



WHITE PAPER

NOVEMBER 2023

True North: A Canadian Foreign Policy That Puts the National Interest First

ZACHARY PAIKIN, WALTER KEMP, ANN FITZ-GERALD & LOUISE BLAIS



THE INSTITUTE FOR
PEACE & DIPLOMACY

THE INSTITUTE FOR PEACE & DIPLOMACY

is a non-profit and non-partisan North American international affairs think tank operating in Canada and the United States dedicated to promoting dialogue, diplomacy, prudent realism, and military restraint—principles we believe are the four cornerstones of sustainable peace in an increasingly complex and dynamic international system.

Founded in 2019, the Institute (IPD) encourages policymakers, and leaders in government, civil society, and business community to adopt a more restrained and open-minded approach in managing the strategic challenges and geopolitical risks of the 21st century.



*To my Bubby Marnie Paikin OC, of blessed memory,
the most patriotic Canadian I've ever met.*

– Zachary Paikin

Authors



Zachary Paikin is a Senior Fellow at the Institute for Peace & Diplomacy where he has directed the Institute's 'Canada's Interests in a Shifting Order' project since May 2022. He is also Senior Researcher in International Security Dialogue at the Geneva Centre for Security Policy and Research Fellow in Grand Strategy at the Quincy Institute for Responsible Statecraft in Washington, DC.



Walter Kemp is a Senior Fellow at the Institute for Peace & Diplomacy and co-chair of IPD's 'Canada's Interests in a Shifting Order' project. He is also Director of Global Strategy at the Global Initiative Against Transnational Organized Crime and author of *Security through Cooperation: To the Same End*.



Ann Fitz-Gerald is a Senior Fellow at the Institute for Peace & Diplomacy and co-chair of IPD's 'Canada's Interests in a Shifting Order' project. She has served as Director of the Balsillie School of International Affairs in Waterloo, Ontario since 2019.



Louise Blais is Diplomat-in-Residence at Université Laval and was Canada's Ambassador and Deputy Permanent Representative to the United Nations from 2017 to 2021.

About the Project

Since May 2022, the Institute for Peace & Diplomacy has been convening a series of monthly roundtables among Canadian international affairs scholars, policy experts, diplomats and other foreign policy stakeholders as part of its '[Canada's Interests in a Shifting Order](#)' project. The purpose of these sessions has been to deliberate how the nature and scope of Canada's national interests may be changing as the world becomes more multipolar. The sessions, conducted under the Chatham House rule, each featured between 10 and 25 individuals and focused on probing how Canada's national interests in several regions and on various policy themes might evolve.

The project's core logic did not centre on identifying new threats to which Canada must respond, but rather on how the country might embark on a more 'first principles' approach to foreign policy. Without a discussion — both conceptual and grounded — on the reach of Canada's interests on the world stage, it is impossible to set proper policy goals or to identify which resources and capabilities must be developed (or reallocated) in the pursuit of those goals.

This white paper, entitled 'True North: A Canadian Foreign Policy That Puts the National Interest First' represents the project's final output. Its purpose is to kickstart a national discussion on how to reframe Canada's foreign policy and international discourse through an interests-based lens, accounting not only for the emerging characteristics of a multipolar world but also for the increasingly apparent reality of Canada's relative decline on the world stage.

In addition to a set of short analyses, as part of the project, IPD also co-published a [special series](#) with the Institute for Research on Public Policy's Policy Options and held a [virtual colloquium](#) in September 2023 entitled 'Canada in a Shifting International Order: Debating Our National Interests'.

Table of Contents

Abstract.....	1
Introduction.....	2
Changing How We Think About the World.....	2
The End of Illusions	3
Transcending the Binary.....	5
Core National Interests: Geography Matters	6
What Could an Interests-Based Canadian Foreign Policy Look Like?.....	9
Conclusion: A Compass Pointing North	12
Acknowledgements.....	14



Abstract

Canadians need to change the way they think and talk about foreign policy. Canada’s political leaders, intellectual elite and general population all often struggle to think of their country’s international engagement in interests-based terms. Our foreign policy discourse frequently references “who we are” and what our “role in the world” is — in effect, a conversation about ourselves, with ourselves. Yet as the world becomes more multipolar and Canada’s relative influence declines, our country cannot afford not to conduct genuine strategy and diplomacy.

