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Charting New Waters: Assessing Canada's Indo-Pacific Strategy One Year On

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THE INSTITUTE FOR
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Introduction: Progress and Challenges in Canada's Indo-Pacific Journey

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The release of the Indo-Pacific Strategy (IPS) a year ago, marked a milestone in Canada's foreign policy and security posture towards the Pacific. Ottawa sought to recalibrate and reorient policy to face shifting geopolitical dynamics and challenge of great power rivalry while recognizing and acknowledging the rising geostrategic importance of the Indo Pacific region as the engine of global economic growth. To mark the importance of this event and to evaluate its impact, the Institute for Peace & Diplomacy (IPD) organized the 3rd annual Indo-Pacific Strategy Forum in December 2023 in partnership with the Canada West Foundation. This edited volume was commissioned by IPD in conjunction with this forum and builds on the discussion and debate stimulated by this occasion. The volume aims to critically assess the progress of Canada's engagement in the Indo Pacific a year after the release of the IPS and to provide policy recommendations for the challenges and opportunities ahead.

The IPS was launched in a context of significant transformation to the global order, characterized by the resurgence of great power politics, the persistence of regional conflicts, and the imperative of addressing transnational challenges. The strategy aimed to navigate these complexities by enhancing Canada's presence in the Indo-Pacific, fostering stronger relationships with key partners, and promoting a rules-based international order. The course from policy articulation to implementation reveals both achievements and obstacles, reflecting the contours and nuanced reality of Canada's ambition and capacity on the global stage.

This collection begins with a paper written by IPD senior fellow and the volume's co-editor, Jeremy Paltiel in which he sets the stage by evaluating the IPS's ambitions against its tangible outcomes. Paltiel's analysis underscores the cautious approach

Canada has taken, balancing alignment with the United States and its allies while striving to avoid the pitfalls of a new Cold War. This nuanced navigation, however, faces scrutiny for its modest impacts and the challenges of defining a more autonomous role within the Indo-Pacific's complex geopolitical landscape.

The volume then delves into specific relational and thematic areas of Canada's Indo-Pacific engagement. Lynette Ong's examination of Canada-China relations post-IPS reveals the strategy's limitations in articulating a coherent approach towards Beijing, highlighting the challenges of diplomatic and strategic autonomy when caught between major powers' initiatives. Kai Ostwald's analysis of Canada's evolving relationship with the ASEAN region reflects on the strategic intentions set forth by the IPS and the historical context that shapes Canada's engagement with Southeast Asia. Ostwald's contribution brings to light the balancing act Canada faces in establishing a meaningful and reciprocal partnership with ASEAN amid a crowded field of actors with similar aspirations.

Stephen Nagy's exploration of the opportunities and limitations within the framework of the Camp David Principles, between the United States, Japan and South Korea, further enriches the discussion by assessing Canada's potential to contribute to regional stability through both bilateral and multilateral arrangements. Nagy's insights point to the imperative of leveraging existing platforms and crafting a diplomatic approach that aligns with Canadian interests and capabilities.

Karthik Nachiappan's critical perspective on Canada-India relations underscores the challenges of nurturing a strategic partnership with New Delhi, reflecting on the broader implications of trade-focused engagements that overlook the complexities of geopolitical and security considerations.



The analysis calls for a recalibration of Canada's approach towards India, emphasizing the need for a comprehensive strategy that transcends economic interests to address mutual concerns in the Indo-Pacific.

Kim Richard Nossal's contribution on Canada's "easy riding" strategy in the region provocatively questions the feasibility of a more assertive Canadian defence and security posture in the Indo-Pacific. Nossal's critique of the inherent limitations in Canada's strategic culture and resource allocation underscores the broader challenges of translating ambitious policy goals into substantive actions.

Collectively, these contributions offer a thorough assessment of Canada's Indo-Pacific Strategy (IPS) and highlight diverse perspectives and debate surrounding its implementation. The volume acknowledges the IPS as a milestone in Canadian foreign policy and looks to sustain its momentum into the future, with looming changes in government possible in both Canada and the United States in the coming year. This volume seeks to foster further reflection, debate, and policy innovation regarding Canada's IPS. The contributors, who bring a wealth of expertise and insight, provide a valuable resource for policymakers, scholars, and practitioners.

We invite our readers to join this debate to help sustain and extend Canada's vital interests and values in the Indo-Pacific for the future. We would like to extend our gratitude to the Mobilizing Insights in Defence and Security (MINDS) Program at the Department of National Defence and the Social Sciences and Humanities Research Council of Canada (SSHRC) for their support, without which this collection would not have been possible.

Evaluating Canada's Indo-Pacific Strategy: Ambitions and Realities in a New Geopolitical Landscape

JEREMY PALTIEL





Introduction

Canada's Indo-Pacific Strategy is a coat of fresh paint on a faltering rampart. Designed to project purpose and solidity in the face of real and perceived threats, it was also nimbly assembled to avoid substantial new commitments and costly investments. In aligning Canada closely with the United States in the Indo-Pacific, it aimed at the same time to reinforce longstanding Canadian ambitions to play a significant role in this fast-growing region.¹ Adopting a more assertive cautionary posture towards China, it simultaneously refused to succumb to efforts to divide the region along the lines of a new Cold War. Incremental adjustments are linked together with the overall hope that the whole will be greater than the sum of the parts. It is nevertheless important to acknowledge the substantive meaning of the IPS.

Crafted to signal Canadian resolve to stand with the US and its Asian allies to counter China's assertive rise, it seeks further to maintain Canada's role as a Pacific power. Its six pillars were designed to both reinforce the value basis of our security alignment together with the economic opportunities offered by connecting with the dynamic economies of Asia.

The first part is meant to signal discontinuity with the recent past, while the latter is designed to incrementally refine and reiterate a theme that Canadian diplomacy has enthused over since the late 1980's to muted and sceptical response in Asia. Frankly stated, the IPS was designed to recalibrate

1 Even the choice to name an "indo-Pacific" strategy is a bid to align with US policy with shades of "containing" China. See, the author's "Between Two Orders in the Asia-Pacific navigating a Treacherous Reef" in Lowell Dittmer ed. *New Asian Disorder: Rivalries Embroiling the Pacific Century* (Hong Kong: Hong Kong University Press, 2022) pp. 75-92; see also Jeffrey Reeves *Follow the Leader, Lose the Region: Charting a Canadian Strategy for the Asia-Pacific* (Vancouver: UBC Press, 2023)

Canadian diplomacy for current challenges at a time of generally low and pusillanimous ambition for Canadian foreign policy. The first year of its operation has generally borne out its modest aims and achievements.

Its most dramatic impact has been to draw a thick line under 50 plus years of outreach to the People's Republic of China and to signal its transformation from aspirational partner of opportunity to a global and regional "disruptive power" to guard against and restrain in concert with like-minded nations. China has not failed to respond in kind, treating Canada with disdainful hostility and thinly disguised contempt.

Canada's Indo-Pacific Strategy followed close on the sobering and painful nearly three years long episode of the "3M's" Canada's detention of Huawei CFO Meng Wanzhou on a US extradition request on December 1, 2018 and the subsequent detention by China of two Canadians Michael Spavor and Michael Kovrig, the latter a Canadian diplomat on secondment to the International Crisis Group on apparently spurious espionage charges.² This episode soured Canadian public opinion on China and galvanized views of China as a hostile power. For years the Trudeau Cabinet had been rumoured to pursue and release a "China Strategy" with China viewed as an economic opportunity. Now the priority was to strategize about

2 The recent revelation of Michael Kovrig's involvement with Global Affairs Canada's Global Security Reporting Program (GSRP) and its intelligence gathering program where Michael Spavor was an informant complicates Canadian insistence that the two Michaels were innocent hostages of a capricious Chinese state, but does not in itself prove or demonstrate "espionage". Robert Fife and Steven Chase, "Watchdog Report on Global Affairs Unit Named in Michael Spavor's Case Still Unreleased Three Years after Its Completion," *The Globe and Mail*, November 24, 2023, <https://www.theglobeandmail.com/politics/article-gsrp-spavor-kovrig-report/>; See also Donald Clarke, "What Does the Report about Spavor's Settlement Demand Tell Us?," *The China Collection*, 2023, <https://thechinacollection.org/report-spavors-settlement-demand-tell-us/>.



China as an emergent challenge to Canadian national security.³ Nonetheless, the Trudeau cabinet was still focused on safeguarding the multilateral trading system and the rules-based order and was reluctant to sign on unilaterally to “decoupling” or a new Cold War, especially given the sobering experience of belligerent threats to Canadian trade during the Donald Trump Presidency.

The government settled on a middle course for a middle power. On the one hand bolstering our alignment with the US and its allies in countering China’s assertiveness, while on the other still looking to build more robust trans-Pacific ties, albeit no longer with China at its centre.

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3 The ‘3M’ Affair became the watershed in the securitization of Canada’s China policy see the author’s “How Canada Became Hostage to Growing Sino-American Rivalry in the Affair of Meng Wanzhou and the ‘Two Michaels’”, in David Carment, Laura Macdonald and Jeremy Paltiel eds. *Canada and Great Power Competition: Canada Among Nations 2021* (Cham, Switzerland: Palgrave MacMillan, 2022) pp. 257-276.

same time the government focused on improved trade and diplomatic links with ASEAN as a visible symbol of Canada’s continued emphasis on trade diversification and opportunities in Asia.

The Announcement of the Strategy

The strategy was announced with great fanfare by Global Affairs Minister Mélanie Joly in November 2022. With the Minister herself credited with making explicit Canada’s pivotal shift in addressing China as an “increasingly disruptive power.” In introducing the strategy the minister had this to say about the Indo-Pacific Strategy in relation to bilateral relations with the United States:

I’m grateful for the excellent relationship that I’ve been able to develop with my American counterpart, Tony Blinken, who is now, I would say, a friend who was just in Canada two weeks ago. The Secretary of State and I have frank and open discussions. By doing so, we’ve been able to further align our approaches on the issues that affect the health, the security, and the prosperity of citizens on both sides of the border. This includes on major geopolitical questions, the pandemic, Ukraine, of course, Iran, Haiti, and now the Indo-Pacific.⁴

Reception

The policy was generally well-received by our allies and by the Canadian public, though some pointed out immediately the limited resources actually being redirected or newly invested. Predictably, the strategy was denounced both by the

4 Asia Pacific Foundation of Canada, “Foreign Affairs Minister Mélanie Joly Previews the Government of Canada’s Upcoming Indo-Pacific Strategy in Advance of Diplomatic Trip to Asia,” Asia Pacific Foundation of Canada, November 10, 2022, <https://www.asiapacific.ca/publication/foreign-minister-melanie-joly-previews-indo-pacific-strategy>.



