

**9/11 Anniversary: The Terrorist Threat, Chretien's
Performance, and a Common Perimeter**

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Introduction

Canada's business leaders and CEOs want a common North American perimeter with Canada's adopting U.S. rules for immigrants and imports. They also give Prime Minister Chretien very poor—clearly failing—grades for combating terrorism (43%). Those are the hawkish findings from the weekly COMPAS web-survey among business leaders conducted under the sponsorship of CIBC and the Canadian Chamber of Commerce.

Alongside these hawkish thoughts are some strongly sanguine and dovish views. The proportions of business leaders predicting serious terrorist assaults on the United States or on Canada have fallen substantially since last November. Declining concern may explain why few major Canadian corporations have apparently put into place anti-terrorist plans for protecting their executives against terrorist assaults or their operations against disruption. In a similar spirit, a clear majority feel that U.S. border issues have been largely resolved since 9/11 even if a minority does not take this view. Meanwhile, the Prime Minister earns moderately satisfactory grades for keeping open the Canada-U.S. border (60%).

During a period when Anglo-American military forces are launching ever more serious raids on Iraqi military installations, Canadian business leaders are concerned about the potential for serious disruption of the world oil market in the event of a land invasion. By an almost 3:1 margin, business leaders are inclined to believe that "such a war will harm the global economy because it will cause serious turmoil in oil markets and provoke a terrorist backlash" rather than that "such a war will rally the global economy because it will free up Iraqi oil for world markets and thoroughly demoralize Islamist terrorists and the regimes that assist them."

Canada-U.S. Relations—Canada Should Adopt U.S. Border Rules; Chretien Gets Adequate Grades for Keeping the Border Open and Failing Grades for Fighting Terrorism

As reported below, Canadian business leaders are a lot more sanguine about the terrorist threat than they were last November. They nonetheless want the country to adopt American rules governing immigrants and imports, as shown in table 1. They are reasonably appreciative of the Prime Minister's role in keeping open the border, assigning him a performance score of 60%, as shown in table 2. At the same time, they give him a failing grade—his worst score ever—for his performance fighting terrorism.

The Prime Minister earns a moderately good score for keeping the border open in part because most business leaders, 60%, feel that the border problems are largely resolved. A large minority, 31%, nonetheless believes that border problems remain serious or may have even become more serious since last fall (table 4).



Table 1: As you may know, Canada sometimes adopts U.S. procedures because there are advantages doing so. At other times, we follow made-in-Canada solutions for good reasons as well. In the case of immigration and import controls, should Canada adopt U.S. procedures as a means of keeping the Canada-U.S. border as open as possible? [CHOOSE ONE]

	%
Definitely adopt U.S. procedures	22
Probably	50
Probably not	18
Definitely not	7
DNK or no opinion	4

Table 2: How would you rate the federal government's performance in working with the U.S. government to keep open the Canada-U.S. border for trade and travel? Please use a 100 point scale.

	%	DNK
Federal government's performance in working with the U.S. government to keep open the Canada-U.S. border for trade and travel	60	1

Table 3: If you had to rate the federal government's performance in fighting terrorism on a 100 point report card, what score would you give?

	%	DNK
Federal government's performance in fighting terrorism	43	2



Table 4: After 9/11 there were problems of trade and travel at the Canada-U.S. border. Have these problems...[CHOOSE ONE]

	%
Become worse	12
Remained about the same	21
Become better	60
Been entirely resolved	4
DNK or no opinion	4

Terrorist Threats

A Decline in Perceived Threat

As shown in tables 5 and 6, the terrorist threat is perceived to have declined. Today, 27% of business leaders forecast an ABC (atomic, bacteriological, or chemical) terrorist attack more serious than the World Trade Center calamity within 12 months. This is a decline from 39% last November. Meanwhile, 12% foresee a seriously disruptive terrorist attack on Canada compared to 20% last November.

Table 5: As we approach the anniversary of 9/11, there's been talk in the media about possible biological, chemical, or atomic terror in the future. What is your guesstimate of the probability of an attack within 12 months that could disrupt the U.S. economy more seriously than did the attack on the World Trade Center? Please choose a number between 0%, which means no attack will take place, and 100%, which means there will definitely be an attack within 12 months.

	Average probability in percent
Probability of an attack within 12 months that could disrupt the U.S. economy more seriously than did the attack on the World Trade Center	
September 6, 2002	27
November 2, 2001	39



Table 6: What's the probability of an attack on Canada that could seriously disrupt our economy? Please choose a number between 0% and 100%.

		Average probability in percent
Probability of an attack on Canada that could seriously disrupt our economy		
September 6, 2002		12
November 2, 2001		20

Lack of Corporate Preparedness

Given business leaders' sanguine forecasts of terrorist threats, it may not be surprising that they report that most major Canadian corporations continue to lack plans to protect their operations or their executives in the event of terrorist emergencies (table 7).

Table 7: Insofar as you can tell, what percentage of Canada's largest and most important companies...[ROTATE]

	%	DNK
Have plans to ensure that their operations continue in the event of a terrorist emergency	42	6
Have security procedures to protect their senior personnel from kidnapping or terrorist threats	34	6

Iraq Invasion Fallout

Business leaders perceive Islamist terrorists as less capable than a year ago of causing serious harm to North America, as reported above. Perceiving the terrorists themselves as a declining threat, they see the expected Anglo-American invasion of Iraq as tendentious. By an almost 3:1 margin, they expect that an invasion would cause serious turmoil in oil markets and foster an Islamist backlash rather than free up Iraqi oil for global markets and demoralize Islamist terrorists (table 8).



Canada's business leaders offer no defence of and express no sympathy for Islamist-sympathizing regimes such as Iran, Iraq, or Syria. Some volunteer vehement condemnation of Saudi Arabia for having funded extremist Islamic education or for not cooperating with the West in fighting Islamist terrorism. Many are nonetheless concerned that invasion could open a Pandora's box of unforeseen actions and reactions. The following are typical of the frequently nuanced, volunteered responses of the business leaders:

I feel that an attack on Iraq will hurt the global economy for the short term but could stabilize it for the long term. I'm not sure though that they should attack without world approval.

Not to downgrade the horrendous nature of the events of last September 11th, but lets not forget that wars and natural disasters frequently cause losses of human life much greater than occurred on that day.

Table 8: The potential impact on global business is one factor that is sometimes debated when people discuss whether the U.S. should attack Iraq in order to replace the Saddam regime. Which of these opinions is closer to your own? [CHECK ONE, ROTATE]

	%
Such a war will harm the global economy because it will cause serious turmoil in oil markets and provoke a terrorist backlash	60
Such a war will rally the global economy because it will free up Iraqi oil for world markets and thoroughly demoralize Islamist terrorists and the regimes that assist them	23
DNK or no opinion	17

Methodology

The *National Post*/COMPAS web-survey of CEOs and leaders of small, medium, and large corporations and among executives of the local and national Chambers of Commerce was conducted September 3-5, 2002.

Because medium and small companies are more numerous in the economy and hence among Chamber membership, actual respondents are drawn more from these strata than from the stratum of the largest companies. Because of the small population of CEOs and business leaders from which the sample was drawn, the study can be considered more accurate than comparably sized general public studies. In studies of the general public, surveys of n=163 are deemed accurate to within approximately 8



percentage points 19 times out of 20. The principal and co-investigators on this study are Conrad Winn, Ph.D. and Jennifer McLeod.