Against the backdrop of global change and instability, this paper aims to launch a national conversation on what a more interests-based Canadian foreign policy might look like. The authors contend that a more targeted approach centred on the Arctic, North America and its environs offers one pathway to deploy Canada’s limited resources to maximum effect and gradually rebuild the sources of the country’s national power.



Introduction

In a [speech](#) delivered at the Economic Club of Canada on 30 October 2023, Foreign Minister Mélanie Joly noted that the “tectonic plates of the world order are shifting beneath our feet.” In this brave new world, Canada must conduct what she calls “pragmatic diplomacy.”

Minister Joly is correct that Canada would benefit from a more pragmatic approach to engaging with the world. But being ‘pragmatic’ is about more than just admitting, as Joly rightly does, that we must avoid dividing the world into “rigid ideological camps.” The problem also lies in an outdated mythology about our country’s supposed ‘role in the world’ to which our political and intellectual elite reflexively — and stubbornly — clings.

The problem also lies in an outdated mythology about our country’s supposed ‘role in the world’ to which our political and intellectual elite reflexively — and stubbornly — clings.

What Canada needs is a foreign policy based on the national interest. The intellectual starting point for such a foreign policy lies not only in making sense of recent global shifts, but also in internalizing the reality of our national decline. Simply put, we aren’t as influential as we used to be. But that need not dissuade us: Influence is not an end, but rather a means to an end.

Canada is no longer a middle power and must therefore avoid spreading itself too thin. It should focus on maximizing its influence in those areas where its core interests are most at stake. In

a world of myriad challenges and competing priorities, this means putting the Arctic (and North America) first — and adjusting our global engagement further afield accordingly.

Changing How We Think About the World

Canada’s formula for success since the Second World War has been to anchor its foreign policy in maintaining good relations with its American neighbour, while supplementing this with a commitment to multilateralism. The latter component could also serve as a ‘hedge’ of sorts, buttressing the perception that Canada was an autonomous actor possessing certain attributes and interests that distinguished it from the United States.

These two pillars no longer combine to produce a coherent basis on which to build Canada’s international posture. Even under the Biden administration, it has become evident that American actions are [not purely aimed](#) at upholding a rules-based international order. Through persistent “disregard for the core interests of potential adversaries,” Washington has [helped to diminish](#) the extent to which other powers feel invested in an international order based on commonly accepted rules. [None of the major powers](#) is [entirely satisfied](#) with today’s international status quo, making it difficult to claim that any of them is acting completely in defence of the existing order. As a result, as global power grows more diffuse, the institutions created to maintain international peace and security are facing stress tests that call their very survival into question.

As the world has changed, so has Canada. Our population is larger and more diverse compared with past decades. Our Arctic region is taking on



increased importance amidst rising geopolitical tensions and the advance of climate change. But despite these momentous changes both at home and abroad, Canada appears rudderless. Its purpose and aims seem unclear — both to itself and to others — leading to an ad hoc and reactive foreign policy.

Canada is no longer a source of big ideas for the international agenda such as peacekeeping, anti-mining or human security. Its economy has declined as the world has become more multipolar, leaving it no longer able to piggyback on an international order shaped by its superpower patrons — first Britain, and then the U.S.. And its reputation has taken a hit following two consecutive failed bids for a seat on the UN Security Council.

The result should be a Canadian foreign policy that ranks its priorities more strategically and allocates its limited resources accordingly, doing a few things well rather than inserting ourselves fruitlessly into every debate.

Although there have been recent efforts to examine the state of the country's foreign service, decades have passed since Canada's last comprehensive foreign policy review. It is time to rethink the nature and scope of our national interests. A new conception, based on first principles, is needed that accounts for changes in the international order and Canada's relative decline on the world stage.

To do so, leaders and policy planners should jettison outdated discourses and assumptions in favour of a paradigm that marries the unchanging facts of geography with the evolving realities of polarity, culture and order. The result should be a Canadian foreign policy that ranks its priorities more strategically and allocates its limited resources accordingly, doing a few things well rather than inserting ourselves fruitlessly into every debate.

