand, Nixon's early life was rigid and austere. He grew up in rural Yorba Linda, California in a devout Quaker family.²¹ He had joined the Navy during the Second World War, was sent overseas, fighting in the Pacific theatre.²² Moreover, Nixon, as Vice President, traveled the globe. This is where Nixon developed many of the skills and attributes that he would employ in his later political career—skills that eventually conflicted with Trudeau's views.

There was also something else happening between Canada and the US: a political realignment—for entirely different reasons. Pierre Trudeau was born in 1919,²³ his predecessor, Lester B. Pearson, was born in 1897.²⁴ Trudeau's elevation marked a changing of the guard; a different and more adaptable and ambitious generation was taking over. In reality, Trudeau had an image to live up to. He was seen as new, relevant, and dynamic in contrast to his peers. He had done much to elevate this perception of himself in the 1968 election. In short, he promised the country that he would be different and he had every intention of keeping that promise. He was the voice of a new and assertive generation, so he planned to assert himself—especially with regards to the relations with the US. As Trudeau said about Canada's autonomy in his speech to the American Press Gallery in 1969:

It is not an excuse to prove our independence; that independence needs no proving. Nor is it an exercise intended to illustrate to the United States our potential for irritation. We have no desire, and no surplus energy, for that kind of activity.²⁵

²¹ Richard Nixon, *The Memoirs of Richard Nixon*, (Simon and Schuster, 1978), 3-5

²² *Ibid.*, 26-30

²³ John English, *Citizen of the World: The Life of Pierre Elliott Trudeau*, 5

²⁴ John English, *Shadow of Heaven: The Life of Lester Pearson: Volume one, 1897-1948*, (Lester & Orpen Dennys, 1989), 1-2

²⁵ Ivan Head, *The Canadian Way*, (McClelland and Stewart, 1995), 179

Trudeau and his government wanted to put Canada on a different track and ensure a new way forward with the US, which would involve difficult decisions and inevitably more responsibility. As the following examples will show, this would also guarantee more confrontation between the two countries.

Richard Nixon had entirely different, but no less valid, reasons for reforming relations with his northern neighbour. Nixon's reorganization was more accidental than deliberate—at least in relation to Canada. Nixon, unlike Trudeau, was elected by a nation in distress. With war abroad and civil strife at home, Nixon was supposed to be a steady hand at the tiller during an uncertain time. To correct the imbalance, Nixon wanted to reassert American dominance and reform many of the country's unwieldy commitments, which would require restructuring many of the country's core diplomatic tenets.²⁶ In essence, this meant that Nixon also wanted to put his country on a different track. He said as much during his address to the Canadian Parliament in April, 1972:

It is time for Canadians and Americans to move beyond the sentimental rhetoric of the past. It is time for us to recognize that we have very separate identities; that we have very significant differences; and that nobody's interests are furthered when these realities are obscured... What we seek is a policy which enables us to share international responsibilities in a spirit of international partnership. We believe that the spirit of partnership is strongest when partners are self-reliant. For among nations—as within nations—the soundest unity is that which respects diversity, and the strongest cohesion is that which rejects coercion.²⁷

In reading these two excerpts the meaning is clear: the status quo was not working for either country. It meant that Canada and the US had to bring back to relevance their relationship to further their interests, values, and objectives. Looking at these moments in isolation, it is a hopeful indication that things would turn out well between Trudeau

²⁶ George C. Herring, *From Colony to Superpower: US Foreign Relations, 763-65*

²⁷ Address to a Joint Meeting of the Canadian Parliament.

April 14, 1972; accessed on the internet via <http://www.presidency.ucsb.edu/ws/?pid=3377>.

and Nixon. In the early stages, there certainly was promise. Unfortunately, it would end up just being that and little more. The examples that follow should be viewed through this lens: that both leader wanted to reform the current relationship to their own ends. In the end, Pierre Trudeau and Richard Nixon took something that was functional, the Canada US relationship, and for entirely different reasons tried to reshape it, with unfortunate and entirely unforeseeable consequences.

Differences Emerge—Reorganization Begins

The two leaders first met in March 1969. Some of the days' issues were spoken about: unrest in major American cities (the fear was of the possible spillover effect into Canada), anti-ballistic missiles on Canadian soil (ABMs), and further trade liberalization.²⁸ The meeting seemingly went well. The Prime Minister and the President said the necessary platitudes to please the press. Conversely, things took a turn for the worse when Trudeau went to the National Press Gallery in Washington, DC²⁹. He was perhaps at his best: irreverent, charismatic, and acerbic, which retrospectively, may have been the problem. The Prime Minister declared, with some of America's most notable reporters in the room, "Living next to you is in some ways like sleeping with an elephant: No matter how friendly and even tempered the beast, one is affected by every twitch and grunt."³⁰ This comment made more headlines and news than the actual summit. Despite

²⁸ Bruce Muirhead, *Dancing Around the Elephant: Creating a Prosperous Canada in an Era of American Dominance, 1957-1973*, (University of Toronto Press, 2007), 99-100 Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 242

²⁹ Bruce Muirhead, *Dancing Around the Elephant: Creating a Prosperous Canada in an Era of American Dominance, 1957-1973*, 5

³⁰ *Ibid.*

Trudeau's rhetorical flourish, the first meeting between the two had been more or less unproductive.

With such drastically different outlooks present between counterparts, it is little wonder why so little was accomplished in the early stages of the Trudeau-Nixon relationship. The issue of ABMs and the possible effects on Canada nicely highlight their different views. After speaking about the weapons once in March 1969³¹, Nixon provided little more information regarding their impact on Canada and Trudeau did not put up much resistance. When asked about ABMs in the House of Commons Trudeau replied: "If the Canadian government had power to make decisions in this area I think we would suggest that the ABM system should not be proceeded with."³² Already, there was a clear lack of understanding between Nixon and Trudeau. ABMs were a relatively minor issue in the grand scheme of Canadian-American politics, nevertheless, it showed a clear difference in opinion between the new leaders. On a similar note, Trudeau's warning that Canada might leave The North Atlantic Treaty Organization (NATO) was especially irksome to American officials.³³ Trudeau saw NATO, in its current incarnation, as dominating Canada's international policy, which he firmly believed was wrong.³⁴ Canada's receding contribution to NATO (the number of Canadian troops in Europe, under the auspices of the organization, were cut in half³⁵) was also somewhat of an impediment to smoothing out relations.

³¹ Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 242

³² Canada, House of Commons Debates, May 23, 1969.

