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# WITHDRAWAL SHEET

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DLB 3/30/2005

**File Folder** CANADA 1986 (1982-NOVEMBER 1985)

**FOIA**

F00-093

**Box Number** 92134

DONALD MUNTON

16

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
6539	REPORT	CANADIAN HISTORY <b>D 1/22/2008 NLRRF00-093</b>	7	2/7/1985	B1
6540	MEMO	COBB TO FRANK CARLUCCI, RE: LETTER TO PRESIDENT FROM PM MULRONEY RE: ARCTIC <b>R 2/23/2012 F2000-093/1</b>	1	ND	B1
6541	MEMO	CARLUCCI TO REAGAN, RE: LETTER FROM PM MULRONEY RE: ARCTIC <b>R 2/23/2012 F2000-093/1</b>	1	ND	B1
6542	LETTER	MULRONEY TO REAGAN	1	ND	B1
6543	PAPER	CANADIAN ARCTIC CLAIM <b>R 1/7/2011 F2000-093/1</b>	2	ND	B1

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*United States - Canadian Relations*

*1982*

*Paul H. Robinson, Jr.*  
*United States Ambassador to Canada*





FEBRUARY 25,  
1982

*Canada/U.S. Relations:  
1982*

AN ADDRESS BY

The Honourable  
Paul H. Robinson, Jr.,  
AMBASSADOR OF THE UNITED STATES  
OF AMERICA TO CANADA

CHAIRMAN

The President,  
BGen. S. F. Andrunyk, O.M.M., C.D.

BGEN. ANDRUNYK:

Distinguished guests, members and friends of The Empire Club of Canada: The undefended border between Canada and the United States of America, stretching for over five thousand miles, has stood for well over a century as a symbol of the unique friendship between two proud and free neighbouring nations. It is a friendship that has deep roots nurtured by the sharing of common values from the past and common aspirations for the future. It is a friendship that has an important lesson to teach to the rest of the world.

But friends and neighbours are not immune from periodic irritations and differences of opinion. Good friends, however, know how to resolve their differences. They can discuss them with utmost frankness and in a spirit of goodwill to reach agreements which are mutually beneficial.

Today The Empire Club of Canada is honoured and privileged to welcome as its guest speaker a distinguished American who, as his country's chief representative in Canada, will undoubtedly play a leading role in the resolution of some of our differences and in the strengthening of our friendship.

His Excellency the Honourable Paul H. Robinson, Jr. was nominated to be the United States Ambassador to Canada by President Ronald Reagan in June 1981 and he arrived in Ottawa a month later. His ties with Canada, however, go much deeper. His ancestry is Canadian. His great-great-grandparents and his grandparents on his father's side of the family were Canadian citizens from the Kingston area. His great-grandfather, Hugh Heron, moved his family after the Civil War to Chicago where he was a publisher and where he was fortunate to have his business survive the great fire of 1871.

But Ambassador Robinson's association with Canada is much more recent. During 1953-1955 he saw active service in the Korean War as a commissioned officer in the United States Navy. During that period of service his ship operated in Korean waters with destroyer units of the Royal Canadian Navy.

He and his wife and daughter have also been frequent visitors to Canada over the years for both business and pleasure.

Following his service in the United States Navy, Ambassador Robinson founded and served as President of Robinson Incorporated, a firm of specialist brokers in group insurance and mutual funds. He developed two additional firms in the 1970s and his companies have offices in five U.S. cities and in London, England, with representation in Australia and New Zealand.

In addition to managing his business enterprises, Ambassador Robinson has served on the executive board of the Chicago Council of the Boy Scouts of America. He is a member of the U.S. Chamber of Commerce and he maintains memberships in several clubs in Chicago and Washington.

Ladies and gentlemen, it is my great privilege to welcome, on your behalf, His Excellency the Honourable Paul H. Robinson, Jr. to this historic club and to in-

vite him to share with us his views on Canada-United States relations.

AMBASSADOR ROBINSON:

Mr. Chairman, distinguished guests at the head table, fellow North Americans, ladies and gentlemen: It's a great pleasure to see so many people here today. I would like to read to you the first sentence of the flyer that announced my attendance at this luncheon. It says, "In the U.S. tradition of government appointments, Ambassador Robinson had no previous diplomatic or government service when he took office in Ottawa." With that statement as an opening, it's very good to see so many people here today. As the General pointed out in his introduction, I have founded six businesses in four countries; I can assure you that requires some diplomacy.

In fact, having been in my post for seven months, I am a little surprised to find many similarities between business and diplomacy. There are different pieces on the board, but there are always pieces on the board. As a broker I see great similarities in what I am doing on behalf of my country in Canada and what I did in business. I think the principal differences are that the State Department is run more on military lines, or should I say quasi-military. My naval service helps me in that respect. Also half of what I read is secret or top secret and has nothing directly to do with Canada but with the world situation. It does help to have a good understanding of geography. Outside of those two differences, the similarities between business and diplomatic work are remarkable.

The General also mentioned that my predecessors came from the Kingston area. They emigrated to Chicago, which was a sort of United Empire Loyalists in reverse. But they were always loyal to the Crown. That feeling was passed down through my grandmother and my father and it is with me today. There-

fore perhaps it is appropriate that I speak to you today as your guest speaker at the Empire Club.

It is a distinct honour for one to represent the President of the United States in this great and kindred nation. I was pleased when Presidential Counselor Meese, in reviewing the first year of the Reagan Administration, said that one of the accomplishments of the administration was improved relations with Canada. I can tell you that the process is ongoing and that there is a great deal of truth to it. We are communicating more with each other, and that's the beginning of a greater understanding of our differences.

I think John Kennedy best summarized the relationship between our two countries when twenty years ago he said, "Geography has made us neighbours, history has made us friends, economics has made us partners, and necessity has made us allies." We have, in addition to the common heritage of blood, as in my own case, many other areas of common agreement — law, language, literature and a representative form of government. Perhaps that is the greatest element in our mutual and common belief. Freedom and democracy, without question, are our greatest and most prized common possessions.

We are best trading partners. Canada ships forty-one billion dollars worth of goods to the United States each year and we ship thirty-six billion dollars worth of goods to Canada. There are twenty-three million trips taken by Canadians to the United States each year. There are twenty-four million Canadians, so that's a pretty close tie. And we have 5,500 miles of unguarded frontier. This unguarded frontier is the envy of the world.