To guide the way we think about national strategy and, over time, reverse our international decline, our mental compass should point north. Putting the circumpolar region — and, more broadly, the continent — first may not be the only interests-based response to a changing world and Canada's changing place in it. But with the analysis below, we aim to provoke a national discussion on two themes: (a) the need for Canadians to change the way they think and talk about their country's foreign policy and (b) what a foreign policy based on our national interests might look like, accounting for the new realities of a diverse world and a less influential Canada.

The End of Illusions

Since 1945, Canada has seen the emergence of domestic political discourses which have served to engender a degree of consistency in the country's foreign policy, foster a shared national identity, and preserve elite and popular consensus for maintaining the status quo. These have been rooted primarily in three facets, all of which have become incapable of underpinning a coherent conception of the national interest today.

One facet has posited that Canada's relative status and power in the international system should inform the shape of its foreign policy. This conception has asserted that Canada's rank as



a middle power naturally lends itself to being a contributing — if not important — player within the Western alliance and multilateral institutions, and at times a bridge between its allies and other states.

However, although Canada retains a seat at the G7 table, it **no longer verily ranks** among the middle powers. This is partly due to decades of underinvestment in its diplomatic and military capabilities, but also to the rise of non-Western powers ranging from China and India to Indonesia and Saudi Arabia which has resulted in Canada's relative decline. It also owes itself to the fact that, as the shape of regional orders from Europe to the Indo-Pacific becomes contested, middle power status **increasingly relies** on being a top-tier actor within a regional security order. In neither Europe nor Asia does Canada enjoy this status today.

A second conception sees liberal values as the primary factor influencing Canada's global engagement. However, Canada's interests and values are not always mutually reinforcing in today's contested international order. Nor does it help that values and interests are constantly discussed in vague and loose terms, leading both concepts to become more generic and less meaningful to Canadians.

Today's crisis of the liberal international order **owes itself partly** to Western overextension in the realm of values promotion and state-building. Alternative visions of international order emphasizing economic development and cultural distinctiveness over liberal social, economic and political reform have sprouted up, challenging the liberal model. Addressing today's cardinal challenge of climate change also requires stable and capable states — an imperative which may sometimes lie at odds with democracy promotion or regime change efforts.

The 'status' and 'values' propositions have historically combined to engender a certain national understanding of Canada's 'role in the world'. However, there can be no static interpretation of Canada's 'role in the world' if the international order is changing. Nor does Canada appear to retain the image of an honest broker, with an increasingly large proportion of Ottawa's focus devoted to managing relations with the United States — whether through NATO, NORAD, the USMCA, or (increasingly) in the Indo-Pacific. Indeed, the failure (admittedly for different reasons) in 2010 and 2020 to secure a seat on the UN Security Council suggests that Canada sees itself in the world in a different way than the world sees Canada.

There can be no static interpretation of Canada's 'role in the world' if the international order is changing. Nor does Canada appear to retain the image of an honest broker... Canada sees the world in a different way than the world sees Canada.

The final traditional conception of Canada's foreign policy centres on alliances. Despite the relative decline of the West as the world has become more multipolar, a narrow focus on traditional alliances such as NATO has remained. This contrasts with the Cold War era, during which Ottawa did not lose sight of the rest of the world even as it participated in alliance-building.

However, beyond the evolving global balance



of power, the greatest weakness of this third approach is that it defines Canadian interests relationally and reactively, rather than based on first principles. This can be observed in the few 'national interests' that Canadians seem [reflexively able to articulate](#): the need to be seen as a good ally, the desire to obtain “a seat at the table” and, more recently, the attempt to present the country as a '[convening power](#)'. Such notions are perhaps put forward [as a means of compensating](#) for the narrower character of Canada's core interests when viewed through the prism of geography. Yet although Canada cannot defend its interests alone, this is no excuse for skirting the responsibility of defining them.

Energy is too often devoted toward 'nice to haves' — or to reacting to world events and pressure from allies or diaspora groups — instead of defending and promoting a clear set of core national interests.

The weaknesses of these three approaches leave Canadian foreign policy without a compass in a fast-changing world. As a result, energy is too often devoted toward 'nice to haves' — or to reacting to world events and pressure from allies or diaspora groups — instead of defending and promoting a clear set of core national interests. The country's limited resources end up being stretched too thin as it defensively lurches from one crisis to the next.

