



Market Flows, Migration and Territoriality

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Definitions, key themes

- Market flows
 - Goods, services, people (employees, business travel, tourism, capital)
 - Considerable decentralization by region, sector
 - “Fragmegration” (Rosenau) → Cross-cutting responses to globalization at multiple levels of analysis
 - Accommodation of governance, policies to shifting flows of goods, people, capital
 - Selective reassertion of “territorial” policy control by federal, provincial governments, “non-traditional actors” – e.g. business, societal, aboriginal





Major Cdn. trade trends

- Partial reversal of N. American regional integration

- Intraregional trade as share of two-way trade

1999: 54.6% 2010 48.7%

- Some diversification of Canadian exports (percent)

	U.S.	Europe	Asia
2006	81.6	7.6	7.4
2012	74.5	9.7	11.3

- Shifting Export Product Mix

	Automotive	Machinery Indus.	Materials	Energy
2003	21.9	22.2	16.7	15.2
2011	13.0	17.6	25.6	24.3





Macro Trade Trends

- Competitive Liberalization
 - Pursuit of comparative advantage, influence over global trade agenda through pursuit of multiple preferential trade agreements
 - Alternative to WTO, FTAA processes (1998-03) becomes *de facto* replacement
 - Canada follows Mexican, U.S. examples after 2006 . . . both defensive emulation (Latin America, Korea, TPP) and anticipatory (CETA)
- Internationalization of supply and value chains
 - Trade in Goods → Trade in Tasks (decentralized production networks)
 - Border efficiencies critical to investment, location decisions.





“Border” Implications

- “Spaghetti bowl” of rules of origin, country-specific arrangements
 - Particularly acute for agri-food – market specific SPS regulations, consumer preferences
 - Interaction of social, “consumer” policies (e.g. US COOL, EU seal products ban) contesting trade flows
 - Selective pursuit of Regulatory Cooperation within N. America
- Efficiencies in gateways, transportation corridors critical
 - Canadian “Gateway” strategy
 - Canada-US Beyond-the-Border processes





Where from here?

Analytical Challenges: Regionalization

- Major variations in regional economies
 - Selection of “representative sectors” central to forward-looking policy analysis – implications for int’l / interprov. flows?
 - Varied regional shifts in trade dependence (comp. advantage?)





Analytical Challenges: Regionalization within Canada

- Major regional variations in cross-border trade, people flows

Southbound cross-border traffic (2000 = 100)

	Pass. Vehicles			Trucks		
	2009	2013	%chg	2009	2013	%chg
US-Canada Total	72.3	91.7	+ 26.8	71.2	80.1	+12.5
E. of Lakehead	66.1	74.8	+ 12.4	69.2	78.2	+13.0
W. of Great Lakes	92.5	140.9	+ 52.3	78.7	87.3	+10.9





Where from here?

Analytical Challenges: Investment, Labour

- Reciprocity of investment, market access
 - BUT – applicability to state-dominated economies, sectors, esp. those with limitations on rule of law, market-based governance practices
- Migration, labour market issues – separate panel
 - Major regional variations in both interprovincial, international migration
 - Key studies: challenges facing integration of skilled immigrants . . . implications of human flows for key regional sectors.