Chinese Embassy and in the Communist Party's official mouthpiece the Global Times of Canada's 'vassalage' to a US puppeteer.⁵

Highlighting significant changes in Canada's national security strategy was increased surveillance of research links with Chinese academic institutions and technology companies, a notable re-deployment of naval assets from the Atlantic to the Pacific, and increasing diplomatic resources, both to coordinate with allies in the Indo-Pacific and to reinforce ties with Asia, outside of China particularly with ASEAN.

If the Indo-Pacific Strategy was intended to by the government to seize back control of the narrative of Sino-Canadian relations following the end of '3 M' affair, this effort faltered early. At the very moment when Minister Joly was preparing to release her strategy, Global News Reporter Sam Cooper released an article citing sources within the Canadian Security Intelligence Service (CSIS) showing that Prime Minister Trudeau was informed by Canadian Intelligence of a vast Chinese effort to influence the 2019 federal election.⁶ These spectacular allegations later amplified in the pages of the Globe and Mail,⁷ that included insinuations of "elite capture" by agents of the Communist Party of Canada dominated Canadian headlines for months, and impugned the reputation of the Canadian Prime Minister to protect Canadians from

interference in Canada's domestic affairs by the People's Republic of China.

These allegations prompted calls for a public inquiry, to which the government was forced in acquiesce, after an initial investigation by the former (Conservative appointed) Governor-General David Johnston failed to quell public anger. While this hue and cry had no direct bearing on the Indo-Pacific Strategy itself, it certainly undermined the government's credibility in standing up to the Chinese challenge that was its major focus. That this lack of confidence was generated from within Canada's own security agencies was a further source of disquiet.⁸ Even former Canadian National Security advisor and CSIS head the noted China "hawk" Richard Fadden cautioned against rushed action based on incomplete and incompletely reported intelligence.⁹

Nonetheless, these allegations of election interference and intimidation of MP Michael Chong's family prompted the expulsion of Chinese Consul-General Zhao Wei and plunged Sino-Canadian relations to a new low.¹⁰ While the IPS envisaged "promoting peace resilience and security" rather than boldly targeting China as an object of deterrence (the word does not appear in the document), the atmosphere surrounding the roll-out of the IPS has certainly coloured both its implementation and its reception.

5 Global Times, "Canada's 'Indo-Pacific Strategy' Is Overambitious, Full of Confusion," Global Times, November 29, 2022, <https://www.globaltimes.cn/page/202211/1280681.shtml>.

6 Sam Cooper, "Canadian Intelligence Warned PM Trudeau That China Covertly Funded 2019 Election Candidates: Sources," Global News, November 7, 2022, <https://globalnews.ca/news/9253386/canadian-intelligence-warned-pm-trudeau-that-china-covertly-funded-2019-election-candidates-sources/>.

7 Robert Fife and Steven Chase, "CSIS Documents Reveal Chinese Strategy to Influence Canada's 2021 Election," The Globe and Mail, February 17, 2023, <https://www.theglobeandmail.com/politics/article-china-influence-2021-federal-election-csis-documents/>.

8 The Globe and Mail, "Opinion: Why I Blew the Whistle on Chinese Interference in Canada's Elections," The Globe and Mail, March 17, 2023, <https://www.theglobeandmail.com/opinion/article-whistle-blower-china-canada-election-interference/>.

9 Richard Fadden, "Opinion: Beijing Is in Canada's Face, and That Requires Us to Push Back. But How?," The Globe and Mail, May 9, 2023, <https://www.theglobeandmail.com/opinion/article-beijing-is-in-canadas-face-and-that-requires-us-to-push-back-but-how/>.

10 Darren Major, "Canada Expelling Diplomat Accused of Targeting MP Michael Chong's Family," CBC, May 9, 2023, <https://www.cbc.ca/news/politics/canada-expelling-chinese-diplomat-1.6836336>.



Impact

The programs promised through the IPS have been rolling out as planned. In June, then defence Minister Anita Anand announced the revamped Indo-Pacific Defence posture.¹¹ Operation HORIZON to replace the Indo-Pacific portion of Operation PROJECTION. This involves the redeployment of HMCS *Montréal* from the Atlantic to the Pacific and the permanent stationing of two frigates on the Pacific. In addition, Canada took up the position of deputy commander of the UN Mission in Korea and signed an MOU on defence cooperation with the Republic of Korea.

One effect of Operation HORIZON has been an increased tempo of Canadian ships traversing the Taiwan Strait and the South China Sea in US-led formations. On November 1, 2023 the Canadian frigate HMCS *Ottawa* transited the Taiwan Strait for the third time this year, marking the highest rate of such Canadian transits ever, this comes after the transit by HMCS *Montréal* in June and another transit in the opposite direction by HMCS *Ottawa* in September. Most significantly at a time of heightened confrontation in the waters surrounding Taiwan and the South China Sea, each of these transits involved incidents of close confrontation with Chinese vessels shadowing their US and Canadian counterparts.¹² In addition, Canadian military aircraft taking part in Operation NEON in surveillance of ships evading UN

sanctions on the Democratic People's Republic of (North) Korea, was buzzed by a Chinese fighter jet.¹³

Outside the security and defence arena, Canada has been able to make good on improved relations with Taiwan with the completion of a Foreign Investment Protection Agreement (FIPA).¹⁴

While the Trudeau government has signaled its intent to produce further cuts to the military budget despite our ongoing failure to meet NATO targets, increased confrontation at sea will likely feed appetites for improving military preparedness in succeeding governments.

The increased tempo of the Canadian presence in the disputed seas off China, as well as the fierce Chinese response have placed a seal upon an increasingly adversarial relationship both at the official level and in the eyes of the public. Moreover, while the Trudeau government has signaled its intent to produce further cuts to the military budget despite our ongoing failure to meet NATO targets,

11 Department of National Defence, "Defence Minister Anita Anand Announces Revamped Indo-Pacific Military Mission and Strengthens Canada's Defence Relationships in the Region," Government of Canada, June 2, 2023, <https://www.canada.ca/en/department-national-defence/news/2023/06/defence-minister-anita-anand-announces-revamped-indo-pacific-military-mission-and-strengthens-canadas-defence-relationships-in-the-region.html>.

12 David Common, "A Canadian Warship Has at Least 3 Encounters with Chinese Ships as It Patrols Contested Waters," CBC, September 7, 2023, <https://www.cbc.ca/news/world/hmcs-ottawa-east-china-sea-1.6959012>.

13 Radio Canada International, "Chinese Fighters Engaged in 'Unsafe' Intercept of Canadian Surveillance Plane, Commander Says," Radio Canada International, October 17, 2023, <https://ici.radio-canada.ca/rci/en/news/2018744/chinese-fighters-engaged-in-unsafe-intercept-of-canadian-surveillance-plane-commander-says>.

14 Global Affairs Canada, "Canada and Taiwan Complete Foreign Investment Promotion and Protection Arrangement Negotiations," Government of Canada, October 24, 2023, <https://www.canada.ca/en/global-affairs/news/2023/10/canada-and-taiwan-complete-foreign-investment-promotion-and-protection-arrangement-negotiations.html>.



increased confrontation at sea will likely feed appetites for improving military preparedness in succeeding governments.¹⁵

In other areas of security the government of Canada has gradually been rolling out new regulations to scrutinize research partnerships with China and to safeguard Canadian research and innovation from industrial and military espionage.¹⁶ Canada has also been cooperating with the United States on new ways to safeguard and redirect supply chains. While this effort predates the Indo-Pacific Strategy, its scope forms part of the Indo-Pacific Strategy mandate.¹⁷

If the Indo-Pacific strategy aimed to preserve room for cooperation with China while better engaging with non-Chinese Asian partners, the record in the first year is decidedly mixed. The only Canadian cabinet minister to have travelled to China in the past several years was the Environment Minister Steven Guilbeault.¹⁸ This visit took

place over opposition objections.¹⁹

The centerpiece of implementing the IPS came with the Prime Minister's trip to Asia in September. While in Jakarta to attend the ASEAN post ministerial conference, he engaged with President Widodo and announced a new Canadian post to ASEAN in Jakarta as well as increased initiatives in trade both with Indonesia and with ASEAN as a whole. Canada's engagement with Indonesia and the elevation of Canada as a "strategic partner" of ASEAN was the highlight of the Prime minister's Asian tour.²⁰ The Prime Minister then went on to New Delhi in India for the G-20 conference. This visit was intended to put Indo-Canadian relations back on track and to bring Canada at least onto the periphery of the Quad nations in their efforts to counter Chinese influence. Instead, the entire visit fell into mutual recrimination due to the fallout of the assassination of Khalistani activist Najjar Singh in Suburban Vancouver in July.²¹

A year after the announcement of the IPS, Canada still struggles to establish a coherent narrative matching the strategy's aims. This was reinforced as recently as the APEC summit in San Francisco in November, when Canada found itself excluded from the US-led initiative for trade in the Indo-Pacific.²² The balance sheet shows that, a year

15 Murray Brewster, "Federal Government Looking to Cut \$1 Billion from National Defence Budget," CBC, September 29, 2023, <https://www.cbc.ca/news/politics/departement-national-defence-budget-billion-1.6981974>.

16 Innovation, Science and Economic Development Canada, "Progress Report on the Implementation of Canada's National Security Guidelines for Research Partnerships and Supporting Research Security Efforts," Government of Canada, January 16, 2024, <https://science.gc.ca/site/science/en/safeguarding-your-research/general-information-research-security/additional-resources/annual-reports/progress-report-2021-2023>.

17 Global Affairs Canada, "U.S.-Canada/Canada-U.S. Supply Chains Progress Report," Government of Canada, June 9, 2022, https://www.international.gc.ca/transparence-transparence/supply_chains_progress_report-rapport_etape_chaine_approvisionnement.aspx?lang=eng.

18 Environment and Climate Change Canada, "Minister Guilbeault to Attend the CCICED Annual General Meeting," Government of Canada, August 25, 2023, <https://www.canada.ca/en/environment-climate-change/news/2023/08/minister-guilbeault-to-attend-the-china-council-for-international-cooperation-on-environment-and-development-cciced-annual-general-meeting.html>.