Without a clear sense of direction, Ottawa also risks fostering a gap between lofty pronouncements and subpar achievements. If the purpose of defining

Canada's interests relationally is partly due to the value of maintaining a good reputation, then this approach ironically risks being counterproductive. Moreover, making the growth of one's stature within an alliance into a policy goal confuses means with ends, further muddying the picture of what constitutes a national interest.

Being in the game but always having poor cards is not a winning formula. More limited, plainly defined and clearly communicated interests are more useful for Canada's international image than talking big and falling short.

Transcending the Binary

In short, the traditional ways of thinking about our national interests are no longer sufficient. However, the two primary fashions in which Canada has thus far responded to changes in the international order have [largely consisted](#) of doubling down on one or another aspect of an existing approach.

Some of the more 'liberal' voices insist that Canada's response to a fraying order should be to shore up that order — in other words, doubling down on a values- and multilateralism-centric approach to Canada's global engagement. This is evidently a space in which Canadians are comfortable operating, both practically and discursively.

Of course, Canada has a natural interest in defending a predictable and rules-based international system, as this is beneficial for trade and security. However, this approach — on its own — avoids reckoning with some of the trade-offs that Canada now faces. When the normative substance of an international order is contested, values promotion can be more of a source of global instability than stability. As Janice Stein has [pointed out](#), while a liberal order may serve



Canada's economic interests given the association of liberalism with open trade, Ottawa's security interests demand support for a rules-based order but not necessarily a liberal one. Facilitating multilateralism in a politically diverse world is not easily squared with megaphone diplomacy.

Current great power tensions are increasingly lending themselves to the bifurcation of international order and the erosion of agreed-upon rules. Yet Canadian political leaders have not bothered to articulate whether the preservation of a single global order — at least to some plausible extent — should be a strategic priority. Instead, they prefer to frame the country's contributions to global multilateralism and to military alliances both as efforts to buttress the rules-based international order. The rules-based order thereby becomes an opaquely defined rhetorical device rather than a clear national interest to defend.

Other more 'hawkish' voices urge that Canada should get serious about addressing the realities of a changed world by embracing the new great power competition more fully. Given Canada's inability to affect the strategic calculations of Russia or China alone, this invariably centres on enhancing Canada's focus and commitment to alliances — deepening existing security partnerships while forging new ones with supposedly 'likeminded' countries. However, going down this path is based just as much on ideology as on Realpolitik.

The mistake that both the 'liberal' and 'hawkish' approaches make is that they continue to assume that Canada's dual pursuit of its interests and of its values is a mutually reinforcing process. Whatever the precise combination of strengthening multilateralism, promoting liberal values across the globe, or working with liberal states, there is an unwillingness to [engage with the trade-offs](#) that reduced global influence invariably brings in

an interconnected world.

Whatever the precise combination of strengthening multilateralism, promoting liberal values across the globe, or working with liberal states, there is an unwillingness to engage with the trade-offs that reduced global influence invariably brings in an interconnected world.

Much as in the 1970s, Canadian foreign policy once again requires a 'third option' to overcome the limitations of an unsatisfactory status quo and the risk it brings of excessive dependence on the United States. The question, however, is whether this third option should aim to bolster Canada's global profile as was the case half a century ago, or whether it should rely on a more targeted but perhaps more effective form of international engagement. This requires discussion of the nature of Canada's interests on the world stage.

Core National Interests: Geography Matters

A conception of the Canadian national interest draws on three primary sources: cultural ties, the shape of international order, and the realities imposed by geography. These should be distinguished from desired ends, such as security, prosperity, autonomy or influence. Rather, these three sources constitute the inputs which shape how leaders in Ottawa may interpret the nature and scope of Canada's interests, which in turn leads to the setting of policy goals.



The first source — culture — suggests that Canada’s interests lie primarily in partnering with Western and associated countries due to cultural similarities, largely irrespective of other considerations such as the global distribution of power or the rules that shape the international order. But in a multicultural society, what does this mean? According to the 2021 Canadian census, one out of every four Canadians belonged to a non-white and non-Indigenous minority group, the largest of which were South Asian (7.1 percent), Chinese (4.7 percent) and Black (4.3 percent). Between 2016 and 2021, the number of Canadian citizens who spoke predominantly a South Asian language (such as Gujarati, Punjabi, Hindi or Malayalam) at home [grew eight times larger](#) than that of the overall Canadian population during that period.