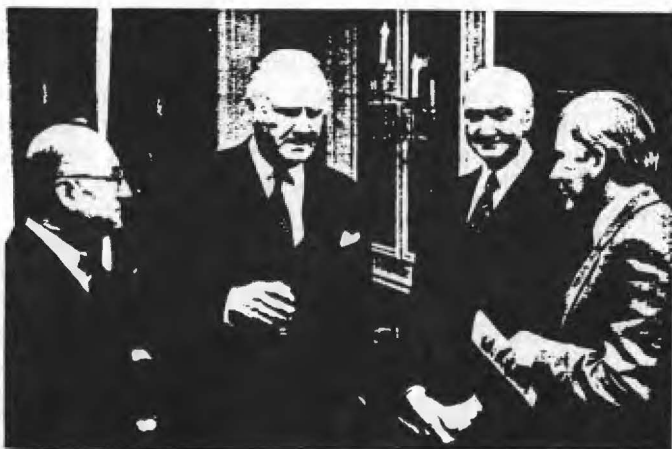
In my brief tenure in Ottawa I have been with the President and the Prime Minister on three occasions during bilateral meetings. I am pleased to report to you that the two men get along very well as men. They disagree from time to time but they get along

very well as men. It's important to report that, because it affects our relationship with each other. It certainly makes my job easier. There have been times during the Diefenbaker/Kennedy and the Nixon/Trudeau periods when the relations were cool. This condition pervades the work of diplomacy in a very negative way. I am glad to say that it does not exist today.

Since coming to Canada we have set up what's called a Joint Consultative Group. The two permanent members are Allan Gotlieb, the Canadian Ambassador to the United States, and myself. There are two or three members from each country who attend meetings depending on the issue. It's an extremely important group, because we are able to head off developing problems by consultation before they become acute. Since this is a two-way street, we are also able to consider matters which previously had been considered closed. It's an open discussion, which we have needed for some time, and it's functioning well.

None of this is to say that we do not have serious problems between ourselves. There is no question that our greatest concern in our dealings with Canada is with the National Energy Program. To be specific, our quarrel is with the retroactive aspect of this program. We don't in any sense oppose the important concept of Canadianization. Indeed, as an American nationalist of Canadian ancestry, I can understand it. What we do disagree with is the method. Without being too technical, we disagree with the retroactive aspect, which amounts to changing the rules of the game in the middle of play. It's completely inconsistent with traditional United States-Canadian relations.

Let me try to explain it to you. If a foreign oil company or developing company were to make an important discovery on Crown lands, it would have to give up to the federal government twenty-five per cent of the asset value of that discovery in return for a



Left to right: BGen. S. F. Andrunyk,  
the Honourable Paul Robinson, U.S. Ambassador to Canada,  
Dr. James A. Parish and Patrick Lavelle

very small *ex gratia* payment of something less than one per cent of its value. In addition, the company must sell another twenty-five per cent to a Canadian-controlled company, presumably at a fair market value which would bear a closer resemblance to the actual value of the find. If further development were to take place the company would again give up half its ownership if it made a major discovery. The latter proposition is acceptable because if you know the rules of the game before you start, then you can't complain. Our objection, then, is when the rules of the game are changed in the middle of play. That's the retroactive aspect of the program that specifically says that we played under one set of rules but we'll now take an additional twenty-five per cent without paying for it, as of the date of the announcement of the National Energy Program in October 1980. So we ceaselessly discuss this matter with our Canadian friends and I

would hope that at some point we will be able to get mitigation of this aspect of the National Energy Program.

You have heard of the Foreign Investment Review Agency. We have taken Canada to GATT for the first time in twenty years; it's not something we do very often. We are concerned with the bureaucratic growth of this agency. We don't see anything wrong with your country requiring companies to bring significant benefit to Canada. But in its seven years of bureaucratic growth, this agency has actually been acting in restraint of trade. We must resolve this matter. I think we can. In any event, it's heartening to know that the November budget indicated that the agency would not be expanded as previously announced and that it would come under review. The budget also indicated that the National Energy Program would not be expanded to other sectors with which we are in agreement.

The Alaska Natural Gas Transportation System, or pipeline, is a matter of great interest to both countries. The cost of this project is something over forty billion dollars. It is hard to imagine any non-military project which would cost that much money, but that's the current estimate. In fact, some estimates go as high as forty-three million. It's good for both countries. It will allow the United States to bring its natural gas down from Alaska to the lower forty-eight, and it is generous of Canada to allow use of Canadian lands to do that. It's important to us not only from the standpoint of energy self-sufficiency but from the standpoint of national security. The administration took the first step and passed a seven-waiver package to the Congress in December. That took a great deal of political clout. It wasn't quite as difficult as the AWACS, but it was still a hard thing to put through. And we did it.

The other half is only the small matter of getting forty billion dollars to build it. I discussed it with the



Bank of America two weeks ago and later with ARCO. I go to New York on Monday and Tuesday where I'll be seeing the other three sponsoring banks. If I were asked to give a percentage figure I would say that the chances are better than even that we'll build the pipeline. But I don't want to say that it's a certainty, and that's why I am involving myself with it. In a sense, if you want to look at this from the standpoint of Canadian history it's almost like building the CPR. It will help develop Canada's northwest as well as Alaska, and for that reason, Canada has an interest in it too. I pledge to you that we in the administration will make every effort to get private financing for this very important project. We will co-operate in all respects with banking interests in Canada and in the United States to make this investment on the part of American industry and banking as palatable, as fair and as good as possible, so that we can complete the pipeline.

We are under attack by people in Canada and conservation groups in both countries on acid rain. I have been involved with this. In fact, there was a meeting yesterday in Washington, where an agenda was agreed upon. This is the third meeting we have had on acid rain. The first one in June was unsuccessful because the two negotiating teams didn't get along. The second one was in Ottawa in early November. I met everybody on both sides, and they were optimistic. As long as we are working together towards negotiating a treaty or an executive agreement we are taking the right steps.