³³ John English, *Just Watch Me: The Life of Pierre Elliott Trudeau, Volume Two: 1968-2000*, 64

³⁴ *Ibid.*, 64

³⁵ *Ibid.*, 64

On an unrelated, but equally important, note, the ease with which draft dodgers could find their way to Canada was a sticking point between the two countries.³⁶ As Marcel Cadieux noted, draft dodgers were always the first to file their income tax for fear of being deported.³⁷ This attitude summed up the Canadian government's position and little was done about the matter. Significant indifference and misunderstandings were the central theme of the early part of Canadian- American relations under Trudeau and Nixon and would set the tone for the coming years.

These small differences were the sign of something bigger: a restlessness in the relationship, a yearning for a diplomatic restructuring. And that is precisely what both men were aiming for, in totally different ways. During this period, Trudeau was advancing his so-called "Third Option." The "Third option," the brain child of external Affairs Minister Mitchell Sharp, stipulated that Canada should not aim to be dependent on the US but to diversify foreign relations more generally. This meant trade, economics, and cultural ties for Canada.³⁸ The "Third Option" was a clear break with the status quo, and in reality a radical discontinuity from the past. Nixon's articulation was different, but led to a similar outcome, at-least in theoretical terms. The Nixon doctrine, which would later be known as "The Guam Doctrine" as it was proclaimed on the tiny pacific island in 1969, was mostly aimed at South Vietnam. However the doctrine's implications for Canada were also profound.³⁹ Nixon claimed that the US would help its allies, who sought freedom and liberty, wherever they may be.⁴⁰ However, the bulk of the work would have to be done by

³⁶ Robert Bothwell, "Canada US relations: Options for the 1970s" 70

³⁷ Ibid., 70

³⁸ Mitchell Sharp, "*Which reminds me...*" (University of Toronto Press, 1994), 184-6; Bruce Muirhead, "Dancing Around the Elephant," 137

³⁹ The Nixon doctrine, The Adelphi Papers; Richard Nixon, *Memoires*, 394, 397

⁴⁰ The Nixon doctrine, The Adelphi Papers, 2-4

the country in question, which is to say no country should exclusively depend on the US. These two separate pronouncements had much in common. It was partial diplomatic divorce, or in the least, a trial separation. Canadian and American policies dictated very similar ideas, but took different routes to implement them.

During his first campaign, Trudeau explicitly stated that Canada's foreign and defense policies needed "review." That review came to fruition in June, 1970, when the government released six different pamphlets discussing how foreign policy effected ordinary Canadians. Each pamphlet introduced a different area of policy, and oddly enough, not one pamphlet related to the United States.⁴¹ In other areas, Canada had never fully cut off diplomatic relations with Cuba, frustrating the American government. Relations between Canada and Cuba had never been cut off, but the Trudeau years represented the apex of that relationship.⁴² Moreover, the extent to which Pierre Trudeau was friendly towards the communist territory and its leader, Fidel Castro, was confounding to many American officials.⁴³ Trudeau was, after all, the first leader of a NATO country to visit the Caribbean island, which was firmly in the Soviet camp.⁴⁴ Trudeau knew this, and it was part of the policy's appeal to him.⁴⁵ There was also an economic benefit for Canada. The worth of Canada's exports to Cuba were only around forty million dollars when Trudeau's tenure began. However, that number had increased

⁴¹ John English, *Just Watch Me: The Life of Pierre Elliott Trudeau, Volume Two: 1968-2000*, 68

⁴² John M. Kirk and Peter McKenna, "Deciphering Canada's Cuba policy since 1959," 4

⁴³ John English, *Just Watch Me: The Life of Pierre Elliott Trudeau, Volume Two: 1968-2000*, 317-8; John M. Kirk and Peter McKenna, "Deciphering Canada's Cuba policy since 1959," 3

⁴⁴ John M. Kirk and Peter McKenna, "Deciphering Canada's Cuba policy since 1959," 3

⁴⁵ John English, *Just Watch me: The Life of Pierre Trudeau: 1968-2000*, 68

to nearly half a billion dollars by 1981.⁴⁶ The Americans might not have liked Canada's Cuba policy, but there was little they could do about it.

Backwards to Beijing

Before proceeding, it is necessary to look back and understand the context surrounding China and just how contentious it was during this period. Ever since the 1930s, China had been brutally divided between the communists, under the leadership of Mao Zedong, and the nationalists, who were led by Chiang Kai-shek.⁴⁷ The two sides, for the brief exception of the Second World War, were locked into a fierce conflict over who would control the country.⁴⁸ The communists eventually prevailed in 1949, routing their Nationalist foes, who were forced to flee to Taiwan.⁴⁹ The Western world, for the most part, backed Chiang Kai-shek and the nationalists.⁵⁰ This was not done out of affection for Chiang, so much as it was for fear of a communist take-over of the world's most populated country. Thus, when Mao took over, the only China the world would recognize—and admit to the UN—was Taiwan, a tiny sliver of what China actually was.

Prime Minister Trudeau, however, had traveled China extensively and saw the Western world's policy as irrational and counterproductive.⁵¹ That is perhaps why the Canadian government made overtures soon after Trudeau became Prime Minister. Trudeau thought that Canada's recognition of China would be a sign of a robust and

⁴⁶ John M. Kirk and Peter McKenna, "Deciphering Canada's Cuba policy since 1959," 4

⁴⁷ George C. Herring, *From Colony to Superpower: US Foreign Relations, (Oxford History)*, 630-1

⁴⁸ Ibid.; Claude A. Buss, *China: The People's Republic of China and Richard Nixon*, (Stanford University Press, 1974), 13-14

⁴⁹ George C. Herring, *From Colony to Superpower: US Foreign Relations, 630-1;*

⁵⁰ Ibid., 635-6

⁵¹ J. L. Granatstein, *Pirouette: Pierre Trudeau and Canadian Foreign Policy*, (University of Toronto Press, 1990) 179

independent foreign policy.⁵² There was an inherent cost to this independent policy. Establishing official relations with China, in particular, upset Richard Nixon. The reason was simple. The President wanted to open relations with China as well, and Trudeau doing it first took some of the novelty away. Nixon's point man on this file, Henry Kissinger, was told to find a third party to help facilitate and set up the trip to the People's Republic. Nixon told Kissinger to pick anyone he wanted, with one omission, the Canadian Prime Minister.⁵³ International relations was proving to be an effective outlet for Canada and Trudeau to assert their independence from the US, albeit with an attached price. Clearly in Trudeau's calculation, this price was worth it if he could demonstrate Canada's independence from a previously American dominated area.