The face of Canada is changing. With [half a million](#) new immigrants each year this trend is bound to increase. If culture is a defining factor of Canadian interests and foreign policy, what is the culture that we are talking about? And with which countries should Canada seek partnerships? The danger is that if the core civic culture is not sufficiently emphasized and rooted, then foreign policy will be endlessly torn in different directions of satisfying ethnically based diaspora interests.

The second source suggests that Canada is interested primarily in maintaining a stable international order, accounting for both the order’s agreed-upon rules and the balance of power most likely to preserve them. In this case, the set of states with which Canada can forge deep and sustained partnerships is wider, but some of those countries are not the same ones with which we share cultural similarities or even the same values.

The trade-offs between these two conceptions

should be evident. For example, if Canada’s interest lies primarily in the preservation of a rules-based international order, then Ottawa should condemn all transgressions against established norms irrespective of the perpetrator. However, Canadian foreign policy discourse has demonstrated little difficulty in labelling Russia and China as threats to the rules-based order, even as Ottawa has [openly supported](#) instances of the United States violating international law. Clearly, there are other factors informing how Canada calculates its national interests beyond a desire to see international norms be uniformly applied.

Canadian foreign policy discourse has demonstrated little difficulty in labelling Russia and China as threats to the rules-based order, even as Ottawa has openly supported instances of the United States violating international law. Clearly, there are other factors informing how Canada calculates its national interests beyond a desire to see international norms be uniformly applied.

Similarly, if Beijing were unambiguously committed to upholding a multilateral order, an open global economy and freedom of navigation, would Canada be a closer partner? Does Canada care which countries emerge as regional hegemon? Or does it have an interest in preventing China from becoming the dominant



security actor in the Indo-Pacific, owing to a desire to see Western countries remain the world's primary term-setters? And if blunting China's rise is in the national interest, must Canada not forge regional partnerships with actors whose democracy and human rights records are far from perfect? Can a cultural or normative conception of the national interest truly reconcile interests and values?

The question to ask, therefore, is how much do cultural and normative imperatives in Canadian foreign policy outweigh a geography-based understanding of the nature and scope of the country's national interests, both today and in the future?

Given Canada's reduced ability to shape the contours of both global multilateralism and regional security orders, both at the present time and for the foreseeable future, the continuation of a foreign policy approach that privileges normative and cultural preferences will likely exacerbate Canada's [dependence on the U.S.](#) — and disperse rather than sharpen Ottawa's focus. This would not necessarily be problematic if Canada had a demonstrated ability to influence U.S. foreign policy, but recent history points in [the opposite direction](#): not only will Ottawa prove unable to restrain Washington from addressing what it sees as an existential Chinese threat, but the U.S. will [impose measures](#) limiting Canada's freedom of manoeuvre as well.

With Canada's global profile in decline and trade-offs increasingly apparent between values and more value-neutral imperatives, a first-principles approach to the national interest should return to the realities of geography, while maintaining Canada's pursuit of a stable international environment based on strengthening the rule of law and fostering global consensus. Even here,

however, Canada merely requires an international order consistent with its interests. This requires dispensing with platitudes about a supposed need for Canadian 'leadership', accepting that the international order is in flux and that Ottawa cannot change that fact, and focusing on those policy areas where the national interest and the imperatives of global governance align.

Canada merely requires an international order consistent with its interests. This requires dispensing with platitudes about a supposed need for Canadian 'leadership', accepting that the international order is in flux and that Ottawa cannot change that fact, and focusing on those policy areas where the national interest and the imperatives of global governance align

Limited influence and resources should encourage Canadian leaders to articulate a narrower conception of the national interest. This would serve to inform the Canadian public, manage expectations with allies, and stabilize relations with adversaries by avoiding misperceptions about one another's intentions. It would bring an added element of predictability to all international tables in which Canada participates, provide a critical foundation for the policy process and help anchor political decisions. Crucially, codifying national interests can also play a role in unifying a population — which is important for an



increasingly diverse society.

What Could an Interests-Based Canadian Foreign Policy Look Like?