19 Olivia Stefanovich, "Guilbeault Brushes off Opposition Calls to Cancel China Climate Trip," CBC, August 26, 2023, <https://www.cbc.ca/news/politics/guilbeault-china-council-trip-begins-despite-criticism-1.6947696>.

20 Office of the Prime Minister, "Prime Minister Visits Indonesia, Welcomes a New Chapter in the Canada-ASEAN Relationship," Office of the Prime Minister, September 5, 2023, <https://www.pm.gc.ca/en/news/news-releases/2023/09/05/prime-minister-visits-indonesia-welcomes-new-chapter-canada-asean>.

21 John Paul Tasker, "Trudeau Accuses India's Government of Involvement in Killing of Canadian Sikh Leader," CBC, September 19, 2023, <https://www.cbc.ca/news/politics/trudeau-indian-government-nijjar-1.6970498>.

22 Steven Chase, "Ottawa's Exclusion from Indo-Pacific Talks Worries Business Group," The Globe and Mail, November 16, 2023, <https://>



after the announcement of the IPS, Canada finds itself with the worst relations with China of any G-7 country and worse than those of major US allies in the Indo-Pacific.

While Canada has been able to align itself with the US on freedom of navigation, supply chains and technology export controls, it has neither gained further leverage and significance with its US ally nor established its significance to non-allied Indo-Pacific nations who are not aligned with China. A reinvigorated commitment to ASEAN remains a bright spot but it remains to be seen whether this will be sustained in a way that establishes Canada's profile in the region. Canada remains a decidedly junior partner in the Indo-Pacific, with limited impact and significance.

Conclusion

The trouble with the IPS is that from the very beginning the Trudeau government has been unable to establish and keep to a consistent narrative. Beset by opposition and media insinuations of Chinese interference, the government was unable to make good on its effort to steer clear of isolation and decoupling from China. Hobbled by underperformance in the security arena, it cannot demonstrate a significant impact on deterrence in the Western Pacific. It has been able to enhance security cooperation with Japan and South Korea and therefore to integrate more closely with US alliances in the region albeit as a junior partner. Without greater investment or credible contributions to a more Asia and ASEAN-centric foreign policy, its enhanced relations with ASEAN do not seem to forecast a more substantive independent role in the region. Canada's inability to establish its narrative also diminishes its reliability as a partner.

www.theglobeandmail.com/world/article-ottawas-exclusion-from-indo-pacific-talks-worries-business-group/.

Cold-shouldered by India, and marginalized by AUKUS and the Quad grouping, Canada remains an Indo-Pacific wannabe, clinging to its alliance coattails. Having announced an Indo-Pacific strategy, Canada has signaled its alignment and continued interest in Asia and the Pacific. However, it has yet to establish itself as a credible partner of any significance.



**Canada-China Relations
One Year on from the
Release of the Indo-
Pacific Strategy**

LYNETTE ONG



In the Indo-Pacific Strategy (IPS) released in November 2022, China has been labelled an “increasingly disruptive global power”, encroaching on the rules-based international order and violating the values embraced by Canada and its allies. The reasons cited in the IPS for China’s growing disruption include its aggressive militarism, predatory lending of the Belt-and-Road Initiative (BRI), human rights abuses in Hong Kong and Xinjiang, its disregard of the UN’s rulings in the South China Sea, etc. The IPS outlines Canada’s efforts to counteract against China by building on key multilateral arrangements and forums in the Indo-Pacific, and drawing on its existing partnerships with key allies, such as the US, EU and its member states, Australia, and New Zealand. It however falls short on any specific strategy to deal with China, which is its major shortfall.

What is left unsaid in the IPS is the series of events that affected Canada-China bilateral relations leading up to its release that significantly hurt Canada’s national interests. Notably, the arbitrary detention of the “two Michaels”, and punitive trade measures imposed on Canadian imports following the arrest of Huawei’s CFO, Meng Wanzhou by Ottawa. These events that negatively impacted Canada’s interests directly which took place against the backdrop of China’s growing authoritarianism under President Xi Jinping and its increasingly aggressive foreign policies – likely explain the pronouncement of an “increasingly disruptive global power”.

One year after its release, this paper assesses whether and the extent to which Canada has achieved its main strategic objectives outlined in the IPS. The five main strategic objectives of the IPS are promoting peace and security, expanding trade, investment, and supply chain resilience, investing in, and connecting people, building a sustainable green future, and continuing to engage

with partners in the Indo-Pacific. In short, this paper asks: has the IPS provided Canada with extra leverage to further its interests and preserve its values in its dealings with China?

China as an “Increasingly Disruptive Global Power”

After the RCMP’s arrest of Meng Wanzhou in Vancouver in 2018, Canada-China relations entered a new “freeze” phase, reversing the engagement policy of the Trudeau government in his first term. The arrest of the high-profile business executive for financial fraud committed in the US was seen by Beijing as Canada acting as a long arm of the US jurisdiction. Canada was seen as “aiding and abetting” the US-led collective effort to contain China’s inevitable rise. Beijing did not retaliate against the US directly, but Canada bore the brunt of a series of tit-for-tat measures. Though Beijing never admits it, China arrested two Canadians, the former diplomat Michael Kovrig and businessman Michael Spavor, as “hostages”, citing reasons of espionage.

Furthermore, Canadian exporters of canola oil, pork, and beef products, were kept out of the Chinese market due to their “failure” to meet health safety standards. These agri-business exporters have traditionally relied on China as a key export market. The “hostage diplomacy”¹ and punitive trade measures imposed by Beijing dented Canadians’ positive perception of China.² It did not help that Ottawa had limited room to maneuver

1 Donald Clarke, “China Is Holding Two Canadians as Hostages. It’s Not Even Denying It.,” Washington Post, December 17, 2018, <https://www.washingtonpost.com/opinions/2018/12/17/china-is-holding-two-canadians-hostages-its-not-even-denying-it/>.

2 Lynette Ong, “Some Canadians Want to Work with China. Beijing Isn’t Helping Their Case,” The Globe and Mail, January 14, 2019, <https://www.theglobeandmail.com/opinion/article-some-canadians-want-to-work-with-china-beijing-isnt-helping-their/>.



in the face of Beijing’s bullying behavior given the fate of Meng rested in the hands of the US legal jurisdiction. Ottawa was compelled to adjust warnings to Canadians travelling to China, as well as to the business community, to account for the growing risk of arbitrary application of Chinese laws.

“Hostage diplomacy” and punitive trade measures imposed by Beijing dented Canadians’ positive perception of China. It did not help that Ottawa had limited room to maneuver in the face of Beijing’s bullying behavior given the fate of Meng rested in the hands of the US legal jurisdiction.

After China’s mishandling of the “Wuhan outbreak” in the initial stages of the Covid-19 pandemic, public opinion in Canada towards China, along with those of many other democracies worldwide, slide into negative territory – in dramatic reversal of the majority favorable view in the pre-pandemic era.³ This took place in the backdrop of growing harsh crackdown in Xinjiang and Hong Kong with media exposé of internment camps in Xinjiang and the passing of the National Security Law in Hong Kong following violent protests in 2019-2020. Overall, China under Xi Jinping’s rule was becoming a belligerent power that posed a threat to the liberal world order – a grow-

3 Laura Silver, Christine Huang, and Laura Clancy, “1. Views of China,” Pew Research Center’s Global Attitudes Project, July 27, 2023, <https://www.pewresearch.org/global/2023/07/27/views-of-china/>.

ing sentiment across the democracies, including Canada – after the onset of the pandemic.

Officially, the IPS cited reasons such as China’s aggressive militarism, human rights abuses in Hong Kong and Xinjiang, its disregard for UN rulings on disputes in the South China Sea, and predatory BRI lending practices – for its framing of China as a “disruptive global power”. However, the series of preceding events that hurt Canada’s interests directly, especially the “hostage diplomacy” and trade coercion – had likely shaped the framing. The IPS’ language is compatible with but also stronger than the US’ Indo-Pacific Strategy released nine months earlier, in February 2022. China is seen as an emerging peer competitor to the US, and one that undermines its vital interests and weakens the US-led alliance in the region through the use of gray-zone coercive tactics, military force, political interference, and economic pressure.⁴ Even though there is seeming coordination between the two governments in their official stance, Canada is excluded in the various US-led initiatives and arrangements in the Indo-Pacific, which hampers its capacity to stand firm against China, as this paper will illustrate.

Regional and Minilateral Arrangements in the Indo-Pacific

Since a year ago, the greatest achievement to date of Canada’s engagement with regional institutions is the elevation of its status to a “strategic partner” by the Association of Southeast Asian Nations (ASEAN), alongside the US and EU that similarly enjoy the status. This reflects ASEAN’s recognition of the benefits of trade engagements with Canada. It has significant implications for

4 Richard C. Bush et al., “An American Strategy for the Indo-Pacific in an Age of US-China Competition,” Brookings, November 2022, <https://www.brookings.edu/articles/an-american-strategy-for-the-indo-pacific-in-an-age-of-us-china-competition/>.



Canada's relationship with China, particularly on trade diversification, even though China was never explicitly spelt out in the official readout.

Justin Trudeau and Joko Widodo, the host of the ASEAN Summit in September 2023, acknowledged the growing business ties between Canada and Indonesia, particularly in agri-food sector. The trade sanctions on agri-products, namely canola oil, pork, and beef, have hurt Canadian exporters given their reliance on the Chinese market. China banned Canada's beef products for nearly two years citing arbitrary health concerns.⁵ Improved access to the Indonesian agri-business market, particularly in beef products, provides a great diversification strategy away from China. Canada's merchandise trade with ASEAN grew by nearly 29 percent in 2022, with agri-products being one of the largest exports. Canada has announced plans for a Team Canada Trade Mission to Indonesia and Vietnam in 2024 and opening of an agri-food office in the Philippines.⁶ Canada has also pledged to deepen collaboration with other ASEAN members on renewable energy, infrastructure, clean and advanced technologies, and to expand people-to-people ties with the Canada-ASEAN scholarships and educational exchanges.⁷ While visiting Singapore, Trudeau spoke on

the expansion of bilateral trade and investment to create good middle-class jobs.⁸

However, the IPS has not provided much leverage to Canada to participate in other regional mini-lateral arrangements, such as the Quadrilateral Security Dialogue (Quad) or AUKUS – if membership in these regional arrangements is indeed desirable from the Canadian perspective. The Quad is a strategic security dialogue between Australia, India, Japan, and the US, where the member countries hold joint military exercises regularly. The arrangement is widely seen as a response to defend the international rules-based order threatened by China's increasing military power. Aside from security cooperation, the Quad also announced a vaccine partnership in May 2021 to deliver over a billion Covid-19 vaccines to the region – an attempt to match China's vaccine diplomacy during the pandemic. The Quad also established the Indo-Pacific Partnership for Maritime Domain Awareness aimed at strengthening maritime security by providing real-time data from commercial satellites to countries across the region.⁹

Exclusion from the Quad may suggest that Canada has limited means of participating in security cooperation with the western allies against China. Yet, in pragmatic terms, Canada's meagre defence spending of 1.29 percent of GDP (C\$29.1 billion) in 2021-22 hampers its capacity to take part in security cooperation in the Indo-Pacific meaningfully. Canada's below-the-average defence spending -- well below 2.16 percent of the UK, 1.64 percent of the Netherlands, and 3.46 percent of the US –

5 Amanda Stephenson, "China's Been Blocking Canadian Beef for 17 Months — and Industry Has No Idea Why," CBC, May 11, 2023, <https://www.cbc.ca/news/canada/calgary/china-s-ban-on-canadian-beef-still-in-place-1.6839624>.