The Prime Minister came into office with his mind made up about China. Ever since he was an MP, he believed that Canada needed to act with a "new realism" towards China.⁵⁴ In fact, soon after he became Prime Minister on May 29, 1968, he made a speech on the topic:

We shall be looking at our policy in relation to China in the context of a new interest in Pacific Affairs generally...Canada has long advocated a positive approach to mainland China and its inclusion in the world community. We have an economic interest in trade with China...and a political interest in preventing tension between China and its neighbours, but especially between China and the United States. Our aim will be to recognize the People's Republic of China government as soon as possible and to enable that Government to occupy the seat of China in the United Nations, taking into account that there is a separate Government in Taiwan.⁵⁵

First of all, it is clear that Trudeau wanted Canada to have official relations with China. However, the most fascinating part is how he views Canada in all this, as a potential

⁵² John English, *Just Watch Me: The Life of Pierre Elliott Trudeau, Volume Two: 1968-2000*, 58

⁵³ Henry Kissinger, *The White House Years*, (Little Brown and Company, 1979), 736

⁵⁴ J. L. Granatstein, *Pirouette: Pierre Trudeau and Canadian Foreign Policy*, 179

⁵⁵ *Ibid.*, 180; Office of the Prime Minister, Press Release, 29 May 1968 (As cited in Granatstein)

buffer between China and the US. His placement of Canada into the middle of fraught diplomatic relationship made the situation even more complex. As a result, the Americans were not pleased with Canada inserting itself into their domestic and foreign affairs. Many senior members of the State Department were upset about Canada's potential recognition because it could open the "flood-gates," meaning the expulsion of Taiwan, a steadfast American ally, from the UN.⁵⁶

The Trudeau government, now in power, had to muster every bit of diplomatic skill they had: managing a smooth opening with China, attempting some sort of accommodation for Taiwan, and all the while trying to placate the omnipresent Americans.⁵⁷ The effect of American influence signified that it was no surprise when the Canadian government failed to get the perfect policy regarding China. In fact, Canada might have opened up relations with China, but as a result they aggravated Taiwan and the Americans. Trudeau encountered much domestic resistance, from the house and the governmental bureaucracy. The policy took an unusually long time to work its way through the machinery of government.⁵⁸ Nevertheless, Trudeau tenaciously pushed forward and so too did negotiations with the PRC, in Sweden.⁵⁹ The result was both a mixed bag and a breakthrough for Canada.

After tough negotiations, lasting longer than most expected, Canada and China reached a landmark agreement. From the onset, Taiwan was going to be the main obstacle to overcome. The issue was lobbed back and forth between both sides until a suitable

⁵⁶ J. L. Granatstein, *Pirouette: Pierre Trudeau and Canadian Foreign Policy*, 182

⁵⁷ Robert Edmonds, "Canada's Recognition of the People's Republic of China: The Stockholm Negotiations 1968-70," 201-2

⁵⁸ J. L. Granatstein, *Pirouette: Pierre Trudeau and Canadian Foreign Policy*, 182-3

⁵⁹ *Ibid.*, 182; Robert Edmonds, "Canada's Recognition of the People's Republic of China: The Stockholm Negotiations 1968-70," 201-2

compromise was found. The PRC claimed that Taiwan was an "inalienable part of Chinese territory," the final communiqué read, "The Canadian Government takes note of this position of the Chinese government."⁶⁰ Canada did not need to agree to Beijing's claim to the island, just to recognize its steadfast position on the matter. The agreement also had other practical component. For example, within six months both countries exchanged ambassadors and set up embassies.⁶¹ The Chinese were likely also lenient to the Trudeau government for other reasons. First, Mao and his chief diplomat, Zhou Enlai, appreciated that Canada was the first major western power to reach out to them. Second, is that the Chinese government understood the risks and pressure Canada was facing by doing this— from the US particularly.⁶² Canadian tenacity and Chinese pragmatism had helped forge a watershed moment in the relations between East and West.

As for the Nixon administration, there was little reaction. However, behind the scenes most were not particularly happy that the Canadians were the ones to pave the way.⁶³ Only months later, Nixon announced that the US government would start trading with the Chinese, support their admittance to the UN, and begin the process of establishing official relations. As a result, there was absolutely no coordination with Canada or even attempts to gain insight into their experience with China on the part of the Americans. In fact, as Kissinger noted, "giving vent to his dislike of Pierre Trudeau, he [President Nixon] remarked that future contacts or channels with the Chinese could take place anywhere except Ottawa."⁶⁴ This episode highlights that relations lacked trust,

⁶⁰ J. L. Granatstein, *Pirouette: Pierre Trudeau and Canadian Foreign Policy*, 182, 185

⁶¹ Robert Edmonds, "Canada's Recognition of the People's Republic of China: The Stockholm Negotiations 1968-70,"

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⁶² J. L. Granatstein, *Pirouette: Pierre Trudeau and Canadian Foreign Policy*, 186

⁶³ *Ibid.*, 186; Robert Edmonds, "Canada's Recognition of the People's Republic of China: The Stockholm Negotiations 1968-70," 207; Jeremy Kinsman, "Who is my neighbour? Trudeau and Foreign Policy," 65

⁶⁴ Henry Kissinger, *The White House Years*, 736

communication, and functionality. Trudeau had proved Canada's autonomy on this file rather well, but the trouble was that it got in the way of Nixon's realignment strategy.

An American Response

Nixon, in his attempts to change the relationship, took a more disruptive path. Although having bigger problems than his northern neighbour, Nixon was certainly keeping an eye on the economy. Of particular concern was the US trade deficit. Unemployment and inflation were also problems at the time. Solving these issues was at the forefront of the US government's concerns. After a few clandestine meetings with senior officials (notably Treasury Secretary, John Connally and future chairman of the Federal Reserve, Paul Volcker) Nixon decided his course of action. The New Economic Program (NEP), or as it would be known as the "Nixon Shock," consisted of three main parts: The American dollar would be unpegged from the price of gold; there would be a 90 day freeze on wages and prices; to curb inflation; and, most importantly, an import surcharge of 10%, added to all imports to counter fluctuations in exchange rates and ensure equality for the US.⁶⁵ There were also other protectionist measures, including incentives for companies that bought American produced goods rather than foreign. This was a massive modification to the structure of international finance as much of the world economy at this time revolved around the American dollar.