Currently, Ottawa does not possess the capacity to exercise significant outcome-determining power — either in global multilateral fora or in regional security arrangements in Europe or Asia — for it to exercise something approaching an independent foreign policy. The result is that Canadian foreign policy has increasingly become concerned with maintaining good relations with the U.S.. Given Washington's predilection for decisive and unilateral action amidst today's deepening great power competition, this leaves Ottawa constantly in reactive mode.

Canadian foreign policy has increasingly become concerned with maintaining good relations with the U.S. Given Washington's predilection for decisive and unilateral action amidst today's deepening great power competition, this leaves Ottawa constantly in reactive mode.

The situation calls for a new Canadian strategic calculus fit for the era of great power competition and global instability which will, assuming it can be sustained short of war, likely shape global politics for the coming few decades. This should be based on two core premises. First, the country's limited resources should be redirected toward a foreign policy focused primarily on North America and the Arctic. Second, this reorientation should be

strategically employed to undertake a sustained period of national capacity building, with the aim of allowing Canada to emerge from today's period of global instability with greater room for manoeuvre.

In contrast to an approach based on maintaining good relations with the U.S. above all else, a continental foreign policy would be an expression of Canadian sovereignty. Under this strategy, security partnerships, military commitments and participation in NATO and NORAD would not be based on the logic that contributing to allied operations represents an end in itself, nor on a perceived need to 'step up' in response to American pressure. Rather, this policy would be pursued because it clearly contributes to the defence of Canada.

Building on Canada's new [Indo-Pacific Strategy](#), which conceives of the North Pacific as Canada's neighbourhood and by implication a natural extension of the defence of Canada itself, Ottawa should retool its focus within NATO toward the [defence of the Arctic](#). Such an undertaking makes even more sense with Sweden and Finland joining NATO, offering Canada the opportunity to assume a prominent role within a group of seven circumpolar allied states representing almost one-quarter of the alliance's membership. Canada should stand on guard for a True North strong and free.

North America is just as much a part of NATO as Europe — and it makes eminent sense that allies should be primarily preoccupied with the defence of their own patch of the Euro-Atlantic region. Far from a selfish move, a strengthened Canadian role in eliminating credible threats to North America would free up Washington's attention and resources to focus on Europe and Asia, while backing up those transatlantic allies tasked with



confronting Russian assets in the European Arctic and curtailing Moscow's access to the North Atlantic. As Timothy Sayle has [argued](#), far more than leading an enhanced presence in Latvia (as important as this is), assuring the defence of North America is perhaps the single most important — and unique — contribution that Canada can make to NATO, given that Russia lies not only to the alliance's east but also to its north.

The purpose of this geographic 'contraction' towards Arctic security is not to write off other facets of foreign policy, but rather to allow Ottawa to consolidate resources and focus its priorities more clearly. Such a foreign policy recalibration should lead to logical consequences in terms of defence spending and deciding where troops and assets should be deployed. Recruitment and retention efforts for the Canadian Armed Forces should be developed and adjusted with this new national priority in mind, which should also be complemented by robust regional diplomacy to manage tensions between circumpolar NATO members and Russia.

Whether Ottawa's enhanced Arctic defence policy should be focused on aerospace defence or have more expansive aims such as territorial defence should be deliberated, articulated to the public, and coordinated with relevant allies. Part of the answer should lie in a cost-benefit analysis of how much flexibility Canada wishes to preserve to respond to various extra-regional challenges. However, one thing appears clear: The NATO membership of Canada's circumpolar allies, combined with the fact that the Canadian Arctic is more easily accessed from the Atlantic than the Pacific, suggest that Ottawa should not spend its limited resources on increasing its Indo-Pacific security role beyond the North Pacific. Such an undertaking would not, in any event, contribute in any substantial fashion to deterring China.

The long-term purpose of this recalibration should be to free up attention and resources to invest in strengthening Canada's diplomatic capabilities, sources of national power and culture of strategic leadership. When it comes to our foreign policy practitioners, this could consist of intensive training for diplomats in languages and grand strategy — providing them with the skill set to remain agile in a fast-changing world — as well as maintaining a global network of embassies. In the realm of national power, this would include a comprehensive program of significantly and sustainably increasing the country's population.

Canada could consider focusing its resources on a small number of international policy challenges on which to apply maximum effort. Not only would this free up attention for other strategic priorities, it also stands to make Canada's international brand more recognizable.