6 Lu Xu, "Trudeau's China Talk in Asia," MiddlePowers, September 10, 2023, <https://middlepowers.substack.com/p/trudeaus-china-talk-in-asia>.

7 Office of the Prime Minister, "Prime Minister Justin Trudeau Meets with Prime Minister of Malaysia Anwar Ibrahim," Office of the Prime Minister, September 6, 2023, <http://www.pm.gc.ca/en/news/readouts/2023/09/06/prime-minister-justin-trudeau-meets-prime-minister-malaysia-anwar-ibrahim>; Office of the Prime Minister, "Prime Minister Justin Trudeau Meets with Prime Minister of Vietnam Pham Minh Chinh," Office of the Prime Minister, September 6, 2023, <http://www.pm.gc.ca/en/news/readouts/2023/09/06/prime-minister-justin-trudeau-meets-prime-minister-vietnam-pham-minh-chinh>.

8 Office of the Prime Minister, "Prime Minister Justin Trudeau Meets with Prime Minister of Singapore Lee Hsien Loong," Office of the Prime Minister, September 8, 2023, <http://www.pm.gc.ca/en/news/readouts/2023/09/08/prime-minister-justin-trudeau-meets-prime-minister-singapore-lee-hsien>.

9 Dominique Fraser, "The Quad: A Backgrounder," Asia Society, May 16, 2023, <https://asiasociety.org/policy-institute/quad-backgrounder>.



has invited criticisms from its allies.¹⁰ Thus, realistically speaking, an increase in defence spending by Canada must precede establishment of further security commitments and alliances in the region.

Canada's meagre defence spending of 1.29 percent of GDP (C\$29.1 billion) in 2021-22 hampers its capacity to take part in security cooperation in the Indo-Pacific meaningfully... an increase in defence spending by Canada must precede establishment of further security commitments and alliances in the region.

In other regional security arrangements, Canada is part of the Five Eyes partnership, which is an intelligence alliance comprising Australia, Canada, New Zealand, the United Kingdom, and the US. The multidimensional nature of intelligence sharing among the member countries have imposed pressure across the countries to uniformly resist the use of Chinese technologies, notably Huawei's 5G network. Individual countries, such as New Zealand and Canada, to some extent, have resisted the pressure. Analysts observe that Canada is a net benefactor of intelligence sharing among the Five

10 Mark Gollom, "Canada Pledged to Spend 2% of GDP on Its Military. Would That Transform It? Is It Affordable?" CBC, July 24, 2023, <https://www.cbc.ca/news/canada/gdp-nato-military-spending-canada-1.6912028>; Stephen Nagy, "Quad Plus?: Carving out Canada's Middle-Power Role," *Journal of Indo-Pacific Affairs* 3, no. 5 (December 2020): 179–95.

Eyes alliance.¹¹ More recently, intelligence provided by the network has revealed the alleged murder of a Sikh separatist activist by the Indian government on Canadian soil.¹²

Beyond the Five Eyes, Canada is ostensibly excluded from AUKUS, a security partnership between Australia, the United Kingdom, and the US, focusing on nuclear-powered submarines. It is intended to help boost Australia's defence capacity in nuclear submarines. The exclusion is seen as a snub for Canada, with Trudeau facing sharp domestic criticism from the opposition parties when the alliance was announced in 2021. Even though Australia incurs high financial costs from AUKUS, and Canada will similarly have to pay a high price tag for its inclusion, its absence from the alliance is symbolic of marginalization by its traditional allies in the Indo-Pacific region. This is detrimental to the perception of Canada's capacity to stand firm against China's aggressiveness.¹³ If AUKUS remains a nuclear submarine-focused security alliance, being excluded incurs limited costs to Canada. However, as it is becoming more evident that cooperation in nuclear submarines may presage deeper cooperation among the partner countries in technology sharing, integration of security- and defence-related science and technology, including undersea capabilities, quantum technologies, electronic warfare, and building industrial bases and supply chains, Canada's absence in the

11 Stephanie Carvin and Thomas Juneau, "Why AUKUS and Not CAUKUS? It's a Potluck, Not a Party," *International Journal* 78, no. 3 (September 1, 2023): 359–74, <https://doi.org/10.1177/00207020231195109>.

12 Helen Regan, Sahar Akbarzai, and Rhea Mogul, "Western Intelligence Led to Canada Accusing India of Sikh Activist's Assassination, US Ambassador Says," CNN, September 25, 2023, <https://www.cnn.com/2023/09/24/americas/canada-five-eyes-india-hardeep-singh-nijjar-intl-hnk/index.html>.

13 Christopher Hernandez-Roy, Vincent Rigby, and Henry Ziemer, "Canadian Membership in AUKUS: A Time for Action," Center for Strategic and International Studies, May 9, 2023, <https://www.csis.org/analysis/canadian-membership-aukus-time-action>.



regional security alliance will incur increasingly high cost.¹⁴

Recent Developments

The recent diplomatic dispute with India emanating from the alleged murder of Sikh separatist leader, Hardeep Singh Nijjar, has further imperiled Canada's position in the Indo-Pacific. As a rapidly developing economy and a democracy, India has been seen as a hedge against the Chinese market. India's involvement in the Quad and its recent hosting of the G20 also elevate the country's prominence in the region. Following the announcement of the assassination, an Indian diplomat was expelled by Ottawa, and India similarly expelled Canadian diplomats and suspended all visa services in Canada in a tit-for-tat move.

There seems to be no end in sight for the worsening Canada-India relationship. Bilateral relations have always been fraught with the support of the separatist Khalistan movement by Sikh Canadians. New Delhi has framed the Khalistan movement abroad as a national security threat.¹⁵ India has accused Canada of harboring Sikh separatists and turning a blind eye to their terrorist activities, including the bombing of an Air India flight in 1985 bound for New Delhi from Montreal that killed 329 people on board, mostly Indian Hindus.¹⁶ India has long accused Ottawa of pandering to the Sikh diaspora due to electoral consideration. There are 770,000 citizens of Sikh origins in Canada, con-

stituting 2.1 percent of the total population, and the largest concentration of the Sikh population outside of India. Their concentration in suburban Toronto and Vancouver delivers critical votes to several ridings during the elections.¹⁷

A series of intelligence leaks that suggest the Chinese government's interference in the Canadian national elections in 2019 and 2021 by funding certain candidates and campaigns to yield more pro-Beijing elected politicians have further damaged the Canada-China bilateral relationship. It has also been revealed that the family of an ethnic-Chinese Conservative MP, Michael Chong, has been harassed for being outspoken on China's human rights abuses in the Parliament. Following intelligence reports of the involvement of Chinese diplomats in gathering information on Canadian politicians, Ottawa expelled a Chinese diplomat and triggered the retaliatory expulsion of a Canadian diplomat in China.¹⁸ These revelations by the Canadian intelligence agency has put further pressure on the Trudeau government to take tough actions against Beijing's interference, which led to the establishment of a public inquiry to investigate foreign interference in September 2023 after some delay.¹⁹

In November 2023, Chinese aircraft intercepted, and fired flares at, a Canadian helicopter flying in international airspace in the South China Sea.²⁰

14 Carvin and Juneau, "Why AUKUS and Not CAUKUS? It's a Potluck, Not a Party."

15 Kim Richard Nossal, "India-Canada Relations Are Trapped in a Doom Loop," East Asia Forum, October 15, 2023, <https://www.easiaforum.org/2023/10/15/india-canada-relations-are-trapped-in-a-doom-loop/>.

16 Manjari Chatterjee Miller, "Canada-India Tensions over Killing of Sikh Separatist: What to Know," Council on Foreign Relations, September 25, 2023, <https://www.cfr.org/in-brief/canada-india-tensions-over-killing-sikh-separatist-what-know>.

17 Nossal, "India-Canada Relations Are Trapped in a Doom Loop."

18 Chloe Kim and Kelly Ng, "China Expels Canadian Diplomat in Tit-For-Tat Move," BBC News, May 8, 2023, sec. US & Canada, <https://www.bbc.com/news/world-us-canada-65529185>.

19 Rob Gilles, "Canada Announces Public Inquiry into Whether China, Russia and Others Interfered in Elections," AP News, September 7, 2023, <https://apnews.com/article/public-inquiry-canada-foreign-interference-china-a630eef29379e8c93a5a52caa3ddd059>.

20 David Baxter, "Chinese Jets Intercept, Fire Flares near Canadian Helicopter in 'Significantly Unsafe' Moves," Global News, November 23, 2023, <https://globalnews.ca/news/10069025/chinese-intercept-helicopter-flare/>.



Despite Beijing’s allegation of Canadian violation of “Chinese and international laws”, the incident is widely seen as another instance of aggressive Chinese militarism against smaller nations, including the operations of the Philippine Navy. Suffice it to say that China has become increasingly aggressive in the international arenas – be it military or navy operations, holding civilians as hostages, or in trade coercion – against smaller nations and middle powers, including Canada. This renders a rapprochement with Beijing challenging, if not impossible, in the near future, and cooperation with it is similarly fraught with risks.