We feel acid rain is a joint problem. Fifty per cent of the acid rain that falls on Canada is generated in the United States or you could put it another way; fifty per cent is generated in Canada. It is a joint problem we are taking steps to rectify. We are going to have to devote billions of dollars from each country to solve this problem. We, in the United States, feel that we really do need more scientific evidence on what acid

rain is and how we can best stop it. This is not a stall. We must have more scientific evidence, and I am confident we will have it.

The Great Lakes Water Quality Agreement, which was signed in 1972 after three years of negotiation and scientific study, is a good example of what can be done. It's been extremely successful. So we have a precedent of working with Canada which we certainly intend to continue.

You may recall that a year ago, the President came to Ottawa on his first visit to a foreign country after his inauguration. Before he did so, he split off the boundaries issue from the Fisheries Treaty because he knew that otherwise the boundary side would not get through the Senate. I can assure you it would not have. It's not just because of the objections by a group of New England senators, but because other people have felt that we gave away the store. Whether we did or not I cannot say, because I was not involved in any of the negotiations. As a result of the split, the Boundary Treaty went through the Senate by a vote of 97 to 9. It has been approved by the Canadian Cabinet and is now at the World Court in the Hague. The fisheries side is another issue, and it is going to take some time before we can meet all of Canada's objections. The New England Fisheries Council has a new management plan which meets the former Canadian objections half way. This is not the final end of this argument, but it is a step in the right direction.

The ongoing negotiations between the government of Canada and the New England Fisheries Council hopefully will produce the basis of a treaty, or at least an agreement that will be in the interests of both Canadian and United States fisheries. I might mention that the west coast Albacore Tuna Treaty was concluded in July, and was eminently reasonable in my view. Both sides are happy with it. So we do make progress, even on the fisheries side.

In all of these negotiations and bilateral discussions I feel that my personal job is to keep the lines open and the lid on. We often have a great number of problems with people speculating on the difference between our two countries when in fact those differences aren't all that great. Headlines sometimes don't follow copy and copy doesn't always follow what was said.

Canada is our closest NATO ally. We share together the common defence not only in NATO but for the North American continent. For twenty years, the Soviet Union has embarked on an unparalleled military buildup which bears no relationship to legitimate needs for defence in the world today. Moreover, the Soviet use of Cuban and East German surrogates in Africa and the brutal invasion of Afghanistan have given rise to considerable alarm in the free nations of the West. This necessitates a re-evaluation of our position in light of the worldwide strength of the Soviet Union today. In describing his plans for defence expenditures of \$180 billion over the next five years to upgrade forces to meet this threat, the President said recently: "It is my hope that this program will prevent our adversaries from making the mistake others have made and deeply regretted in the past, the mistake of underestimating the resolve and the will of the American people to keep their freedom and to protect their homeland and allies."

What are the trends in the world today? In the last ten years, United States expenditures for arms appropriations were reduced by twenty per cent while the Soviets increased theirs by fifty per cent. The net difference is \$270 billion of greater expenditure on defence by the Russians than by the United States.

What is the balance of forces? Let me give you some ratios. In tactical air groups there are twice as many Russian as United States groups. When you add the NATO and Warsaw Pact forces respectively these ratios

remain the same. In submarines, the Soviets have 370 ocean-going fleet submarines. That's three times what the United States has. In artillery, the Russians have 20,000 field pieces. That's four times what we have. In tanks the Soviets have 50,000, which is five times that of the United States. In summary, then, it's two to one in tactical air groups, three to one in submarines, four to one in artillery, and five to one in tanks. These, ladies and gentlemen, are sombre facts. But facts they are. I think it is right for me to bring this to your attention, particularly as a representative of your close NATO ally and friend.

The NATO Alliance has agreed to increase defence spending in real terms, three per cent per year, but three per cent of nothing is nothing. Canada is below three per cent as a percentage of gross national product. The United States is currently spending 5.6 per cent of GNP towards national defence and increasing it to 7.5 per cent. Great Britain, for example, is at 5.2 per cent while Canada is in fact under two per cent. I might add that in the last twenty years the Soviet Union has been averaging twelve to fourteen per cent of their GNP towards defence. We were gratified to see an increase in Canadian defence spending in the November budget of eighteen per cent in each of the next two years.

There is even more to be done. I was aboard Canadian destroyers recently. I can tell you that the officers and men are first-rate, as they always have been. The ships which I was aboard were Tribal Class and were also first-rate, but the other sixteen Canadian destroyers are steam driven. You have read about their boiler problems and how serious those have been. The sixteen steam driven ships are obsolete now. By the time the six new frigates are built, if in fact they are built, in 1987, that will leave you with only ten ships — the six new ones and four Tribal Class which by then will be three-quarters of the way through their

normal life. So, in all frankness, there is a great deal to be done to guarantee your own sovereignty as well as to meet our joint requirement of defending the North American continent.

When we think of Canada's part in defence, we Americans remember that you were in both world wars before we were. No one is pointing an accusing finger at Canadians or Canada. It's just that we want to try to help wake up the Canadian people to the seriousness of the defence situation today. When we think of Canada's part in world history we think of Ypres, the Somme, the Vimy Ridge, the North Atlantic, Dieppe and Normandy. We know we can count on Canada when the chips are down. We just say that you must become more fully aware that this situation exists.

I want to tell you of a great experience I had since coming to Ottawa. I went to the dedication of the Ford Museum in Grand Rapids and flew back with the Prime Minister. I was in his limousine when we went from the hotel to the airport. The maple leaf flag was flying on his limousine, and it was a wonderful thing to see the American people smiling and waving frantically at the Prime Minister and at the Canadian flag. It was a very moving experience. As we drove towards the airport, a young man who was standing with his wife, saluted the Canadian flag. I thought that was very appropriate.

A few months later, during my visit to Winnipeg, I was travelling in my car with the American flag flying. The traffic slowed and a great many young people and children, some of them in the back seats of cars ahead of my car were waving at me and the American flag. It was the same reaction of the people I had seen Americans give to the Canadian flag. One young man, about the age of twenty-five, stood and saluted the United States flag as I drove by. I was greatly moved by that gesture. I think that this is an example of our respect,

regard and affection for each other and this is appropriate to pass on to you today.

Finally, I would like to say that in my tenure as the United States Ambassador to Canada, I will always state the United States position as clearly and concisely as possible in the spirit of fair play and good will that has actuated our relationship for over 150 years. I am sure that I can count on Canada to do the same.