For Ottawa, another domain where less might mean more is in the realm of multilateralism. Canada could consider focusing its resources on a small number of international policy challenges on which to apply maximum effort. Not only would this free up attention for other strategic priorities, it also stands to make Canada's international brand more recognizable. Moreover, this more focused approach increases the chances of Ottawa fostering international consensus rooted in the highest possible outcome — rather than the lowest common denominator — in key policy areas where Canadian interests and capabilities align.



In this regard, one policy focus could be innovative financing for the Sustainable Development Goals — a more inclusive priority for a politically diverse world than democracy promotion and an area where Canada enjoys some credibility thanks to its pension funds. Another could centre on contributions to law of the sea, maritime law and the blue economy — where Canada has bona fide and self-vested interests. This would align with Canada’s centuries-long history of reliance on resource extraction and exports, as well as its geography characterized by oceans on two sides and ice to the north. A third policy area where Canada has ample knowledge to contribute could be global health, an issue of great importance to Canadians and to the rising Global South alike.

Given the continental nature of the proposed reorientation, Mexico should not be forgotten. Canada has common interests with Mexico in terms of trade and security. Building on Mexico’s already sizeable consular presence in the United States, an initial focus could be to expand Canada’s footprint south of the border, pool resources with Mexico City, and devise a common strategy for managing America’s turn toward protectionism. More generally, policymakers should discuss how Ottawa can best leverage Latin America and the Caribbean to reinforce the North American anchor of our foreign policy. Canada’s recent track record here holds room for improvement, considering Ottawa’s ineffective and divisive regime-change efforts in Venezuela.

To sharpen its profile and to prepare for the future, it is in Canada’s interest to step up on several issues that are important to both Canada and the world. Chief among these is the relationship between the environment and security. Canada has an interest in helping to manage dislocation caused by climate change and to promote policies for living in harmony with nature, inspired by centuries

of experience from the country’s Indigenous communities.

Canada is known as a country of natural beauty and resources. Surrounded by three oceans as well as snow and ice in the north and rich in forests and water, a healthy planet is in Canada’s national interest. Out of self-interest and to save the planet, Canada could play an active role in international ocean governance, the peaceful use of outer space, the earth’s atmosphere (building on the Montreal Protocol), biodiversity (building on the success of COP15 in Montreal) and stewardship of the polar regions.

Canada should also leverage the fact that it is a great power when it comes to energy. Canada is among the top five producers of oil, gas and hydro-electric power in the world. It is also a major producer of uranium as well as critical minerals needed for the green and digital economy. Therefore, another foreign policy priority should be to ensure predictable energy markets, supply routes and partnerships. However, Canada should be careful not to approach this file purely through a geopolitical or alliance-centric lens, as this risks contributing further to the fragmentation of the international order.

An easy way to remember, articulate and rank these national interests is by the word probably most often used to describe Canadians: **NICE**.

N = North America

I = International Stability

C = Climate

E = Energy

This new strategic posture would endow politicians, civil servants and thinkers in Ottawa with greater clarity on which to articulate policy goals for a term on the UN Security Council in the



2030s, if policy planners deem such an undertaking to be worthwhile. It would give Canada a more prominent role in defending the High North, including within NATO. More investment in Arctic capabilities would provide grounds for a far more active diplomacy with a host of key states and international organizations, including the UN when it comes to climate change. It would provide Ottawa with a consistent set of priorities to articulate and give Canadians a renewed sense of pride in their national brand.

Finally, the logical implication of a continental foreign policy is that there must be made-in-Canada paradigms for managing relations with Russia and China, which lie across the Arctic and the North Pacific, respectively.

In the case of Russia, Canada could eventually explore ways in which a resurrected Arctic Council could serve as a reassurance mechanism to complement the deterrence imposed by NATO's 'Arctic Seven'. In the case of China, Ottawa should identify broad areas for engagement to preserve space to cooperate on specific files, otherwise political dynamics risk imposing limits where cooperation might have proven beneficial. This will be a delicate balancing act, but could be rendered easier if Canada had a more recognizable set of national interests, which might encourage Moscow and Beijing to invest more resources in their bilateral relations with Ottawa rather than dismiss it as a U.S. vassal.