At first, the reaction in Canada was one of cautious concern; this initial caution was due to the faulty assumption that the US would exempt Canada from the NEP and there

⁶⁵ Bruce Muirhead, "From Special Relationship to Third Option: Canada, the US., and the Nixon Shock," 439-40; Bruce Muirhead, "Dancing Around the Elephant," 112-16

was precedent historically where Canada had been given preferential treatment.⁶⁶ Canada had been given preferential treatment, and was not subject to the Equalization tax of 1963.⁶⁷ The equalisation tax was taken as a measure to ensure that trade between the two countries remained unhindered. After Canadian government officials sent a clarifying memo to their American counterparts they realized that this time there would be no exemption to the new policies dictated by the NEP and the Canadian government went into a near panic. Mitchell Sharp, the minister of External Affairs, who was in charge at the time (Trudeau was out of the country), was mortified that Canada was "included in an all-embracing category of offending foreigners."⁶⁸ Upwards of 70% of Canada's exports went to the US at the time,⁶⁹ and taxing this vital economic activity would hurt Canada disproportionately in comparison to any other American trading partner.

Equally insulting was the fact that Canada was not forewarned about this new policy. How could the Americans possibly not understand that what they were doing was going to wound Canada directly and indirectly? As one Canadian economist remarked, "It was like putting a gun to the world's head."⁷⁰ In order to get the Americans to put the gun down, the government immediately met with American officials to try and reverse their decision. Canadian officials made their case strongly to Treasury Secretary Connally, citing international trading norms and Canada's special ties to the US, unfortunately for them their efforts proved fruitless. Connally was both unwilling and uninterested in changing course; this was likely part of his famous "though love" routine, which consisted

⁶⁶ Bruce Muirhead, "Dancing Around the Elephant," 112-16

⁶⁷ Bruce Muirhead, "From Special Relationship to Third Option: Canada, the US., and the Nixon Shock," 439

⁶⁸ Robert Bothwell, "Canada US relations: Options for the 1970s," 72

⁶⁹ Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 243

⁷⁰ Bruce Muirhead, "From Special Relationship to Third Option: Canada, the US., and the Nixon Shock," 440

of antagonizing opposing officials in order to get what he wanted. After all, Connally's appointment as Treasury Secretary was a signal of America's hardening approach to trade issues.⁷¹ The secretary once stated in regards to balancing America's trade deficit that he wanted to use a "baseball bat in order to get the mule's attention."⁷² American intransigence on this economic policy, the Americans thought, was easy to explain. American had a trade deficit with the country, and this surcharge would help correct that. However, the dispute was even more basic than that, as neither nation could agree on the facts. Both parties brought briefing documents that were incompatible, having different numbers, facts, and statistics to back up their respective cases.⁷³ The Americans disagreed and the Canadians refused to yield. After several meetings, it was clear that a major impasse had been reached.

The NEP was quickly becoming a major stand-off. It was not helpful, for example, when Connally went on NBC's *Today Show* and reiterated that there would be no preferential treatment:

The Canadians are going to come down and complain and ask that they be exempt from the imposition of the surcharge. We're going to be cooperative....but I'm going to point out that when they imposed a surcharge in 1962 we went up there to ask for relief for American products, they said no. I'm going to point out to them that in 1965 when they had real economic problems, we entered into an automotive pact with them...I must say that I don't think that their bargaining position is as strong as it might be.⁷⁴

The Canadian Government was undeterred. Two delegations were quickly dispatched. The first, led by then Finance Minister Edgar Benson, accomplished little. The second, led by Deputy Minister of Finance Simon Reisman, was also told that there

⁷¹ Bruce Muirhead, "From Special Relationship to Third Option: Canada, the US., and the Nixon Shock," 442-441

⁷² Ibid., 442-441

⁷³ Robert Bothwell, "Canada US relations: Options for the 1970s" 73

⁷⁴ Bruce Muirhead, "From Special Relationship to Third Option: Canada, the US., and the Nixon Shock," 442

would be no revaluation of the US position.⁷⁵ Reisman, after being resolutely rebuffed, offered the most diplomatic response possible: he said that Ottawa would “look to its defences and what Canada might have to do might not please the US.”⁷⁶ It did not help that officials in Canada noticed that the US was setting up economic coordination meeting with its other trading partners to attempt to redress the policy’s ramifications.⁷⁷ The division between the two nations was becoming more apparent.

The current diplomatic affair was clearly an episode regarding different expectations and priorities. The US wanted to implement a new policy smoothly and without exception whereas Canada wanted to ensure stability and prosperity by being granted an exemption. The normal avenues of dispute resolution, including delegations, diplomacy, and dialogue, had not worked. The question lingered: how would the issue of economic discord be fixed in a timely and agreeable manner? Being the junior partner in the dealings, Canada could be seen as wanting special treatment. However, this time it was America that wanted its unique economic position considered. Furthermore, the American under Secretary of the Treasury, Paul Volcker, had told Canadian officials that the US was “on the short end of the stick,” and nearing the “end of the line,” when it came to trade issues.⁷⁸ The message was clear, that the US needed to do something to rectify its position. Canada, for its part, was perplexed as to why it was not being treated differently, being lumped into the same category as Europe and Japan.⁷⁹

⁷⁵ Bruce Muirhead, “From Special Relationship to Third Option: Canada, the US., and the Nixon Shock,” 442; Bruce Muirhead, “Dancing Around the Elephant,” 116-9

⁷⁶ Bruce Muirhead, “From Special Relationship to Third Option: Canada, the US., and the Nixon Shock,” 442-3

⁷⁷ J. L. Granatstein, *Pirouette: Pierre Trudeau and Canadian Foreign Policy*, 68

⁷⁸ Bruce Muirhead, “From Special Relationship to Third Option: Canada, the US., and the Nixon Shock,” 444

⁷⁹ *Ibid.*, 445; Bruce Muirhead, “Dancing Around the Elephant,” 116

The Global 10 (G-10), the grouping of nations with the world's ten largest economies, were not particularly impressed with the American policy either. The G-10 meetings held in London was where major objections and views concerning the NEP were aired. The majority of the attendees made their grievances known.⁸⁰ The UK, France, and Canada asked what needed to be done in order for the surcharge to be scrapped. Connally, temperamental at the best of times, was not pleased. "I thought I covered that" he snapped, and wondered why "it should be constantly suggested that the US acted heinously."⁸¹ Benson, who was chairing the meeting, just wanted to bring it to a low-key end to avoid what he saw as American arrogance. The row between Canada and the US had quickly turned into an international affair, with the Americans being singled out by many members of the international community. This was new and different, and it set a new precedent because more often than not, Canada took the side of the US in important diplomatic policies. Going forward, it seemed as if Connally was fighting just for the sake of complicating matters. Canada and most of the other members of the G-10 were willing to accommodate some US demands, to a point. The French, for example, were willing to drastically devalue the Franc to settle their trade balance.⁸² Connally, who seemed to oversee his file with relative independence, cared little.