The thanks of the club were expressed to Ambassador Robinson by H. Allan Leal, Q.C., a Past President of The Empire Club of Canada.

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ANALYSIS OF FORTUNE MAGAZINE ARTICLE ON ACID RAIN

The article suggests that the Reagan Administration approach to solving the problem of acid rain is correct. The Administration's current proposal, which is to go slow and spend relatively little, stresses the necessity of further research before committing ourselves to a specific program designed to reduce acidity in our lakes and rivers.

William Brown of the Hudson Institute argues that, contrary to the predominant scientific belief that acid rain is industrial in origin, that the real source of high-level acidity is the result of natural conditions.

- Specifically, he argues that natural filters in the earth (primarily the "mor humus") that are intensely acidic are the primary culprits.
- His assertion runs counter to the report of the National Academy of Sciences (1981) that fingers coal-burning, mid-Western industrial factories as the primary source of sulphur dioxides that, when combined with water vapor, falls as acid rain in Canada and the American Northeast.
- Brown also argues that our ability to control forest fires, which leave a heavy alkaline ash, has also contributed to the eroding of the natural barriers to acidity.

The West Point research group focusing on the problem of acid rain agrees that insufficient study has been made to date to warrant any massive spending program to combat the problem of acid rain. They also agree that the assertion that industrial pollutants are the primary source of acidity may be erroneous. However, they also caution that this article is somewhat self-serving in that the Hudson Institute is attempting to establish itself as a major recipient of research grants to produce studies supporting the Administration viewpoint. In particular, pointing a finger on "Smokey the Bear" does not appear to have scientific substantiation.

MAY 28, '84

FORTUNE

## POLITICS &amp; POLICY

# MAYBE ACID RAIN ISN'T THE VILLAIN

Maybe it's God. Or, no kidding, Smokey the Bear. In any case, some recent scientific findings suggest that the Reagan Administration is right to call for more study before spending billions to fight acid rain.

■ by William M. Brown

**T**HE CONTROVERSY over acid rain has political, economic, and scientific dimensions, but in a presidential election year it was doubtless inevitable that national politics would drive the debate. So most of the disagreements we're reading about these days relate to federal policy. Why is President Reagan resisting an all-out attack on acid rain? (His latest budget proposes only modest amounts for further study of the problem.) Why is William Ruckelshaus, head of the Environmental Protection Agency, defending the President instead of pushing his own more aggressive program to control acid rain? Which of the numerous bills floating around Congress has a chance of passage? How should we deal with the maddening difficulty that the costs associated with many of the bills generally fall most heavily on Midwestern states (whose industry would have to spend huge sums to reduce emissions of sulfur dioxide) while the expected benefits generally accrue to other states, mostly in the East (whose lakes and forests would be less exposed to the acidified rain)?

The emphasis on the politics of the issue is especially unfortunate because the big news may be scientific. The standard scientific view of acid rain's effects may simply be wrong. It is too soon to state categorically that it's wrong, but some recent evidence suggests that we have at least good reason to pause. In a study of acid rain

WILLIAM M. BROWN is director of technological

done at the Hudson Institute, my colleagues and I calculated that it could eventually cost Americans about \$100 billion in today's dollars to achieve a major reduction in sulfur dioxide emissions. Before committing to any program of this magnitude, we should want to be more certain that acid rain is in fact a major threat to the country's environment.

The standard scientific view is easy enough to understand, intuitively plausible, and manifestly true—up to a point. It tells us that the Midwestern factories are spewing tons of sulfur dioxide into the atmosphere and that some of these and other pollutants combine with water vapor, become oxidized and acidic, are borne east by the prevailing winds, and finally rain down on the lakes and forests of New England, the mid-Atlantic states, and Canada. This is the part that's clearly true. It is based on compelling scientific evidence, much of it marshaled in a 1981 study performed by the National Academy of Sciences.

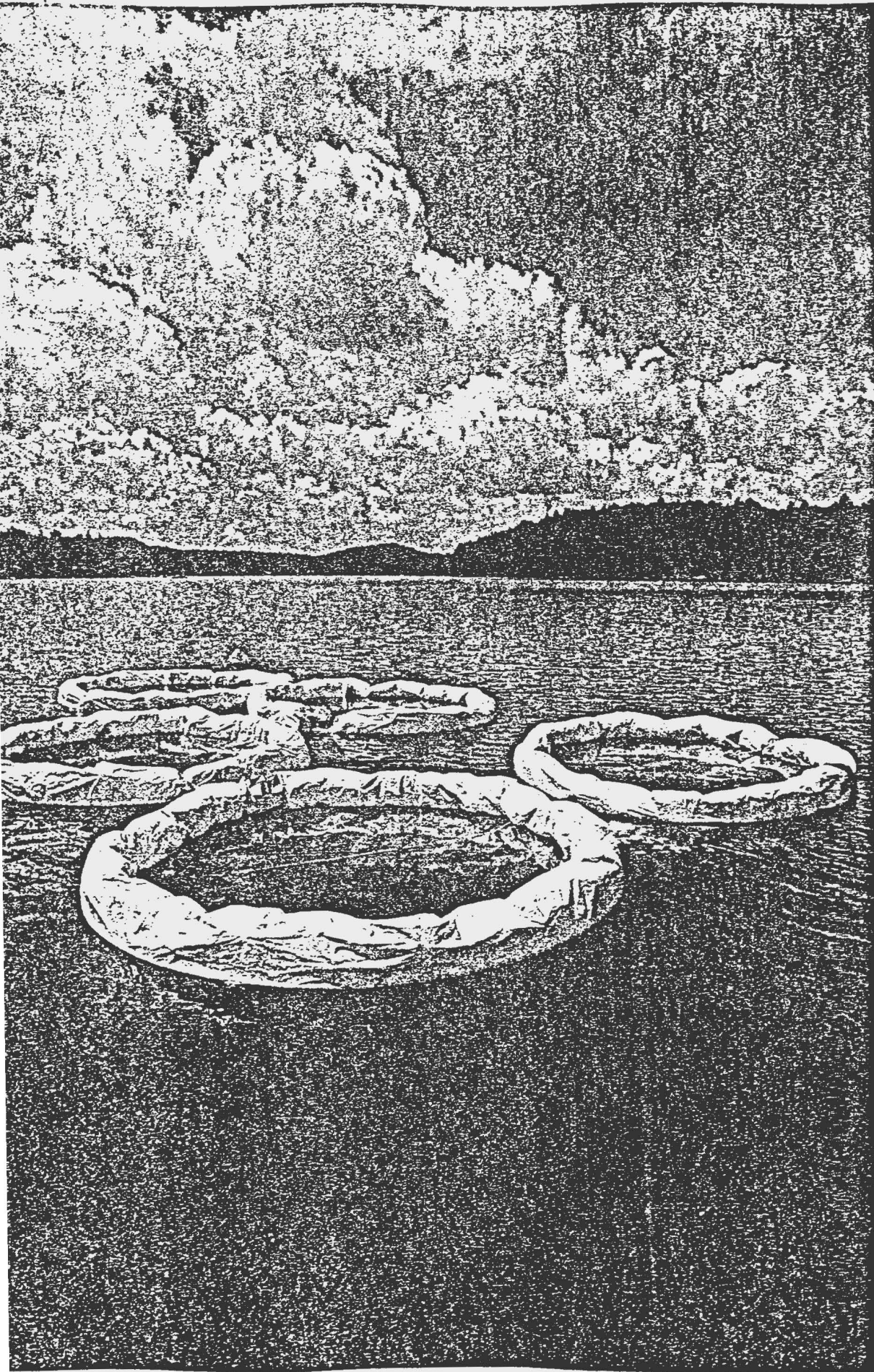
Since that study, however, we have been learning more about how rain-water filters into lakes and streams. Recent research by soil scientists, especially Edward C. Krug and Charles R. Frink of the Connecticut Agricultural Experiment Station, suggests that the portrait drawn in the National Academy study is incomplete. This is also the conclusion of the Hudson Institute study, which was finished last November. (Its title: *A Perspective on Current Acid Rain Issues*.) In it we reached