Recommendations

The IPS has set the right tone for Canada’s relationship with China in this uncertain and hostile geopolitical environment. It however falls short on specific strategies or commitment to deepen Canada’s relationship with other like-minded nations in the region. Thus far, Ottawa has made some progress in diversifying trade away from China with its strategic partnership with ASEAN. However, Canada’s collaboration with Indo-Pacific nations in security and defence remain weak, as evidenced in its exclusion from the Quad and AUKUS. This will weaken Canada’s capacity to become a meaningful partner in the region, and to counteract aggressive behavior of Beijing as an “increasingly disruptive global power”. Therefore, it is crucial for Ottawa to actively engage in mini-lateral arrangements within the region and to strengthen diplomatic and security ties, as well as trade and people-to-people alliances, with our Indo-Pacific partners. Until Ottawa takes concrete steps to bolster our alliances in the region, the objectives articulated in the IPS will largely remain rhetorical.



ASEAN - CANADA SUMMIT

6 SEPTEMBER 2023, JAKARTA - INDONESIA

A photograph of several people seated at a long table during a summit. The participants are dressed in formal attire, including suits and a traditional Indonesian cap. The background shows a sunset over a landscape with mountains. The foreground is blurred, showing the back of a person's head and shoulders.

Canada's Evolving Relationship with the ASEAN Region

KAI OSTWALD



While it is often overshadowed by Asia's giants China and India, the ASEAN region is both geographically and strategically central to the Indo-Pacific framework.¹ The numerous Indo-Pacific strategies that have appeared since the United States began promoting the framework in 2017 reflect this by endorsing ASEAN centrality and underscoring the importance of deepening economic, political, and security linkages to the region.²

The reasons for Southeast Asia's appeal are clear. At over US\$ 3.5 trillion, its combined GDP already surpasses all countries aside from the US, China, Japan, and Germany. With a relatively young population and rapidly expanding middle class, it is well-positioned to sustain growth in the decades ahead when more established markets in North America, Europe, and Northeast Asia face demographic-related slowdowns. As importantly, Southeast Asia's geographic location, flanked by the emerging great powers of China and India, situates it at the heart of what may become the world's geopolitical centre of gravity in the next century.³

Enter Canada. Geography and history have long served to orient the country's focus towards the United States and transatlantic partners. However, recent political developments, most notably the Trump camp's America-first orientation, have underscored how vulnerable an overreliance on traditional ties leaves Canada. Among other things, the Indo-Pacific is a forward-look-

ing response to the imperative of diversification. Southeast Asia is a key part of that for Canada, as it is for other countries.⁴ In Canada's case, serious tensions with both India and China further elevate the importance of the ASEAN region, given the need to build momentum for its Indo-Pacific Strategy (IPS), which was launched after much anticipation in November 2022.

There are grounds for cautious optimism about the Canada-Southeast Asia relationship following the IPS's inaugural year. The strategy's decisive language sets a fitting tone for Canada's aspirations across the region, which a series of major political speeches reinforced.⁵ Trudeau, for example, provided headline-worthy statements about the centrality of Southeast Asia to Canada's Indo-Pacific endeavors during the ASEAN Indo-Pacific Forum,⁶ while Foreign Minister Mélanie Joly called on Canada to invest in ASEAN just as it has in the European Union.⁷ In September 2023, Canada's formal relationship to ASEAN was elevated from Dialogue Partner—a status it has held since 1977—to Strategic Partner, ostensibly in recognition of the meaningful, substantive, and mutual-

1 The Association of Southeast Asian Nations (ASEAN) comprises ten countries in Southeast Asia; Timor Leste is on a pathway to join the association as the 11th member.

2 The White House, "Indo-Pacific Strategy of the United States," The White House, February 2022, <https://www.whitehouse.gov/wp-content/uploads/2022/02/U.S.-Indo-Pacific-Strategy.pdf>.

3 Paul Evans, "Canada and Southeast Asia: entering through a different door." *Canadian Foreign Policy Journal*, 29, no. 2 (2023): 202-206.

4 Kai Ostwald, Grégoire-François Legault and Dominique Caouette, "Canada and Southeast Asia in the new Indo-Pacific era." *Canadian Foreign Policy Journal*, 29, no. 2 (2023): 117-130.

5 The IPS, for example, calls Canada a Pacific Nation and recognizes the Indo-Pacific is "rapidly becoming the global centre of economic dynamism and strategic challenge" (p. 1), and as such requires that Canada makes a generational, whole-of-government shift (p. 4). While it is not a robust metric, the IPS mentions ASEAN 22 times, second only to China (40), but well ahead India (16), Japan (17), and Korea (17).

6 Office of the Prime Minister, "Remarks at the ASEAN Indo-Pacific Forum Leaders' Talk," Office of the Prime Minister, September 6, 2023, <https://www.pm.gc.ca/en/videos/2023/09/06/remarks-asean-indo-pacific-forum-leaders-talk>.

7 Mélanie Joly, "Address by Minister Joly on Canadian Diplomacy amidst Geopolitical Uncertainty," Government of Canada, November 3, 2023, <https://www.canada.ca/en/global-affairs/news/2023/11/address-by-minister-joly-on-canadian-diplomacy-amidst-geopolitical-uncertainty.html>.



ly beneficial nature of the partnership.⁸ Progress on the ASEAN-Canada Free Trade Agreement also continued, with its conclusion anticipated by 2025.

Investments committed by the IPS help, but they do not resolve the key question and dilemma facing Canada: in the increasingly crowded playing field that is the ASEAN region, what is Canada's role and what does it offer to potential partners who have no shortage of other suitors?

These are positive and important developments, but they contend with substantial challenges that are decades in the making. In short, Canada has long underinvested in its transpacific partnerships relative to other global players, leaving it with significant ground to make up before its ambitions in the ASEAN region can be fully realized. The investments committed by the IPS help, but they do not resolve the key question and dilemma facing Canada: in the increasingly crowded playing field that is the ASEAN region, what is Canada's role and what does it offer to potential partners who have no shortage of other suitors?

Canada and Southeast Asia

Canada is no newcomer to Southeast Asia. Its first

8 Note, however, that several other countries have recently seen their status elevated, leaving unclear what the status means and how it is different from the previous Dialogue Partner designation. See: Joanne Lin, "Is ASEAN's Comprehensive Strategic Partnership Becoming a Farce?", *ISEAS Fulcrum* (2023).

systematic engagement with the region began on the periphery of the Colombo Plan in 1951, after which followed twenty years of involvement on International Commissions in Indochina. Those built familiarity with Southeast Asia in pockets of Canada's foreign service, which proved valuable when efforts were refocused on providing development assistance throughout the region beginning in 1975. All of that made Canada a significant player in the region at this time, as reflected in the 1977 commencement of formal linkages with ASEAN: only Japan, Australia, New Zealand, and the European Union established those linkages earlier.⁹ This largely continued through the 1980s, with Canada being present for several key milestones in ASEAN's evolution, including the creation of the ASEAN Regional Forum in 1993.

Starting in the late 1990s, however, Canada's engagement with the region gradually became thinner, more sporadic, and narrower in focus, often punctuated by abrupt policy changes. Critics lamented Canada's turn into a fair-weather friend, prone to appearing and retreating as its domestic political winds shifted, and interested more in protection of economic interests than broad-based engagement. Others noted that Canada's tone and posture had a tendency to come across as smug when engaging counterparts abroad, driven by an apparent conviction that Canadian values were unusually virtuous and morally superior.¹⁰ The Harper government's "Americas Strategy", together with the symbolically important closures of diplomatic presence in Southeast Asia, further embedded the view that Canada did not priori-

9 Pushpa Thambipillai, "External Partners in ASEAN Community Building: Their Significance and Complementarities." Published through the Friedrich Ebert Stiftung and the S. Rajaratnam School of International Studies, Singapore (2007).

10 Denis Stairs, "Myths, morals, and reality in Canadian foreign policy". *International Journal*, 58, no. 2 (2003): 239-256.



tize its relationship with the region.¹¹ There were, nonetheless, some meaningful improvements to the Canada-ASEAN relationship between 2011 and 2021—the Canada-ASEAN Joint Declaration on Trade and Investment, the initiation of free trade agreement negotiations, and the opening of a dedicated Canadian mission to ASEAN being prominent examples—but the momentum and political goodwill that Canada built prior to the late-1990s had clearly been disrupted, leaving its reputation and influence in the region diminished relative to other key actors.

Canada's Indo-Pacific Strategy

That is the backdrop against which Canada embarks on its renewed ASEAN-focused efforts. Elements of the IPS strike the right notes. Counterparts in Southeast Asia appreciate the categorization of Canada as a Pacific nation and the references to the Indo-Pacific as critically important to Canada's prosperity. The IPS's explicit recognition that geopolitical changes require a "generational", whole-of-government and whole-of-society response from Canada is symbolically important as well, to which the initial commitment of over C\$2

Canada enters that mix relatively late, handicapped by the aforementioned reputational burdens, and with similar objectives to many others, namely economic diversification and strategic influence.

11 Phillip Calvert, "Canadian diplomacy in Southeast Asia: Challenges for the coming decades." *Canadian Foreign Policy Journal*, 29, no. 2 (2023): 131-143.

billion adds substance.

Such announcements would have made considerable waves ten or fifteen years ago. But as the IPS itself notes, the world has changed. Among others, Australia, Britain, the EU, France, Germany, India, Indonesia, Japan, Mongolia, the Philippines, South Korea, and the United States all have some version of an Indo-Pacific strategy that recognizes the geopolitical and economic significance of the region, as well as ASEAN's centrality within it. In short, the playing field has become increasingly crowded. Canada enters that mix relatively late, handicapped by the aforementioned reputational burdens, and with similar objectives to many others, namely economic diversification and strategic influence.

Key Questions

This raises several questions. First, on the implementation front, the obvious unknown is whether the intention of a generational shift in Canadian foreign policy will yield an actual shift worthy of that description. Announcements and press releases, ultimately, are no substitute for actual engagement, and counterparts in the ASEAN region have a range of alternative partners to turn to if Canada shows signs of wavering. This is especially challenging given the plethora of geopolitical hotspots that already leave Canada's diplomatic and security structures stretched thin, and could easily further draw Canada's focus away from the Indo-Pacific. In short, Canada does not have the capacity to simultaneously prioritize everywhere, particularly if it hopes to make up lost ground in the expansive Indo-Pacific. Even if the commitment to shift Canada's orientation to the Indo-Pacific is sincere, previous shifts in Canada's foreign policy have demonstrated how difficult



it can be to overcome institutional inertia.¹² That includes intangibles as well, for example tone and posture: as Southeast Asia's economic and strategic stature has grown, so too has its expectation that it be approached as an equal—or at least serious—partner, which is not always the default for representatives of rich countries.