American's intransigence was not unnoticed in Canada, and it cast doubt on the country's closest ally. The *Globe and Mail* wrote an editorial on the topic which captured the overriding sentiment of the moment:

⁸⁰ Bruce Muirhead, "From Special Relationship to Third Option: Canada, the US., and the Nixon Shock," 445

⁸¹ Ibid., 445-6

⁸² Ibid., 446

We have lately learned, and are still learning, that Canada's economic and political dependence on the United States is not easy, secure, or undemanding as Canadian complacency has tended to assume in the past.⁸³

To the US, Canada was not "special" and that now seemed evident. Trudeau, who up until this time had been relatively absent, was now actively considering redefining Canada's relationship with the US. In fact, he addressed the country on national TV and pointedly declared that Americans did not "know much about or care much about Canada" and that he would do his "best to explain matters."⁸⁴ Recalibration was always happening, but Trudeau wanted to change the dynamic in a way that had not been done since 1945.⁸⁵ America was slowly realizing that perhaps the surcharge on economic exports and imports may have been more destructive than the possible benefits could garner. The Council of International Economic Policy, a US government think-tank, studied relations between the two nations and in painstaking detail noted how intertwined the countries were. The significance of their report was that it is better for America if relations with Canada were sturdy, stable and secure.⁸⁶ The fact that such a reminder was needed is an indication of just how poorly things had been going with Trudeau and Nixon at the helm; the relationship was at a standstill.

Trudeau and Nixon had been, up to this point, relatively absent in this cross border quarrel. They had left the details and negotiations to their subordinates: Benison, Volcker, and the needlessly combative pair, Reisman and Connally. The executives finally felt the need to personally intervene in December 1971. Their meeting nicely highlights just how dramatically the relationship had been damaged by this incident. In the Prime Minister's

⁸³ Bruce Muirhead, "From Special Relationship to Third Option: Canada, the US., and the Nixon Shock," 442

⁸⁴ J. L. Granatstein, *Pirouette: Pierre Trudeau and Canadian Foreign Policy*, 67-8

⁸⁵ Bruce Muirhead, "From Special Relationship to Third Option: Canada, the US., and the Nixon Shock," 448

⁸⁶ *Ibid.*, 449

briefing book it noted the meeting should “dissipate any impression in the President’s mind that the present Canadian government is anti-American.”⁸⁷ The fact that a Canadian Prime Minister had to try to prove he was not “anti-American” to a sitting US President, after three years of serving concurrently, perhaps demonstrates how the “special relationship” had worsened since the two took office. Nonetheless, this meeting did help break the impasse. Henry Kissinger, the president’s National Security Advisor, was sent a memo about the current kerfuffle that was entitled “A Tough Treasury Position on Canada—A Pointless Crisis.”⁸⁸ Kissinger, who always had the President’s ear, passed on the information and Nixon clearly softened his stance thereafter. For example, after his meeting with Trudeau, Nixon promised that “we don’t want to gobble you up” in reference to Canada.⁸⁹ All of this, in combination with another direct face-to-face meeting on December 7th 1971, helped bring about a resolution. Trudeau tried to explain to the President the consequences of the NEP and openly wondered if this was the new norm, American protectionism. When Nixon heard this, apparently, he “just about dropped his upper plate.”⁹⁰ Nixon said he understood the Canadian position. The surcharge, the President assured Canada, would quickly be phased out.⁹¹ A thorny issue, which had been riddled with pettiness and misunderstanding, was quickly being resolved with a focused executive meeting. It raises the question, why did this initially benign issue become a sticking point in the first place? The fact that this issue could be resolved so quickly with relatively little effort was a prime example that showed the discord between the two governments; this was the central tension in their relationship from the beginning—the

⁸⁷ Bruce Muirhead, “From Special Relationship to Third Option: Canada, the US., and the Nixon Shock,” 450

⁸⁸ *Ibid.*, 451

⁸⁹ *Ibid.*, 450

⁹⁰ Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 247

⁹¹ *Ibid.*, 247-8; Robert Bothwell, “Canada US relations: Options for the 1970s” 73

clash of dueling bilateral plans. The two men had discordant domestic agendas, which slowly chipped away and the functionality of the bilateral relationship. Nixon's shock was the most prominent example of this yet.

The Hanoi Hang-up

The dysfunction and conflicting interests were not just confined to the realm of economics, there were also major differences when it came to defense policy. At this time, the war in Vietnam was winding down but still an issue in contention between Canada and the US. Canada had often been adverse to America's war in South East Asia. Former Prime Minister Lester Person learned the hard way that the US did not appreciate the criticism. In a speech at Temple University, the Prime Minister cautioned the Americans and condemned the war. Later, while meeting President Johnson at Camp David, the president lambasted him and even grabbed him by the collar, and angrily stated "You pissed on my rug!"⁹² After a lengthy dressing down, Prime Minister Pearson received the message: criticize the war all you want, but not on American soil.⁹³ Trudeau would not make that specific mistake.

Trudeau and his associates tended to be rather intellectual and, in turn, hostile towards the war. However, once in power Trudeau joined the mainstream and quickly muted many of his strong opinions.⁹⁴ Nevertheless, after the 1972 election, which the Trudeau Liberals nearly lost, things changed. Forced to rely on the left leaning New

⁹² Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 2

⁹³ Charles Ritchie, *Storm Signals: More Undiplomatic Diaries*, (Macmillan, 1983) 1962-71, 82-4

⁹⁴ John English, *Just Watch me: The Life of Pierre Trudeau: 1968-2000*, 57, 61

Democratic Party (NDP) for support in a minority parliament, the Liberal government had to take a harder line advocating against the excesses of the Vietnam War. In the Throne Speech after the election the government made clear that it would be moving to the left on many important issues.⁹⁵ The first vote of the new parliament condemned the renewed bombing of Hanoi by the United States Air Force (USAF). The vote passed with the backing of the Liberals and NDP, cementing their political alliance against the Conservatives.⁹⁶ At the same time however, this severely damaged the partnership with the US. Nixon, who thought there was an understanding on the issue, was livid. So bothered by the condemnation he received from Canada, the president refused to respond to the letter sent by Trudeau explaining the purely domestic reasons for the vote. Such was the acrimony between the two leaders that Nixon refused to offer condolences to Trudeau when his mother died shortly thereafter.⁹⁷ Much like the NEP, this spat over a vote in the House of Commons highlights just how severely the relationship between Nixon and Trudeau had deteriorated. This was particularly ironic, considering Trudeau, unlike some of his predecessors, actually tried to refrain from criticizing the US directly over the war.⁹⁸ The vote was a political necessity for Trudeau, but Nixon clearly thought it was a personal rebuff. The diplomatic blow back from this episode did not fade quickly and as a result, Canada was "cut off." Ambassador Marcel Cadieux, who actually agreed with the American's view on Vietnam, was granted even less access in Washington than he had previously.⁹⁹ Phone calls from Canadian officials were not returned, and low level