from those of other investigations.

It is not surprising that there should be sharp disagreements about acid rain. The rain has been studied only for about six years, and scientists working in the field have been raising questions about acidified lakes faster than researchers can provide answers. Thus the view propounded in this article—in most respects a minority view—claims only to be a provocative hypothesis, not a proven reality.

Nevertheless, we now have grounds for suspecting that the following propositions are true: First, the pollutants in the rain are only a minor contributor to the high-level acidity found in some Eastern lakes and streams. Second, this acidity, which is indeed hostile to the existence of game fish and other aquatic creatures, is mostly natural rather than industrial in origin. Third, the popular notion that acid rain is threatening forests in the Eastern U.S., and indeed all across the earth's Temperate Zone, is based less on substance than upon ill-informed conjecture and is probably wrong.

**O**BVIOUSLY, the perspective afforded by these propositions has different policy implications from the National Academy study (which recommended a major reduction in sulfur dioxide emissions). The new perspective would not deny that industrial emissions should continue to be controlled in a reasonable manner, as required by the Clean Air Act. But it also tells us to focus on the



**Big Moose Lake,** one of the 200-odd Adirondack lakes that have been heavily acidified, has also been heavily researched. Syracuse University scientists use the "cylindrical columns" at left to isolate portions of the lake water so that it can be chemically tested without leaving its natural environment.



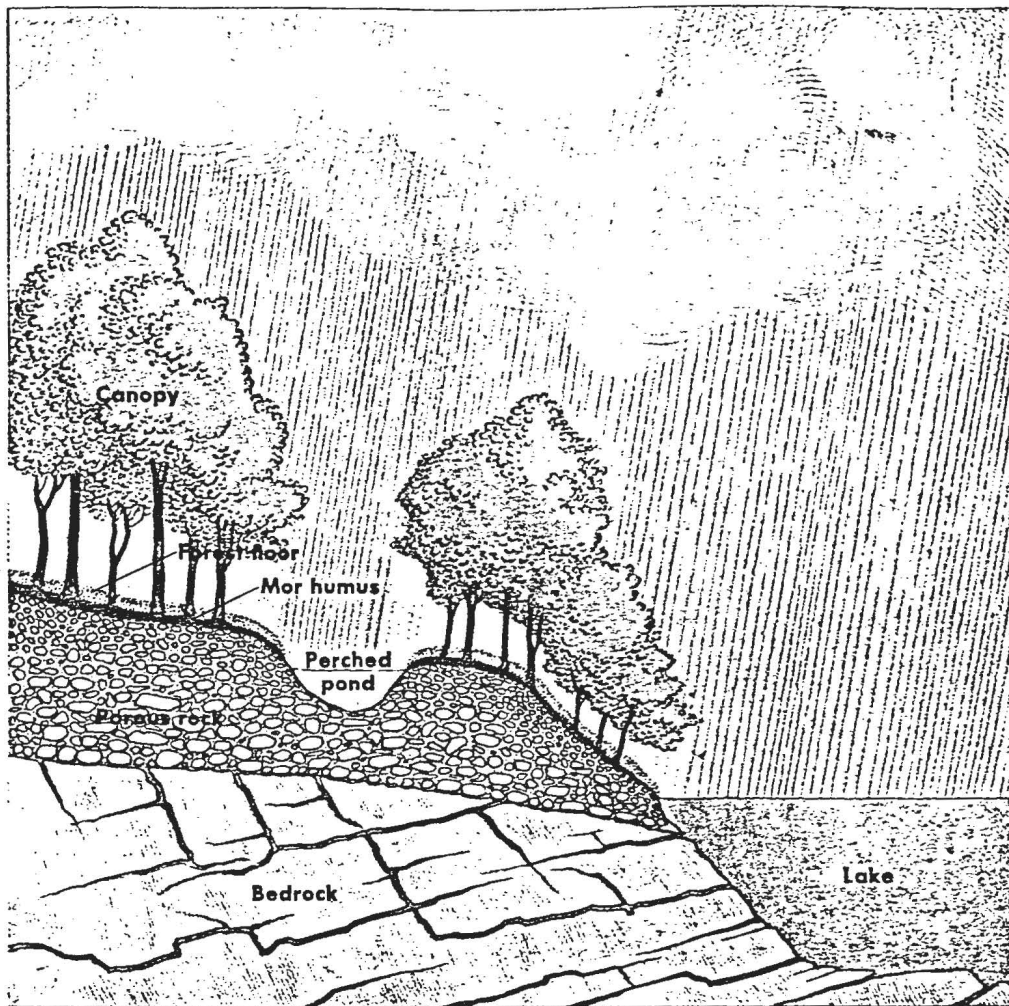


ILLUSTRATION BY LACED O'LEARY

**ON THE WAY TO THE LAKE**

■ Many people assume that acid rain attacks lakes by simply falling on them out of the sky. In fact, little of the acidity in lakes is rained onto them directly. Instead the rainwater passes through a series of filters, during which its chemistry is repeatedly changed. In this schematic drawing the changes are represented by colors, with intense acidity shown as bright red, weaker acidity as pink, and alkalinity as a shade of blue.