Second are questions on precisely what role Canada seeks to play in the region. While the IPS is clear on Canada's ambitions, it is ambiguous on precisely what form they might take. Some look for Canada to act as a relatively independent middle power. This would create unique opportunities, but also place significant demands on Canadian resources. An alternative model sees Canada act as an aide-de-camp of the United States, benefiting from the US's extensive presence and capturing spillover from US gains, but in the process constraining Canada's operating space as well.¹³ In reality, the choice is not strictly binary and there is some room to strategically leverage elements of both. But nor is it the case that Canada can fluidly move between the two models over the long-run, since being perceived as strongly US-aligned will limit Canada's credibility as a more neutral actor or "honest broker". Counterparts in ASEAN will look closely at Canada's actions for indications of its orientation.

Looking Ahead

One year into Canada's IPS, there are more questions than answers about the prospects of Canada's relationship with Southeast Asia. Three points stand out as essential if Canada is to realize

its ambitious agenda in and with the region.

First, Canada must continue to show up often and at high levels. This is key to demonstrating sincerity and beginning to make up ground vis-à-vis other actors whose commitment to the region has been more consistent. Prime Minister Trudeau's visit to Indonesia and Singapore in September 2023 set a positive tone, as did Mélanie Joly's earlier participation in key ministerial-level ASEAN meetings. Alongside high-level visits of this kind continuing, other initiatives that boost Canada's visibility across the region, of which numerous examples already exist, are essential. For example, the Asia Pacific Foundation of Canada and Universities Canada hosted an inaugural Canada-in-Asia Conference¹⁴ in Singapore that brought together major private and public sector players from Canada and Southeast Asia. Other initiatives, for instance IDRC's Knowledge for Democracy Myanmar, build good will and demonstrate Canada's capacity to address some of the region's most pressing needs.¹⁵ These need to continue over the longer term to fully pay dividends.

Second, Canada must demonstrate a capacity to listen to regional interests and respond in nuanced ways that balance competing demands and reflect cultural competence. It must be remembered that Southeast Asia has not been unequivocally supportive of the Indo-Pacific concept, largely for fear of it compounding great power tensions: as Huong Le Thu notes, few places are subject to more pressure from the US-China rivalry, or have more to lose from it, than Southeast Asia.¹⁶ Its leaders, including from more democrat-

12 Kai Ostwald and Julian Dierkes, "Canada's foreign policy and bureaucratic (un)responsiveness: public diplomacy in the digital domain." *Canadian Foreign Policy Journal*, 24, no. 2 (2018): 202-222.

13 Jennifer Mustapha, "Rethinking Canada's security interests in Southeast Asia: from "Asia-Pacific" to "Indo-Pacific"." *Canadian Foreign Policy Journal*, 29, no. 2 (2023): 175-188.

14 Asia Pacific Foundation of Canada, Canada In Asia Conference 2023, <https://www.canada-in-asia.ca/ciac-2023>.

15 International Development Research Centre, The Knowledge for Democracy Myanmar (K4DM) Initiative, <https://k4dm.ca>.

16 Huong Le Thu, "How to Survive a Great-Power Competition: Southeast Asia's Precarious Balancing Act" *Foreign Affairs* (May/June



ic countries such as Indonesia and Malaysia, have regularly expressed discomfort with viewing the world through an ideologically-infused democracy-versus-autocracy lens. This does not imply ambivalence with China's rise; to the contrary, the region is keenly aware of the risks that an assertive China imposes. Instead, it reflects a preference for broad-based engagement in pursuit of development and conflict avoidance. In practice, that means living with China, rather than working against it. In any case, the region has no desire to "pick sides" and is unlikely to embrace language—whether like-minded, decoupling, containment, friend-shoring, or ring-fencing—that implies the inevitability of conflict between the United States and China.¹⁷ Canada will find greater welcome and more opportunity in the region by demonstrating sensitivity to such sentiments, even while it invariably aligns with some of the United States' security initiatives.

Canada must demonstrate a capacity to listen to regional interests and respond in nuanced ways that balance competing demands and reflect cultural competence.

Third, Canada must formulate a more coherent value proposition for the region. Ultimately, Canada is a middle-sized country that lacks the economic and military heft to be a gamechanger for

2023).

17 Kuik Cheng-Chwee, "Navigating the Narratives of Indo-Pacific: 'Rules,' 'Like-mindedness,' and 'De-risking' in the Eyes of Southeast Asia." *Georgetown Journal of Asian Affairs*, 9 (2023): 51-56.

ASEAN counterparts.¹⁸ Moreover, Canada has not been the most committed partner to the region and can be more complicated to deal with than some others, not least because of its values-based approach to foreign policy (which does not, to be clear, necessarily make a values-based approach inappropriate). Decades ago, a rich Western country could show up in Southeast Asia without a clear message and nonetheless expect an enthusiastic reception. Today's reception will still be warm, but underneath the pleasantries lingers a fundamental question: why Canada? There must be a clear and compelling answer to this, without which Canada's relationships in the region will remain underdeveloped and the region's opportunities perpetually beyond reach. There is no shortage of promising threads, ranging from diasporic linkages through trade, tech, and educational collaboration, among countless others. What remains is for those to be woven into a coherent proposition for how Canada differentiates itself in the increasingly crowded field of Southeast Asia.

Finally, Canada's leadership must communicate the importance of Southeast Asia and the broader Indo-Pacific region to the Canadian public. The IPS correctly recognizes developments that will reshape the global order in the century ahead, and seeks to ensure that Canada will be well-positioned for those changes. But in the meantime, resource scarcity and the abundance of other needs at home and abroad will challenge Canada's commitment to the Indo-Pacific shift, which will sustain only if the Canadian public is convinced of its importance.

18 This is not an ASEAN-specific issue. On Canada's diminished global influence and the implications for foreign policy, see: Zachary Paikin, Walter Kemp, Ann Fitz-Gerald, and Louise Blais. 2023. "True North: A Canadian Foreign Policy that puts the National Interest First." *The Institute for Peace & Diplomacy*.

A photograph of three men in dark blue suits shaking hands. The man on the left is older with white hair. The man in the center is younger with glasses and a blue tie. The man on the right is younger with dark hair. They are all smiling and looking at each other. The background is a plain, light-colored wall.

Canada and the Camp David Principles: Assessing Bilateral and Minilateral Opportunities in the North Pacific

STEPHEN NAGY



Introduction

The August 2023 Camp David Summit marked a significant milestone in diplomatic relations between the United States, Japan, and South Korea. The Camp David Principles — founded on the pillars of shared norms, respect for international law, and common values — aim to foster a free and open Indo-Pacific. The principles also vehemently oppose any unilateral attempts to alter the status quo by force or coercion, particularly the Taiwan issue, and strive to contribute to the denuclearization of the Korean peninsula.¹

This trilateral partnership, however, raises important questions about the role of other interested parties in the region. In light of Canada's declared interest in a proactive and contributory place in the Indo-Pacific as highlighted in the November 2022 release of Canada's Indo-Pacific Strategy,² there are questions as to whether Canada can plug into this minilateral and add value? Is there room for another member under the Camp David Principles? What is the correct balance of minilateral and bilateral engagement? This policy brief explores the strengths and weaknesses of this new minilateral and considers the potential opportunities for Canada to strengthen its Indo-Pacific engagement.

The Camp David Principles: A New Minilateral

The Camp David Principles represent a commit-

1 The White House, "Camp David Principles," The White House, August 18, 2023, <https://www.whitehouse.gov/briefing-room/statements-releases/2023/08/18/camp-david-principles/>.

2 Global Affairs Canada, "Canada Launches Indo-Pacific Strategy to Support Long-Term Growth, Prosperity, and Security for Canadians," Government of Canada, November 27, 2022, <https://www.canada.ca/en/global-affairs/news/2022/11/canada-launches-indo-pacific-strategy-to-support-long-term-growth-prosperity-and-security-for-canadians.html>.

ment to annual joint military exercises, regularized trilateral leaders' diplomacy, and annual meetings between foreign ministers, defence ministers, commerce and industry ministers, and national security advisors. The initiative is also designed to oppose any unilateral attempts to change the status quo in the Indo-Pacific region by force or coercion, particularly with regard to Taiwan. Centrally, it aims to contribute to the denuclearization of the Korean Peninsula, a shared priority in Seoul, Tokyo and Washington.³

This minilateral cooperation holds the potential to significantly influence the geopolitical dynamics of the Indo-Pacific region. Crucially, more security synergy between the three minilateral participants means that more resources can be delivered in a coordinated manner to promote peace and stability in the Indo-Pacific, on the Korean Peninsula, and potentially across the Taiwan strait. It also highlights the challenges of managing a diverse set of national interests within a complex regional context. South Korean and Japanese domestic politics, in particular, may hinder deeper cooperation but so will the upcoming US Presidential elections.

Canada's Opportunity?

Despite the strong potential of the Camp David Principles, it is not clear that Canada's participation would be efficient or welcomed. How could Canada effectively insert itself into this nascent minilateral? Where are the areas of synergy? What could Canada bring to the table? The answer to these questions is that the trilateral itself is at an experimental stage regarding where, why, how, and what it does, and including Canada at this stage may complicate the institutionalization of the minilateral.

3 The White House, "Camp David Principles."



As for being welcomed to the minilateral, Tokyo and Seoul, while satisfied with the current trajectory of bilateral relations both know that domestic politics in South Korea will determine the sustainability of both the bilateral relationship and the trilateral relationship within the context of the Camp David Principles. Adding a fourth member to the new and still precarious Camp David Three may be inculcating a complexity that does not warrant involvement.

A more nuanced approach would be for Canada to strengthen its engagement in the Indo-Pacific through bilateral cooperation with each stakeholder. Such an approach would enable Canada to navigate the complexities of regional politics more effectively than attempting to join the existing trilateral partnership.

A more nuanced approach would be for Canada to strengthen its engagement in the Indo-Pacific through bilateral cooperation with each stakeholder. Such an approach would enable Canada to navigate the complexities of regional politics more effectively than attempting to join the existing trilateral partnership. Each bilateral relationship offers a unique opportunity for Canada to advance its interests in the region.

With the United States, Canada shares a long history of close cooperation and mutual understand-

ing.⁴ Expanding this partnership to encompass Indo-Pacific issues could lead to significant benefits for both countries. A deeper engagement with the United States in the context of the Indo-Pacific could involve regular high-level consultations on Indo-Pacific affairs, coordination of policies, and joint initiatives for capacity-building in the region. The two countries could also work together on promoting rules-based order and good governance in the region, and on issues like climate change and cybersecurity where they have common interests.