⁹⁵ John English, *Just Watch me: The Life of Pierre Trudeau: 1968-2000* 213

⁹⁶ *Ibid.*, 213; Pierre Trudeau, *Memoirs*, 163-5

⁹⁷ *Ibid.*, 213

⁹⁸ Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 256

⁹⁹ J. L. Granatstein, *Pirouette: Pierre Trudeau and Canadian Foreign Policy*, 54

American Officials were sent to events concerning Canada instead of the top brass.¹⁰⁰ Canada, in the words of one American official, had now joined Sweden and numerous other uncooperative countries on the "shit list."¹⁰¹ A minor vote in the House of Commons had brought relations between Canada and the US to halt--further exacerbating an already strained relationship.

The war also caused other bilateral headaches. Those headaches involved the International Commission of Control and Supervision in Vietnam (ICCS). The ICCS was an institution designed in the wake of the Paris Peace Accords to supervise the cessation of hostilities. Canada was to be one of the four nations to monitor the eventual peace. Canada wanted to wash its hands of the ICCS as quickly as possible. Mitchell Sharp stated Canada's position aptly, "We knew it would be a farce in the long run."¹⁰² Canada thought the ICCS was merely window dressing, something the Americans would use to make it look like they had not been defeated. When Canada pulled out early, in July 1973, the President was not happy. Nixon, recorded on his own White House tapes, said, in the wake of Canada's pull out, "I'll take care of Trudeau...That asshole Trudeau was something else."¹⁰³ To employ such profane language to describe the leader of your closest ally and largest trading partner was a clear indication that Pierre Trudeau and Richard Nixon did not think kindly of each other behind closed doors.

¹⁰⁰ Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 257; J. L. Granatstein, *Pirouette: Pierre Trudeau and Canadian Foreign Policy*, 72

¹⁰¹ J. L. Granatstein, *Pirouette: Pierre Trudeau and Canadian Foreign Policy*, 54

¹⁰² Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss* 256; J. L. Granatstein, *Pirouette: Pierre Trudeau and Canadian Foreign Policy*, 54-60

¹⁰³ Lee Anne Goodman, *Toronto Star*, "Nixon Tapes include testy Trudeau Chat," Monday December 8, 2008; Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 56

To summarize the previous statements, the events from 1969 to 1972 were a relatively tumultuous time between Canada and the US. Vietnam, the NEP, and a host of other issues, were contentious. However, this time the differences were exacerbated by the leaders at the helm. Policy positions that could have been resolved quickly by hard headed negotiations were to simmer and eventually boil over to become significant frustrations for both sides. These differences quickly led to pettiness, diplomatic recriminations, and at times, name calling. Nevertheless, this falling out between Canada and the US was induced by reasons aside from pure personal acrimony. Trudeau and Nixon had both tried the same thing: to restart the relationship on terms more favourable to themselves. This approach had both merit and potential, but as the above examples illustrate, the respective resets quickly became incompatible and rather destructive. The functional status quo, developed over decades, which had been the Canada-US relationship had fallen into a state of dire disrepair.

Watergate and its Repercussions for Canada

As time moved on it was clear that Richard Nixon had other things on his mind—not all of which were about the America's best interests. Indeed, what would become known as the "Watergate" scandal would slowly consume more and more of the country's time, energy, and resources. The desire to remain in power helps to explain the roots of the Watergate debacle. The President wanted to stay in power by attaining incriminating information on the Democratic Party by conducting covert illegal practices against democratic offices; this strategy backfired on Nixon and the Republicans to become one of the worst political scandals in American history.

In 1972 with the election only months away, G. Gordon Liddy, one of the President's political advisors, presented a political action plan that, he believed, would ensure the President's re-election.¹⁰⁴ As a part of this plan, the Watergate building was broken into in Washington in an attempt to obtain information about the Democratic election campaign. After two failed attempts, burglars finally successfully made their way into the complex on June 17, 1972. In a stroke of chance, a security guard, Frank Wills, discovered the intruders and alerted the authorities. Police apprehended five intruders. All five were swiftly indicted by a grand jury for conspiracy, burglary, and a violation of wiretap laws.¹⁰⁵

The odd thing about the Watergate burglary is just how little attention it received in its immediate aftermath and how long it took before the public realized that the president was directly implicated. It was brushed aside at first as a scandal that had no link to the president. In fact, the break in received so little consideration that Richard Nixon went on to win a second term in office by a land slide against his democratic opponent, George McGovern; the president won 49 out of 50 states, a record at that time.¹⁰⁶ With a historic victory under his belt, a frame work for peace in Vietnam, and many important domestic reforms initiated, the President was doing well in political terms. But the President's victory, and the means through which he sought it, would soon prove pyrrhic.

The Watergate scandal unraveled slowly, and it would seal the fate of Richard Nixon's credibility. One after another of the President's aides would be implicated in the

¹⁰⁴ Stephen Ambrose, "Nixon: Volume two—The Triumph of a Politician, 1962-1972, (Simon and Schuster, 1989), 502-3

¹⁰⁵ Stanley Kutler, *Wars of Watergate*, (Knopf, 1990) 187-8

¹⁰⁶ *Ibid.*, 236-7

scandal. At the time of his re-election, Nixon noted that "I had known for almost five months we had done everything we could to minimize the impact of the Watergate break in."¹⁰⁷ Nevertheless, many of his advisors and friends were either fired or resigned in disgrace. Soon thereafter, it was discovered that the President had been recording his conversations in the Oval Office for years, yet refused to release the tapes where they pertained to the Watergate scandal.¹⁰⁸ This issue was debated in the court of law as well as public opinion. In both venues, the President seemed to be losing ground, despite a valiant defense. The case soon made it to the nation's highest court. The US Supreme Court would rule unanimously in *Nixon V. the United States* case in favour of the White House tapes' public release.¹⁰⁹ The tapes directly incriminated the President in the scandal, proving that he had overseen and directed the entire affair. Facing the threat of imminent impeachment, and bipartisan condemnation, President Nixon would be forced to resign shortly afterward and on August 9, 1974, he was replaced by Gerald Ford. It was the first time a US President resigned his post.