The first filter is the so-called forest canopy—the leaves atop the trees—which absorbs some of the rain's acidity. The second filter consists of assorted greenery and litter on the forest floor, which absorbs still more of it. However the third filter, the "mor humus," is intensely acidic (hence the bright red) and contains as much acid as would be expected to fall on the forest in 1,000 years of acid rainfall. The fourth filter is the porous

rock beneath the humus; the rock tends to contain limestone and other alkaline minerals, which reduce the acidity level again. It may be further reduced as the water passes through cracks in the bedrock. The lake's purplish color here signifies the mixture of acids and alkalis that have acted on the water. The perched pond is more acidic (hence pinker), because its water had less contact with alkaline minerals.

Measuring the effects of these different filters is not easy. Clearly, some water falls directly into the lake as acid rain, and some passes into the lake from each of the filter systems. But the bulk of the water typically enters the lake through the cracks in the bedrock—meaning that it has gone through all the filters. In short, the process by which lakes become acidified is complex. Just blaming it on acid rain may be simplistic.

turn out to be largely illusory.

The most important argument used to justify a heavy spending war on acid rain is that it is entering our aquatic systems and threatening their populations. It has been shown, for example, that over 200 lakes in New York's Adirondack Mountains, along with the streams that feed them, are now devoid of fish, or at least of trout and other desirable game fish. Since the decline of the fish populations clearly derives from acidified water, many scientists have naturally come to view the problem somewhat as follows: (a) acidified precipitation falls onto the watershed, (b) it then runs into the streams and lakes, and (c) it kills the fish—at least, it does so unless the lake waters contain enough alkalis to neutralize the acid.

It is also natural for many scientists to fear that this process could eventually spread far beyond Adirondack lakes and, ultimately, produce a worldwide ecological disaster. If any such threat seemed genuine, then a \$100 billion program to forestall it would clearly not be excessive in my judgment. However, the underlying reality appears at once more complex and less threatening.

**R**AINFALL, whether acidic or not, gets into our aquatic systems by circuitous processes. Except for the very small fraction of rain that falls directly onto lakes, the precipitation that ends up in them passes through a series of filters in the watershed. Each of these filters affects the water's acidity in its own way (see box). At least one of these natural filters, the so-called mor humus, can put far more acid into the rainwater than could any anticipated amount of industrial pollution. Indeed, this humus may contain as much as 1,000 times the acid that falls from the sky in a year. Regardless of its initial acidity or alkalinity, water percolating through mor humus emerges from it far more acidic than acid rain. In short, the forests of the Temperate Zones—especially coniferous forests—are natural acid creators.

These forests would long since have killed off the desirable game fish in most of the lakes and streams throughout the Temperate Zone but for another

## POLITICS & POLICY

er natural phenomenon. Other filters through which the rainwater passes are alkaline—that is, acid neutralizing. These deeper filters, mostly porous layers of mineral rock, are often several feet thick and generally contain substantial amounts of limestone and other alkaline substances. They not only neutralize the acid in water seeping into them but often generate natural buffers, such as alkaline bicarbonates, that neutralize any acids that might enter lakes from other sources—for example, from adjacent bogs or from the acid rain that falls directly onto the lakes.

However, these layers of acid-neutralizing rock are not found everywhere. In some parts of the Adirondacks and in a few other areas of the U.S., the deeper soil layers lack enough limestone or other alkaline minerals to neutralize the acidic water emerging from the humus above them. Might this lack explain all by itself why the fish of some Adirondack lakes have been in trouble? It might—except for one bothersome detail. The geology of the region hasn't changed lately, and yet the higher acidity levels of some lakes, and the related problems of their fish populations, are relatively recent events.

The possibility that our acidified lakes got that way naturally is hard for people to accept precisely because of this logical difficulty. If some of the fish are now in a more hostile environment than they were in earlier decades, then we must look to something new in the environment. Sulfur dioxide from heavy industry seems to be just the kind of suspect that makes sense. In fact, however, these emissions are not the only change in the forest environment. Another new feature is Smokey the Bear. Or, less metaphorically, the huge success of the United States in preventing forest fires during the past half-century or so.

Forest fires can have a tremendous impact on the acidity of adjacent lakes. The fires can totally destroy the acid-producing humus, replacing it with a layer of alkaline ash. When that happens, a naturally acidified lake within the burned area may become neutralized and temporarily—meaning for several decades—more hospitable to fish. Eventually, of course, the forest

would be expected to regrow, the alkaline ash left by the fire would be used up, the acidic humus layer would be regenerated, and the fish would be in trouble again.

The possibility that fire prevention accounts for a major portion of the lakes' acidity still has to be viewed as just that—a possibility. It's another of the many fascinating hypotheses that are still too new to have been tested properly by field researchers undertaking controlled experiments. Meanwhile, all we know for sure is that the fires are far less prevalent than they once were.

Until early in this century they were normal all through the earth's temperate zone. Our ancestors in America, including the Pilgrims, set them deliberately and routinely because they were the simplest way to clear sizable tracts of land. Later, during the 18th and 19th centuries, rough-and-ready logging practices created large areas that were susceptible to forest fires in dry spells. There is essentially no virgin forest in the Eastern U.S. today—only regrown forest.

So it really is possible that one new element in the forest and lake environment of the East is the absence of forest fires. It is clear, in any case, that the forests of the Northeast have expanded remarkably during the past half-century. And, of course, their growth has been accompanied by sizable increases in the amount of humus and natural acidity in the soil.