Conclusion: A Compass Pointing North

The elements listed here as part of the proposed strategic posture are not exhaustive. For example, cybersecurity is another area where Canada and Canadians may have a noteworthy role to play. Nor do we exclude the possibility of alternative

interests-based conceptions of Canadian foreign policy.

The purpose here is to trigger a national debate by illustrating what a coherent response to decades of decline might look like: one that focuses on primary interests... one that not only is willing to acknowledge that the world has changed, but is also prepared to admit that Canada's international status and national character have changed and to act upon that reality.

Rather, the purpose here is to trigger a national debate by illustrating what a coherent response to decades of decline might look like: one that focuses on primary interests; one that consciously seeks to overcome inertia of both mentality and policy; one that marries the unchanging realities of geography with a long-term outlook in a complex environment; and one that not only is willing to acknowledge that the world has changed, but is also prepared to admit that Canada's international status and national character have changed and to act upon that reality.

So long as the international order remains contested but short of full-blown war, regional security tensions are likely to be the norm. Influence will reside not only with the great powers clashing in these hotspots, but also with local middle powers strong enough to set regional



rules and moderate the clash of the great powers. Yet for the foreseeable future, Canada will be unable to shape the parameters of the U.S.-China and NATO-Russia contests. Ottawa **cannot mold** Asia's order to the same degree as Tokyo, New Delhi, Jakarta or Canberra, or Europe's to the same extent as Paris, Berlin, Brussels or London.

The conclusion appears clear: **only in North America** can Canada emerge as a key player in a regional context. And unlike over past decades, Russia and China's interest in the High North and their diplomatic inroads in Latin America together suggest that the wider North American space risks joining the ranks of contested regional orders, at least to some extent. This necessitates a modest correction of the imbalance of power between the United States and Canada — not in terms of relative global influence but rather in terms of relative local capacity — so that Canada can eventually join the ranks of middle powers once again.

A return to middle power status is contingent on Canada once again embodying the 'other North America', rather than continuing its drift into becoming a mere extension of American power or a moralistic gadfly of autocracies. Rather than straining relations with Washington, a more assertive Canada that shoulders greater responsibility in the realm of continental defence — with a growing population and important resources — could be a more valued and respected partner for the U.S.. It would also be a country that will prove more capable of setting the terms of its relations with allies, partners and challengers alike.

In short, Canadian foreign policy needs a sense of direction. It needs a compass to help navigate the country through difficult times, changing relationships, and emerging threats, challenges

and opportunities. The needle of the compass should point north — defending Canada's national interests in the High North and North America.

Acknowledgements

The Institute is grateful to all those who participated in its project roundtables over the past eighteen months, as well as to those who contributed to the project's other outputs. Special thanks are due to **Jeremy Kinsman** (Distinguished Fellow, Canadian International Council), **John Packer** (Associate Professor, University of Ottawa), **Rachel Samson** (Vice-President Research, Institute for Research on Public Policy) and the late **Hugh Segal** for their active participation and advisory inputs to the project.

While the views expressed in this white paper are exclusively those of its authors, they would like to extend thanks to the following individuals for providing their comments on earlier drafts:

Adam Chapnick: Professor, Royal Military College of Canada; Project Participant

Thomas Axworthy: Thomas Axworthy, Chair of Public Policy, Massey College; Project Advisor

Jennifer Irish: Director, Information Integrity Lab, University of Ottawa; Project Advisor

Heather Exner-Pirot: Director of Energy, Natural Resources and Environment, Macdonald-Laurier Institute

Gilbert Le Gras: Special Advisor, Department of National Defence of Canada

Paul Bailey: Deputy Director, Europe Bilateral and EU Institutions Division, Global Affairs Canada

Hussein Hirji: Political Counsellor, Mission of Canada to the United Nations

About Us

IPD is a non-profit and non-partisan North American international affairs think tank operating in Canada and the United States dedicated to promoting dialogue, diplomacy, prudent realism, and military restraint—principles we believe are the four cornerstones of sustainable peace in an increasingly complex and dynamic international system.

Visit us at peacediplomacy.org to learn more.

© 2023 Institute for Peace & Diplomacy

Contact Us

For media inquiries and to arrange an interview with one of our experts, contact our communications team.

E: info@peacediplomacy.org

W: peacediplomacy.org



THE INSTITUTE FOR
PEACE & DIPLOMACY