Watergate was an immense distraction for Nixon, consuming most of his time and political capital. The scandal was viewed in a unique way in Ottawa. The most important consequence of the scandal, and other issues of the late Nixon era, would be to scuttle any hope of establishing a productive cross-border partnership. The two sides were suspicious of one another and the suspicion would be magnified due to the legacy of the NEP and other issues discussed above. Moreover, other important economic issues would upend events and mean the relationship between the two countries would be neglected for a

¹⁰⁷ Richard Nixon, *The Memoirs of Richard Nixon*, 773

¹⁰⁸ Stanley Kutler, *Wars of Watergate*, 383

¹⁰⁹ *Ibid.*, 512-13

time. As the Watergate scandal intensified, Richard Nixon continued to build walls around himself, which Pierre Trudeau could not hope to tear down.

As the NEP debacle slowly faded from relevance, Ivan Head, the Prime Minister's Principal Foreign Policy Advisor, remained a busy man. Head sent lengthy memos to Trudeau and the Cabinet often. Head's memos regarding a broad range of topics in the international sphere: defense procurement, policy towards the Eastern Bloc, and relations with Europe. However, Head's time was increasingly being utilized by Canada's relationship with the United States, a file that was becoming increasingly delicate. In February 1973, as Henry Kissinger was about to visit Canada, Head sent a lengthy despatch to the Prime Minister about the current state of the relationship.¹¹⁰ The fact that Kissinger was coming to Canada was reason enough to celebrate for Canadians as it signalled a possible *rapprochement* with the United States; Kissinger was close to the President and was usually reserved for the most important issues. Canadian related matters were often the prerogative of the Secretary of State, William Rogers, who was not as close to Nixon.¹¹¹ In the memo, the obvious was stated first, "Relations with the US increasingly preoccupy Canadians," he wrote, but it is clear that "the US is going to remain Canada's major economic partner for the foreseeable future."¹¹² Head broached the potential pitfalls more carefully. Americans viewed the perspective of Canadians as inherently "Anti-American," wrote Head, and that Canada should not seek to

¹¹⁰Library and Archives Canada (LAC), P. E. Trudeau fonds, MG 26 O19, vol. 136, file: Ivan Head - Subject Files - Canada - Foreign Rel'ns - US - 1972-74. Report by the Under-Secretary of State for External Affairs, "Canada-USA Relations" 11 March 1974.

¹¹¹J. L. Granatstein, *Pirouette: Pierre Trudeau and Canadian Foreign Policy*, 50.

¹¹²Library and Archives Canada (LAC), P. E. Trudeau fonds, MG 26 O19, vol. 136, file: Ivan Head - Subject Files - Canada - Foreign Rel'ns - US - 1972-74. Report by the Under-Secretary of State for External Affairs, "Canada-USA Relations" 11 March 1974.

“unnecessarily” damage the relationship.¹¹³ This was a clear allusion to the NEP and other significant diplomatic skirmishes the Canadian government had recently been preoccupied with. Generally, Head wanted to ensure Kissinger left with an accurate impression of the government’s position, primarily outlining the fact that the Canada-US relationship was not so much important as it was essential. In the end, for the two countries to work seamlessly together, there needed to be a “willingness on both sides to take account of the interests of the other,”¹¹⁴ Head wrote. One gets the feeling that the word “both” is critical.

The relationship seemed to be in a state of suspended animation. The sourness of previous incidents had left Trudeau and Nixon in a distant, if awkward, affiliation. Watergate had the effect of halting any potential inroads the two leaders could have made. As Watergate intensified, Washington was becoming insular, and Ottawa was becoming more indifferent. Contacts between the governments were slowing down dramatically.¹¹⁵ In a memo sent to Prime Minister Trudeau on October 26, 1973, Ivan Head detailed the implications of Watergate for Canada. It is worth quoting at length:

The domestic difficulties facing President Richard Nixon arising out of the Watergate scandal have not so far affected Canada US relations...Events of the past few weeks, and particularly of the last few days, make me apprehensive that this situation may be subject to radical change. As the President finds himself increasingly under attack, it is not inconceivable that he will strike out—rationally or irrationally—at some distant target as a means of diverting attention from the problems within his administration.¹¹⁶

¹¹³ Library and Archives Canada (LAC), P. E. Trudeau fonds, MG 26 O19, vol. 136, file: Ivan Head - Subject Files - Canada - Foreign Rel'ns - US - 1972-74. Report by the Under-Secretary of State for External Affairs, “Canada-USA Relations” 11 March 1974.

¹¹⁴Ibid.

¹¹⁵ Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 257

¹¹⁶ Library and Archives Canada (LAC), P. E. Trudeau fonds, MG 26 O19, vol. 136, file: Ivan Head - Subject Files - Canada - Foreign Rel'ns - US - 1972-74. Memorandum for the Prime Minister, “Canada-USA Relations,” October 26, 1973.

Although it is not explicitly stated, the fear in Head's mind is that the "distant target" may turn out to be Canada. In this period of fraught relations, this fear does not seem to be such an unreasonable one. From the bribes that Vice President Agnew was accepting to the President's Florida estate being padded with federal funds, the list of political and ethical challenges Nixon faced was long and growing. It is clear from these memos that many in the Canadian government saw Nixon as a man of dubious character; this was an increasingly common opinion in light of the Watergate scandal. Head elaborated on this assertion. The President will attempt to "strenuously repair" his reputation, Head continued, "His track record does not encourage me to believe that his activities will all be wholesome."¹¹⁷ Although this may not seem to be a big deal, in reality it was a very important marker as it questions the credibility of the American leader. Pierre Trudeau's senior Foreign Policy advisor told him to be wary and cautious about Richard Nixon, for he could possibly act out and damage Canada. Near the end of the memorandum, Head wrote the Prime Minister:

In the meantime, I deem it prudent to suggest to you that ministers be cautioned to adopt a low profile in current Canada US relations...where there is a possibility of provoking a retaliatory American response.¹¹⁸

This is a damning statement, and one that not only highlights the personal plight of the US President but the potential fallout for its closest neighbour and ally. However, from Head's perspective, this was in line with Nixon's record in office. Head viewed the NEP as a "full blown crisis" that came "without notice," so the fact the President Nixon was causing more headaches for Canada came as little surprise.¹¹⁹

¹¹⁷ Library and Archives Canada (LAC), P. E. Trudeau fonds, MG 26 O19, vol. 136, file: Ivan Head - Subject Files - Canada - Foreign Rel'ns - US - 1972-74. Report by the Under-Secretary of State for External Affairs, "Canada-USA Relations" 11 March 1974.