If this is indeed the process by which the lakes have been acidified and the fish killed, it would appear to follow that the outlook for trout fishing is much less bleak. We can plausibly expect industrialization to keep spreading on the planet, so the acid rain hypothesis predicts that more and more lakes and streams will get in trouble. The forest fire hypothesis predicts that relatively few lakes—those lacking the natural acid neutralizers—will be troubled. It is worth recalling that the acidified lakes in what New York State calls the Adirondack Ecological Zone constitute only a minority (19%, to be exact) of the lakes in the area and represent even less of the lakes' total surface area (4%) and volume (2%).

What about the widespread belief

that acid rain represents a threat to the future of the forests? The evidence for this view turns out to be elusive. It is true, to be sure, that we occasionally find damage to clumps of trees in forests and often have no ready explanation of the damage. But it is not established that such damage is new, or growing, or, indeed, that similar damage couldn't have been observed a million years ago. Acid rain is simply not a likely suspect. The acid in Eastern rainfall is usually diluted to about four parts per million or less. Why should we believe that this relatively weak dose is the likely cause of the signs of stress observed in a few forest areas? If it is the cause, how do we explain that vast areas of Temperate Zone forest subject to similar precipitation have not been damaged?

**F**INALLY, why are so few forest ecologists, either in the U.S. or Europe, supporting the concept that acid rain is the villain identified in the media? Some of these scientists have publicly scorned the concept. Here, for example, is a summary statement on the subject by the respected British ecologist Kenneth Mellanby, writing last year in *Nature*: "Reports in the press and on television on the ill effects of acid rain have implied widespread damage to trees, directly caused by sulfur output from industry. But by the end of a recent international meeting . . . at which no less than 50 papers were delivered on the topic of acid precipitation, it was apparent that these simplistic views were neither accurate nor supported by scientific investigation."

All of which suggests that the Administration's much criticized current proposal on acid rain, which is to go slow and spend relatively little—the fiscal 1985 budget includes \$55.5 million for study of the problem—makes a lot of sense. I certainly agree that less sulfur dioxide emissions are better than more. But less spending is also better than more, especially when there's a chance we're spending to solve the wrong problem. Before doing any spending, we need to start thinking of acid rain as a scientific rather than a political issue. F

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MEMORANDUM FOR FRANK C. CARLUCCI  
FROM: TYRUS W. COBB  
SUBJECT: Letter to President from PM Mulroney re: Arctic

Attached at Tab I is a memorandum from you to the President forwarding the PM's letter on Arctic Sovereignty that Ambassador Gotlieb presented to GEN Powell last night.

Gotlieb was deeply distressed last night that he was personally unable to see you or Baker, and indicated that the PM attached the greatest importance to his doing so. I hesitated to press you or GEN Powell further; however, there was no doubt that the Ambassador was acting on instructions to convey the Prime Minister's concerns.

When Gotlieb presented the letter to Secretary Weinberger and GEN Powell he stated that he was instructed to say that the "entire coloration of the Summit" had been changed by the President's letter, in which he categorically stated that we could not seek Candian permission. The Ambassador was obviously worried that the President's letter might leak, thus portraying the GOC as weak and indcisive in dealing with the United States. Ambassador Niles believes that the PM's reply was designed to demonstrate that they reacted firmly.

Clearly the task at hand is to insure that the issue is addressed in a reasonable way and that this not suddenly become an "Arctic Sovereignty" Summit. Although the presentation of the letter last night was unusual to say the least, the response by Secretary Weinberger and GEN Powell--who reassurred the Ambassador that serious discussions should indeed continue--will be well received in Ottawa. That, coupled with our receiving the Ambassador at a high level and in most unusual circumstances, has probably defused the momentary crisis and permitted us to address a broader agenda in Ottawa.

RECOMMENDATION: That you sign and forward the Memorandum to the President at Tab I.

-----Approve

-----Disapprove

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NLRR F00-093# 6546

BY RW NARA DATE 2/28/11



MEMORANDUM FOR THE PRESIDENT

FROM: FRANK C. CARLUCCI

SUBJECT: Letter From PM Mulroney re: Arctic

Issue

To read the letter from PM Mulroney at Tab A.

Background

Your letter to PM Mulroney last week addressed our broad agenda for the Ottawa Summit as well as the issues most important to the GOC: Acid Rain, the FTA and Arctic Sovereignty. You indicated that considerable progress had been achieved on their first two concerns, but that we were unable to reach agreement over the Northwest Passage. In particular, you told the PM that we could not agree to an arrangement in which we sought Canadian "permission".

Facts

The PM was apparently taken aback by your statement, which he regards as a "step backward" from your discussions last March. He states that we have reached a "serious impasse" in our relationship because of this dilemma. The PM also reiterates that given the uniqueness of the Arctic area, U.S. recognition of Canadian sovereignty there would not jeopardize our global legal claims or set unwanted precedents.

On delivering the letter, Ambassador Gotlieb stated that the "entire coloration of the Summit" had been affected by this issue and warned that it could even derail your meetings. However, we believe that our receiving the letter at a very senior level--Secretary Weinberger and GEN Powell met last night with Gotlieb--and subsequent discussions between Ambassador Niles and GOC officials have defused the issue. Still, it will be the PM's primary concern in Ottawa and he will likely press you for an arrangement that permits him to publicly state that the United States has implicitly, if not explicitly, agreed not to challenge Canadian sovereignty.

Recommendation: That you read the letter from PM Mulroney at Tab A

----- OK

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NLRR F00-093#6541

BY RW NARA DATE 2/28/12





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**Freedom of Information Act - [5 U.S.C. 552(b)]**

**B-1 National security classified information [(b)(1) of the FOIA]**

**B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]**

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**B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]**

**B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]**

**B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]**

**B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]**

**C. Closed in accordance with restrictions contained in donor's deed of gift.**



## CANADIAN POLITICAL PARTIES AND LEADERS

Three political parties are represented in Canada's House of Commons: the governing Progressive Conservatives (with 211 seats), the Liberals (40) and the New Democrats, or NDP (31). In the Senate, which is an appointed body, only the Liberals and Progressive Conservatives are represented.

On the provincial level, two other significant parties exist: In Quebec, the Parti Quebecois, founded in 1970 by Rene Levesque and recently ousted by the Quebec Liberal Party; and in British Columbia, the conservative Social Credit Party which holds power there. Five of the eight other provincial governments are controlled by the Progressive Conservatives. Manitoba has a NDP government. In Ontario, the most populous province, the Liberal Party ousted the Conservatives in 1985 after over 40 years of rule by the latter.