Operation NEON, an established platform of cooperation between Canada, other countries and the trilateral minilateral presents a compelling model for future engagement. This platform has proven to be an effective means of fostering military cooperation and understanding between the nations, contributing to the stability and security of the Indo-Pacific.⁵

By continuing, if not expanding Operation NEON, Canada could cultivate a sustainable diplomatic footprint within the region. Not only would this bolster Canada's defence relations in the region including with the trilateral, but it would also serve as a tangible demonstration of Canada's commitment to peace and stability within the Indo-Pacific.

Another area of coordination should be trade. Canada should work with Japan to enlarge the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP),⁶ with South Korea, Thai-

4 Global Affairs Canada, "Canada-United States Relations," Government of Canada, March 28, 2019, <https://www.international.gc.ca/country-pays/us-eu/relations.aspx?lang=eng>.

5 Department of National Defence, "Operation NEON," Government of Canada, October 2, 2020, <https://www.canada.ca/en/department-national-defence/services/operations/military-operations/current-operations/operation-neon.html>.

6 Government of Canada, "Comprehensive and Progressive Agree-



land, Taiwan and the Philippines as potential candidates. The objective should be to expand the trading bloc so that its combined economies reach a critical mass and surpass that of China. This would serve not only to provide the gravity needed to shape the region's economic development, but it would also enhance the strategic autonomy of all current and future CPTPP members by reducing their vulnerability to economic coercion.

Furthermore, enhancing cooperation with Japan could entail a closer alignment of policies towards the region, particularly in areas such as maritime security, infrastructure development, and connectivity initiatives. The two countries could also collaborate on initiatives that promote inclusiveness and sustainability in the region, and engage in joint research and development in emerging technologies.

South Korea presents an opportunity for Canada to engage with a dynamic economy that is becoming increasingly influential on the global stage.⁷ The two countries already have a free trade agreement,⁸ which could serve as a foundation for broader strategic cooperation. Canada could look to deepen its engagement with Seoul by working together on issues such as nuclear non-proliferation and peace initiatives on the Korean Peninsula. This could include synergizing Canadian and South Korean diplomacy to hold a series of

regular dialogues on North Korea, denuclearization and peace and stability in Northeast Asia. The two countries could also seek to enhance their economic ties, particularly in sectors like clean energy, digital economy, and advanced manufacturing.

Canada could also seek to expand its role in existing platforms of cooperation, such as the Northeast Asia Cooperation Dialogue and the Northeast Asia Cooperation on Security.

In addition to these bilateral initiatives, Canada could also seek to expand its role in existing platforms of cooperation, such as the Northeast Asia Cooperation Dialogue (NEACD) and the Northeast Asia Cooperation on Security (NEACS). According to the Japan Centre for International Exchange (JCIE), NEACD was launched in 1993 by the Institute on Global Conflict and Cooperation of the University of California, San Diego, and JCIE served as Japan secretariat in 2005 and 2006. The NEACD meetings serve as a unique, multilateral, Track 1.5 forum, involving foreign ministry officials, defence ministry officials, military officers, and academics from China, Japan, North Korea, Russia, South Korea, and the United States. The NEACD keeps vital lines of communication open in Northeast Asia by providing regularly scheduled meetings in an informal setting, allowing participants to candidly discuss issues of regional security and cooperation.⁹

ment for Trans-Pacific Partnership (CPTPP)," Government of Canada, 2018, <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/cptpp-ptpgp/index.aspx?lang=eng>.

7 International Trade Administration, "South Korea - Market Overview," International Trade Administration, August 13, 2021, <https://www.trade.gov/country-commercial-guides/south-korea-market-overview>.

8 Global Affairs Canada, "Canada-Korea Free Trade Agreement," Government of Canada, November 27, 2015, <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/korea-coree/index.aspx?lang=eng>.

9 Japan Center for International Exchange, "Northeast Asia Cooperation Dialogue," JCIE, n.d., <https://www.jcie.org/programs/northeast-asia-cooperation-dialogue/>.



NEACS is another platform that may be an venue for Canadian engagement with Japan, South Korea and the US in the area of security cooperation or at least dialogue to help shape the contours of security cooperation.

In either case, a Canadian voice at the table contributes to identifying, defining and shaping what security challenges and forms of cooperation can and do occur among core stakeholders in North-east Asia and the broader Indo-Pacific.

For Seoul, Tokyo, Washington and other capitals throughout the Indo-Pacific, a more focused approach to the region that will lay the foundation for broader regional engagement might be an approach to foster stability into Canada's Indo-Pacific engagement. For example, Taiwan, Japan and South Korea are on the front line of disinformation and cyberattacks emanating from China and North Korea.¹⁰ Working with Taipei, Seoul, Tokyo and Washington, Ottawa should seek to craft a disinformation and cybersecurity nexus in which stakeholders share best practices and research to combat these forms of hybrid warfare.

Human capacity building is another area of concern. Canada's engagement with the Camp David minilateral could be leveraged to address the distinct shortage of Canadians who have regional experience there and an understanding of the cultures and languages. Working with Tokyo, Seoul and Washington, Ottawa should invest in the establishment of endowed chairs of Indo-Pacific

10 Leo Lewis, "Japan's Cyber Security Agency Suffers Months-Long Breach," Financial Times, August 29, 2023, <https://www.ft.com/content/de0042f8-a7ce-4db5-bf7b-aed8ad3a4cfd>; Maggie Miller and Joseph Gedeon, "Taiwan Bombarded with Cyberattacks ahead of Election," Politico, January 11, 2024, <https://www.politico.com/news/2024/01/11/taiwan-cyberattacks-election-china-00134841>; Al Jazeera, "US, Japan, South Korea Step up Efforts to Counter North Korea Cyber-Threats," Al Jazeera, December 9, 2023, <https://www.aljazeera.com/news/2023/12/9/us-japan-south-korea-launch-new-efforts-to-counter-n-korea-cyber-threats>.

studies at universities across Canada; such a federal initiative, a geostrategic successor to the Canada Research Chair and Canada Excellence Chairs programs, could contribute to building a cadre of Canadians that have the skills, knowledge and networks to successfully negotiate in the region. Here, Tokyo, Seoul and Washington could dispatch experts to Canada or create exchange programs that allow Canadians to have study abroad experiences in all three countries. Within five years, hundreds of young Canadian Indo-Pacific professionals could be available to contribute to the foreign service, defence, business, academia and nongovernmental organizations focused on the region.

The Road Ahead

The sustainability of the new minilateral arrangement will depend on the ability of the US, Japan, and South Korea to navigate their domestic political landscapes and align their national interests. This is a significant challenge, given the historical tensions and territorial disputes in the region. There is also the possibility that Donald J. Trump could be elected as president in 2024, which would inject a considerable amount of instability into international politics and the nascent minilateral.

We should also be realistic that the road to the Camp David Principles was leadership driven, and that President Yoon and Prime Minister Kishida at the time of this writing were at record lows in terms of their favorability ratings.¹¹ Unless the Camp David Principles and cooperation are insti-

11 Nikkei Asia, "Japan PM Kishida's Approval Rating Remains near Record Low: Nikkei," Nikkei Asia, January 29, 2024, <https://asia.nikkei.com/Politics/Japan-PM-Kishida-s-approval-rating-remains-near-record-low-Nikkei>; Sarah Kim, "President Yoon's Approval Rating Hits Nine-Month Low," Korea JoongAng Daily, February 2, 2024, <https://koreajoongangdaily.joins.com/news/2024-02-02/national/politics/President-Yoons-approval-rating-hits-ninemonth-low/1973331>.



tutionalized, they will be subject to shifts in domestic politics and their preference or opposition to cooperation. Here, there is little Canada can do except continuing to send the message to both Seoul and Tokyo that Canada supports bilateral cooperation between Japan and South Korea.

For Canada, the challenge is to define its own role within this new geopolitical framework. The Camp David Principles represent a step towards a more structured and regularized international engagement in the Indo-Pacific. Yet, the complexities of the regional context, particularly the tensions between Japan and South Korea,¹² suggest that a more flexible and nuanced approach may be beneficial for Canada.

Engaging bilaterally with each of the stakeholders and expanding its role in existing platforms of cooperation could enable Canada to cultivate a sustainable diplomatic footprint in the region, reflecting its interests, capabilities, and resources. This approach may also allow Canada to contribute to regional stability and prosperity, reinforcing its position as a responsible global actor.

In conclusion, while the Camp David Principles represent a significant development in Indo-Pacific diplomacy, their potential impact and sustainability remain uncertain. For Canada, navigating this new geopolitical landscape will require a balanced and strategic approach, leveraging bilateral relationships, and existing platforms of cooperation.

Investing at home in endowed chairs of Indo-Pacific studies at Canadian universities across the country is the most significant and durable way for the Canadian government to bolster Can-

ada's Indo-Pacific engagement and ability to work with minilateral partnerships such as the South Korea-Japan-US partnership. Through a focus on Indo-Pacific research programmes, human capital development, and a cross country set of programmes that links strategic studies, area and language studies, and study abroad and/or internship programmes, Canada would be much better situated strategically and in terms of experience to contribute meaningfully to minilateral partnerships and securing its national interests in the region.

The opportunity is there; it is up to Canada to seize it.

12 Frank Aum and Mirna Galic, "What's behind Japan and South Korea's Latest Attempt to Mend Ties?" United States Institute of Peace, March 21, 2023, <https://www.usip.org/publications/2023/03/whats-behind-japan-and-south-koreas-latest-attempt-mend-ties>.



Reviving Canada-India Relations for the Long- Term

KARTHIK NACHIAPPAN



Canada-India relations have plunged. India's alleged extra-territorial killing of a prominent Canadian Sikh activist has sunk diplomatic ties. This freeze has implications for Canada's Indo-Pacific Strategy that prioritized India. This paper analyses why India featured heavily in Ottawa's Indo-Pacific Strategy (henceforth IPS) and how that focus manifested till September 2023 before assessing the implications of the current diplomatic crisis on relations with India and the IPS.

The piece argues that Ottawa's approach to India through the IPS was limited and one-dimensional, driven by a singular focus on trade. The recent rupture from the ongoing crisis not only undermines Canadian efforts to enhance relations with New Delhi and remain in lockstep with Canada's allies that have cultivated close ties with the Modi government. Simply put, Canada's ongoing spat with India not only hampers the IPS but also inclination to strengthen deterrence and build a stable rules-based order in the Indo-Pacific.

