



RESEARCH GROUP

North America at North America at a Crossroads:

A Strategic Call to Action

PREVIOUS WRITE-UPS

Biotechnology

How Canadian companies and investors are involved in Arizona’s biotechnology, medical, and life-sciences industry. Click [here](#) to read.

Semiconductor

The Canada-Arizona collaboration on the semiconductor industry. Click [here](#) to learn more.

Mining

The future of Arizona mining, specifically copper and how Canada fits into it. Read the entire report [here](#).



From our CEO

North America stands at a historic inflection point. The global balance of power is shifting rapidly, with China asserting itself as a civilizational challenger, India rising with demographic and technological momentum, and Russia repositioning itself militarily and economically. Meanwhile, the Arctic is emerging as a new frontier—its melting ice revealing untapped resources, strategic sea lanes, and fresh geopolitical vulnerabilities. In this moment of accelerated change, the United States and Canada must act not reactively, but decisively and strategically. Their shared future depends on rebuilding defense and economic capacity, asserting sovereignty, and embracing disruptive innovation—particularly in artificial intelligence, military technology, and workforce development. But there is a deeper foundation that must not be overlooked: a commitment to democratic values.

Continued...

These values—rule of law, free markets, pluralism, and open societies—are not just moral ideals. They are the strategic glue that binds North America to its global allies. In an age of resurgent authoritarianism, defending and advancing these principles is critical to long-term geopolitical alignment and legitimacy. If we lose the values that define us, no amount of investment or infrastructure will secure our future.

The world is no longer unipolar—it is increasingly bipolar, and soon multipolar. China represents more than just an economic rival; it presents a systemic alternative to the Western liberal-democratic order. India and Russia are not passive players—they are shaping a new global equilibrium. Greenland's expanding port infrastructure, backed by Denmark, signals that Arctic competition is intensifying. Canada and the United States must act with urgency to build out military infrastructure across the North—new Arctic bases, advanced radar systems, and joint operational capacity. Defense cooperation, especially through NORAD and NATO, must evolve from symbolic commitments to strategic readiness. Both Canada and the United States must recommit to national defense as a pillar of sovereignty. The era of security outsourcing is over. The United States is rightly signaling the end of the “free ride” for allies—Europe included. Canada must step up, not just rhetorically but with meaningful financial, technological, and logistical investments. This includes increasing defense spending as a share of GDP, accelerating procurement cycles, investing in anti-drone and AI-enabled systems, and developing the infrastructure needed to defend the vast and vulnerable North. Sovereignty without capacity is fiction.

Economic transformation is equally urgent. The United States is already reindustrializing—reshoring supply chains, rebuilding domestic manufacturing, and asserting greater economic independence. Canada, by contrast, remains dangerously over-reliant on the U.S. market, with more than 75% of exports flowing south. This imbalance is not sustainable. Canada must reduce its dependence by at least 25%, diversify its trade routes, and develop a long-term industrial strategy. North America must move from an economy built on legacy sectors to one wired for the AI era—fast-moving, innovation-driven, and geopolitically resilient. Central to this transformation is the renewal of the USMCA. This agreement is the legal and economic scaffolding of continental integration. If its renewal is mishandled, delayed, or politicized, the progress outlined here—on manufacturing, energy, AI, and regional competitiveness—will be severely undermined. The USMCA must not be treated as a formality. It is a strategic inflection point in its own right.

A continental strategy must emerge. The Canada-Arizona Business Council (CABC) offers a compelling model—linking Canadian capital and talent with Arizona's fast-growing, innovation-friendly ecosystem. Strategic investments in Arizona can anchor new manufacturing, energy, and AI ventures. But this renaissance must be more than economic—it must be cultural. North America needs less bureaucratic delay, less ideological gridlock, and more urgency, experimentation, and execution. Indigenous communities must be brought into this growth story—not through paternalism, but through meaningful access to capital, infrastructure, and entrepreneurship. Talent development will determine national competitiveness. North America must shift from a static education pipeline to a dynamic, responsive skills ecosystem. This means scaling technical and trade programs, embedding AI into upskilling and reskilling platforms, and incentivizing private industry to take direct responsibility for workforce development. Immigration policy must also be retooled to attract talent aligned with national priorities, particularly in science, technology,

Continued...

and critical industries.

Taxation, too, must be rethought. In Canada, high taxes on individuals and small businesses are accelerating brain drain, as capital and talent migrate south. To remain competitive, Canada must enact bold tax reform—lowering capital gains taxes, adjusting personal rates, and creating meaningful incentives for innovation and entrepreneurship. Countries that punish ambition will lose their most dynamic citizens. That is not a theory—it is already happening. But policy alone is not enough. There must also be a cultural shift. The United States—and to a lesser extent, Canada—must rediscover a sense of shared identity, national pride, and personal responsibility. Immigration must be about joining a set of core values—not eroding them. Entitlement culture must give way to a new ethos of contribution, productivity, and courage. Able-bodied citizens must be expected to work, learn, and participate in the reinvention of their nations.

To move forward, North America must act with the speed of a startup and the strategic depth of a superpower. We must build—ports, data centers, military bases, pipelines, and technology hubs—not just faster, but smarter. The region needs a 20-year plan, not a 4-year political cycle. Governments must eliminate outdated regulations, reduce friction, and empower the private sector to lead. This is not a kinetic war, but it is a real one—a battle of systems, values, innovation, and national will. The next decade will not be decided by who shouts the loudest, but by who builds the smartest, thinks the furthest, and leads the boldest—with vision, speed, and strategic clarity. If North America does not rise to meet this moment, others will. The window for reinvention is open—but not indefinitely. We must move now.