The Progressive Conservative Party (the "PC's", or the "Tories") encompasses a broad ideological range, from American-style conservatives to the so-called "Red Tories", but can be categorized as mildly right of center. (It should be kept in mind that in Canada the center itself is a bit to the left of its US equivalent.) Party leaders tend to espouse free enterprise more than the Liberals, but they have shied away from attacking federal and provincial intervention in the economy or social welfare programs. The party is today pro-US (in reversal of its historic stance) and pro-NATO. Traditionally a party of the English-speaking majority, the Progressive Conservatives have become, thanks to Brian Mulroney, a party which represents both language groups and all regions.

The Liberal Party (sometimes called the "Grits") also includes a wide range of views, but in recent years it has been mildly to the left of center -- a direction in which it may continue to move now that it is in opposition, especially insofar as foreign policy issues are concerned. The Liberals have been critical of Prime Minister Mulroney's approach to the United States, accusing him of not adequately defending Canadian interests. The party has opposed Canadian involvement in SDI research, and several of its leaders have called for a nuclear freeze. The Liberal Party was shattered in the 1984 election, being reduced from 147 to 40 seats. However, Liberal fortunes appear on the rise and the latest polls show them pulling ahead of the Tories.

The New Democratic Party (most often called the "NDP") is a member of the Socialist International. It is an amalgam of social democratic views, trade unionism, and western populism, which espouses rigorous government intervention in the economy and a somewhat more neutralist foreign policy. It opposes Canadian membership in NATO -- although the party is re-thinking this platform -- and has attacked the Canada-US Weapons Testing Agreement, which permits unarmed flight testing of the Cruise Missile. The NDP has also been a strong advocate of the nuclear freeze.

Brian Mulroney (Mul-roo-nee), Prime Minister and Leader of the Progressive Conservative Party. Mulroney, 46, is a former lawyer and businessman. A native of a Quebec mill town, he was educated in English and French, and is at ease in both languages. A skilled public speaker, he has been dubbed "Mellow-rooney" by one journalist. As Prime Minister he has emphasized closer ties with the United States. His personal popularity, which was very high following the September 1984 election, has sagged badly in the past 10 months.

John Turner, Leader of the Opposition and Leader of the Liberal Party. Turner, 55, served as Prime Minister from June of 1984 until his party's defeat at the polls in September. He left politics (and the Trudeau cabinet) in 1975 to accept a partnership in a Toronto law firm, returning to take the Liberal leadership, and thus the Prime Ministership in 1984. During the 1984 campaign he faltered badly, although it is doubtful that any other leader would have been able to reverse the party's declining fortunes. He has been doing an apparently excellent job over the past year of rebuilding the party, especially in the west. (He, himself, holds a Vancouver seat.)

Ed Broadbent, Leader of the New Democratic Party. Broadbent, 48, has been the NDP leader since 1975. A former academic, he has been a most effective parliamentarian. His performance during the 1984 campaign helped prevent what many expected to be an NDP debacle in the wake of the Tory steamroller, and he continues to receive high marks in the polls for his effectiveness in attacking the Government and presenting an image of integrity and competence.

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Canadian Arctic Claim

The US and Canada have a longstanding dispute about the status of the Northwest Passage. The US claims that the Passage is an international strait, while Canada maintains that the Passage is part of Canada's internal waters.

In 1968 this dispute was sharpened when the Esso-owned tanker Manhattan transited the Passage, prompting accusations that Canadian sovereignty was being aggressively challenged by the US and leading to a GOC declaration of the Arctic Waters Pollution Prevention Act aimed at reenforcing Canadian authority in the area.

Last August, the US Coast Guard icebreaker Polar Sea made a voyage through the Passage for operational reasons. We informed the GOC several months in advance, and both countries cooperated closely in preparations for the trip. However, we did not ask for GOC permission because we believed such a request would undermine important Law of the Sea principles and thereby cause us difficulties elsewhere on the globe.

When the voyage became public knowledge, a tremendous public outcry erupted in Canada. This reaction was beyond reason, striking a deep psychic sensitivity in virtually all Canadians regarding the need to defend their sovereignty in the Arctic. According to our Embassy, the strength, unanimity, and emotionalism of the Canadian opposition to the voyage exceeded even the Canadian attitude toward the acid rain problem. Mulroney was widely accused of having failed to protect fundamental Canadian interests. In response, the Prime Minister concluded that he had to reassert Canada's claims to sovereignty in the Arctic region. On September 10, the GOC publicized plans to establish a straight baseline regime around the entire Arctic archipelago. In addition, it announced that it would spend \$500 million to build an icebreaker capable of patrolling the Passage throughout the year. (This latter decision has been subsequently criticized by both US and Canadian military officials as a diversion of resources from much higher priority defense needs.)

US experts who have studied the September claim believe that it violates agreed Law of the Sea principles and that acquiescence to the Canadian position would set an undesirable precedent elsewhere. We have held a series of interagency discussions to explore ways to maintain our legal position and secure transit rights for our public vessels while avoiding major political problems with Canada. To this end, State held informal talks with Canadian officials in November. The prospects for such a compromise remain uncertain, given the apparent Canadian demand that we explicitly acknowledge their sovereignty.

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At an interagency meeting on December 12, we agreed to send the Canadians a Diplomatic Note protesting their actions of September 10. We believe this is necessary to protect our legal position. However, Ottawa has warned us that such a Note would have two very undesirable effects: a) it would undermine the chances for a pragmatic compromise; and b) it would provoke an outcry in Canada similar to that caused by the initial voyage of the Polar Sea, with serious consequences for other important issues such as the bilateral trade talks. It would, they argue, also put a cloud over preparations for Mulroney's March visit to Washington. In addition, Cap Weinberger, Fred Ikle, and the JCS have all expressed concerns over the ramifications to our defense cooperation of a continuing public dispute over the status of the Arctic waters.

Ambassador Gotlieb will ask that the US hold up delivery of a protest Note. You may tell the Ambassador that we plan to invite GOC representatives to come to Washington for another informal discussion during the first week of January and that we have decided to hold up delivery of a Note, at least until those talks have been concluded.

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