¹¹⁸ Ibid.

¹¹⁹ Ivan Head, *The Canadian Way*, 186

However, Watergate was not viewed as a universally negative event in Ottawa. In fact, there were some in the government that believed that having a politically crippled administration in Washington was a net positive. For example, in a memo dated October 31, 1973, Head dispelled many of the notions he had given earlier: "Watergate and its related political difficulties in the US had no more direct impact on Canada than the usual spillover influence on other US events," wrote Head.¹²⁰ The memo becomes particularly revealing when Head looked at the possible positives of the scandal:

On the positive side it [Watergate] has undoubtedly inhibited the Whitehouse from concentrating as much attention as we expected on bi-literal irritants following the President's inauguration last January.¹²¹

This is an important and illuminating excerpt from Head. Most politicians would likely find some advantage to their more powerful neighbour having less time to cater to delicate diplomatic issues concerning them. Yet, there almost seems to be joy at the fact that the US government will be distracted from looking over Canada's shoulder. One should not over interpret, but the overarching feeling this memo sends the message that the less Canada has to do with Richard Nixon the better.

There was an exception to all of this. There was a seemingly genuine human moment between the President and the Prime Minister over Watergate. In May, 1973, just as the crisis was beginning to look serious, Trudeau called his counterpart to offer his support:

¹²⁰ Library and Archives Canada (LAC), P. E. Trudeau fonds, MG 26 O19, vol. 136, file: Ivan Head - Subject Files - Canada - Foreign Rel'ns - US - 1972-74. Report by the Under-Secretary of State for External Affairs, "Canada-USA Relations" October 31, 1973

¹²¹ Ibid.

Trudeau: I just got back from vacation earlier this week, and I wanted to phone to you to tell you how distressed I was about all this, this noise, that is going on about the Watergate thing... I tell you as far as I'm concerned the people here that I —uhhhhh— know, and certainly myself, have great confidence and respect. I think among politicians we realise how an issue like this can be seized upon and distorted.

Nixon: How kind of you to call. Let me just say, it's a, it's, a really deplorable—what it is, as you know, it's like in campaigns. Your best friends, with the best of intentions, do things they shouldn't—and you have to let em' go. It breaks your heart, but that's what you have to do.

Trudeau: Well exactly. You're quite right, the sad thing is they do it with good intentions.

Nixon: (inaudible part)... But it was wrong. But I'll tell ya, we'll survive it Mr. Prime Minister. But, your call I will always remember.¹²²

It is too facile to be cynical about this moment. By all appearances, this was a real human moment between these two men. They clearly had a checkered history, but for the duration of a two minute phone call they appeared to put that aside. There were other moment like this. When Trudeau's first son, Justin, was born on Christmas day 1971, Nixon called to congratulate the new Father. ("Cheers to the next Prime Minister of Canada,"¹²³ Nixon proclaimed). So this personal call was not without precedent. However, and likely tarnishing this moment, the call was placed in May, 1973 many months before the full severity of Watergate was known. Trying to be friendly with Nixon—no matter how much it pained Trudeau—was probably just a roundabout way of staying in his good graces. After all, at this point Richard Nixon was scheduled to remain in office until 1977.

Aside from Watergate, there were a few other issues between Canada and the US, but they were decidedly peripheral. The trade balance, for the Americans, was still problematic. Canada's industrial policy and natural resources were also of concern at the

¹²² CBC News, "Pierre Trudeau Offered Nixon Support over 'Watergate thing,'" August 21, 2013. Accessed Via: <http://www.cbc.ca/news/politics/pierre-trudeau-offered-nixon-support-over-watergate-thing-1.1395894> (transcripts included)

¹²³ Lawrence Martin, *The Presidents and Prime Ministers: Washington and Ottawa face to face, the Myth of Bilateral Bliss*, 256

time. American officials saw Canada as having an advantage in this area. The concern was the pressure Canadian companies could exert on American companies.¹²⁴ None of this was particularly new or interesting. However, what was interesting about the American view was how the government of Canada saw these matters playing out. Head believed that these policy matters might not have an outcome in Canada's favour, for one particular reason:

The Nixon style of government is such that only a few persons really count. Those who do, have limited experience with Canada and are, on the whole, less well disposed towards us than those who in the past had active responsibility for relations with Canada.¹²⁵

Every president has their own style and it appeared that Nixon administration was too aloof, detached, and abrasive for some Canadian officials. The fact that Mr. Head saw the outcome of serious policy matters hinging on a few key personalities was proof that the Nixon Trudeau relationship was, from the beginning, an unproductive mix of styles.

As 1973 came to a close, the *status quo* remained stubbornly intact. Trudeau was asserting himself abroad and kept busy at home by other pressing matters. Nixon, distracted by Watergate, was still retooling America as best he could, but more often than not these attempts would end up inadvertently irritating Canada. In the end, the two could not be bothered to engage each other, for they had more fruitful activities to engage in and even when they did try to work with each other it never quite seemed to work out.

¹²⁴ Library and Archives Canada (LAC), P. E. Trudeau fonds, MG 26 O19, vol. 136, file: Ivan Head - Subject Files - Canada - Foreign Rel'ns - US - 1972-74. Report by the Under-Secretary of State for External Affairs, "Canada-USA Relations" October 31, 1973

¹²⁵ Ibid.

Conclusion

Nearly twenty years after the two men were in office together, Pierre Trudeau wrote about Nixon that he “didn’t feel warmly towards him as a person. In fact, my feelings about him were mixed.”¹²⁶ This was most certainly an understatement. For nearly six years, the two men had leaped from disagreement to disagreement and the personal strain was evident decades later. Nevertheless, as Richard Nixon prepared to step down during the summer of 1974, he likely was thinking little about Canada-US relations. At the same time, one can imagine Pierre Trudeau giving significant thought to Canada-US relations. In a way, this would be a fitting end to the Trudeau-Nixon relationship. It started as a mismatch, made up of duelling plans for bilateral relations, and it appeared to end that way. What had started five and a half years prior with grand rhetoric about “independence” and recognition of “very separate identities,” was concluding not with a newly formed and robust relationship but with disappointment and a far less functional affiliation. Trudeau and Nixon were different in style and substance. This led the two countries down different avenues--Canada to autonomy from the US, and America, to a new political era. These differences, whether on China, Vietnam, or economic policy had them aiming for entirely different things. The result was messy and destructive; both men came into office hoping to reshape Canada-US relationship and they certainly did, just not in the ways they had anticipated.

¹²⁶ Pierre Trudeau, *Memoirs*, 216-8

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