This piece is organized as follows. The first section reveals how Canada's Indo-Pacific Strategy regarded India and how the strategy was received in New Delhi. The second section unpacks Ottawa's diplomatic focus vis-à-vis India since November 2022 that has largely come down to trade discussions. The third section looks ahead to 2024 and what that portends for the relationship before the final section that assesses the IPS and India's place within Canada's Asia strategy following the diplomatic rupture.

An Indo-centric IPS

Canada's IPS emphasized India, regarding the country as a pivotal economic player crucial to Canada's economic prosperity and security. Ostensibly, it was India's growing 'strategic, economic, and demographic importance' that warranted

a heavy focus in Ottawa's new Asia strategy.¹ The strategy was Canada's bet on India as it becomes an influential Asian power. Besides being a bulwark to China, which has increased India's geopolitical importance for western powers, Delhi's attractiveness also stems from its promising and rising economic position and future that invites unprecedented attention. Notwithstanding China, that India provides a durable and democratic economic market for goods and services has not been lost on countries worldwide; moreover, that Delhi provides this assurance as it itself balances an increasingly assertive and hostile China makes it a critical partner to invest in. Whether or not such trends pan out, the prospect of deepening relations with an economically vibrant pluralistic Asian democracy has shifted geopolitical logics to tilt toward Delhi across western capitals including Ottawa through the IPS.

The IPS, however, remained Canada's bet on India with little attention given to Ottawa's strategy in New Delhi. To be sure, it was a heady foreign policy juncture when the IPS was unveiled. Indian officials were managing tiffs between major powers as it planned an ambitious G20 presidency.² Russia's invasion of Ukraine placed India in a bind of whether to stand by its longstanding geopolitical patron that had supported it through the Cold War or chastize Moscow, dovetailing what the United States and the European Union did. Ukraine tested India's resolve with Washington and Brussels as they cobbled together a coalition to repel Russia's unprovoked war. Delhi faced in-

1 Global Affairs Canada, "Canada's Indo-Pacific Strategy," Government of Canada, November 24, 2022, <https://www.international.gc.ca/transparency-transparence/indo-pacific-indo-pacifique/index.aspx?lang=eng>.

2 Vivek Mishra, "India's Foreign Policy in 2022: A Year in Review," South Asian Voices, January 13, 2023, <https://southasianvoices.org/indias-foreign-policy-in-2022-a-year-in-review/>.



tense pressure to halt Russian oil imports.³ These geopolitical pressures collided with India's diplomatic coming-out party through its G20 presidency that highlighted the global economic effects of the Ukraine war, India's development strides and its relevance for developing countries, while serving as a model and voice for Global South countries.⁴ Though Canada was involved at G20 discussions through 2023, Ottawa's priorities with respect to India largely focused on trade and getting an early trade agreement finalized that was being negotiated since 2010.

Undoubtedly, Canada's IPS reflected trade prospects and potential with India, recognizing the country as a rising economic heavyweight in Asia. The primary motivation was to leverage the IPS to expand Canada's economic presence in India. To be sure, a wide range of Canadian companies already operate in India with enormous scope for growth.⁵ Canadian fertilizers and fossil fuels form a huge chunk of Canada's exports to India. Scope exists, however, to further integrate, particularly in high-value sectors. Indian IT firms and conglomerates are turbocharging India's robust growth rates and have become prominent economic partners for US and EU counterparts; critically, Indian firms in sectors like information technology, telecommunications, pharmaceuticals, and engineering are becoming highly competitive and innovative which makes their partnership vital for Canadian

3 Takahashi Toru, "How India's Modi Helped Save the West by Buying Russian Oil," Nikkei Asia, June 19, 2023, <https://asia.nikkei.com/Spotlight/Comment/How-India-s-Modi-helped-save-the-West-by-buying-Russian-oil>.

4 G20 Secretariat, "G20 New Delhi Leaders' Declaration" (G20 Secretariat, September 2023), https://www.g20.org/content/dam/gtwenty/gtwenty_new/document/G20-New-Delhi-Leaders-Declaration.pdf.

5 Gyanendra Keshri, "India-Canada Tensions to Impact Trade, Investments," Deccan Herald, September 20, 2023, <https://www.deccanherald.com/business/india-canada-tensions-to-impact-trade-investments-2692845>.

growth and prosperity.

A potential Canada-India trade pact gains more salience given Delhi's absence from regional frameworks like the Comprehensive and Progressive Agreement for a Trans Pacific Partnership.

The rapidly growing Indian market was of critical importance for Ottawa to gain and sustain access for specific Canadian exports. This market access proved vital given countervailing protectionist pressures in Delhi. Since 2020, Delhi has been flirting with economic 'self-reliance' as a way to develop and support Indian firms and industries, which could diminish market access for Canadian products.⁶ Through this 'self-reliance' rubric, India quickly erected new trade barriers through tariffs, localisation requirements, indigenous standards requirements, price controls, and import restrictions.⁷ Such moves could be neutralized by a trade or an economic partnership agreement that reassures Canadian and Indian firms, particularly as geopolitical tensions and accompanying risks lurk. A potential Canada-India trade pact gains more salience given Delhi's absence from regional

6 Mukul Asher, "India's Plans to Revive Domestic Production," Research and Information System for Developing Countries, December 20, 2020, <https://www.ris.org.in/sites/default/files/Opinions-Comments/Shining%20Examples%20of%20Strategic%20Concepts%20of%20Atmanirbhar%20Bharat%20and%20Be-Vocal-for%20%E2%80%93Local-min.pdf>.

7 Priya Chacko, "Can India Decouple from China? Geopolitics and the Bid for Self-Reliance – Perth USAsia Centre," Perth USAsia Centre, 2020, <https://perthusasia.edu.au/research-insights/publications/can-india-decouple-from-china-geopolitics-and-the-bid-for-self-reliance/>.



frameworks like the Comprehensive and Progressive Agreement for a Trans Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership Agreement (RCEP).⁸

The IPS and India

Since November 2022, no major Canadian initiatives have been announced with India. Until Trudeau's bombshell announcement of the alleged extra-territorial killing in September, Canada's focus vis-à-vis India was largely trade and investment, specifically finalizing an early progress trade agreement (EPTA) that could eventually lead to a comprehensive economic partnership agreement (CEPA). The primary vehicle to facilitate this outcome was the Ministerial Dialogue on Trade and Investment (MDTI) to solidify bilateral trade and investment. In fact, investments were on the uptick despite being at relatively low levels; in 2022, bilateral investments hit nearly \$100 billion with Canadian investments making up nearly two-third (\$70 billion) and bilateral goods trade up 57% from 2021 to \$12 billion.⁹ Both governments and trade ministers hoped to get the EPTA agreement finalized by end-2023 to expand rising investment and trade levels while establishing a mechanism to deal with potential disputes.¹⁰ That, of course, has not transpired.

Through 2023, however, both governments committed to boost and protect their trade and invest-

ment relationship. A flurry of bilateral meetings occurred under India's G20 presidency where Canadian ministers reinforced India's growing economic, demographic, and geopolitical importance, which ostensibly compels both countries to improve relations. Canadian Foreign Minister Joly's bilateral visit to New Delhi in February marked the relaunch of the Canada-India strategic dialogue that could serve as a vehicle to advance Canada's Indo-Pacific push.¹¹ Coming off years of little to no meaningful diplomatic engagement, Joly's visit proved important in signalling to India that it formed an important part of Canada's IPS and that Ottawa was looking to work with India bilaterally given convergent interests and multilaterally on regional and global challenges.

Trade ministers Mary Ng and Piyush Goyal held the 6th MDTI in May 2023 in Toronto, emphasizing the positive state of the trading relationship with significant scope to grow.¹² Both trade ministers relaunched CEPA negotiations to produce an EPTA covering issues like rules of origin, phytosanitary measures, and secure high level commitment on goods, services and investments, plus dispute settlement.¹³ Unsurprisingly, both sides reinforced the importance of coordinating economic and trade policies given pressures left by Ukraine and COVID-19 that increased econom-

8 Shashank Mattoo, "Why India Is Losing out on CPTPP," Observer Research Foundation, January 7, 2022, <https://www.orfonline.org/research/why-india-is-losing-out-on-cptpp/>.

9 Manoj Kumar, "India, Canada Aim to Seal Trade Pact This Year," Reuters, May 10, 2023, <https://www.reuters.com/business/india-canada-aim-seal-trade-pact-this-year-2023-05-10/>.

10 Global Affairs Canada, "Joint Statement Issued at Conclusion of the 5th India-Canada Ministerial Dialogue on Trade & Investment," Government of Canada, March 11, 2022, https://www.international.gc.ca/country_news-pays_nouvelles/2022-03-11-india-inde.aspx?lang=eng.

11 Global Affairs Canada, "Minister Joly Strengthens Bilateral Relationship with India's Minister of External Affairs," Government of Canada, February 6, 2023, <https://www.canada.ca/en/global-affairs/news/2023/02/minister-joly-strengthens-bilateral-relationship-with-indias-minister-of-external-affairs.html>.

12 Global Affairs Canada, "Joint Statement Issued at Conclusion of the 6th Canada-India Ministerial Dialogue on Trade & Investment," Government of Canada, May 10, 2023, https://www.international.gc.ca/country_news-pays_nouvelles/2023-05-10-india-inde.aspx?lang=eng.

13 Rita Trichur, "A Little Less Conversation, a Little More Action, Please, on Canada-India Trade," The Globe and Mail, May 11, 2023, <https://www.theglobeandmail.com/business/commentary/article-canada-india-free-trade-agreement/>.



ic risks and vulnerabilities, particularly in areas like supply chains, climate and clean energy, and critical and emerging technologies. The Toronto MDTI meeting also brought together restive business delegations of both countries who were clamouring for a trade deal with the hope of clinching gains through a Team Canada Trade Mission to India slated for October 2023.¹⁴

Till the recently announced ‘pause’ in trade talks, Delhi reciprocated Ottawa’s desire to boost trade that constitutes a major aspect of its IPS. Unquestionably, both business delegations want clarity and certainty, particularly over trade rules that could accelerate investment in a palpably hostile geopolitical environment. The May meetings appeared to push the needle toward an EPTA, when compared to earlier MDTI meetings. India appeared keen to expand trade through a trade agreement similar to what Delhi had signed with Australia and the United Arab Emirates.¹⁵

Broadly, Delhi has been redoubling efforts to clinch trade deals with ‘trusted’ partners (like Australia, UAE, UK, etc.) covering strategic areas crucial to India’s growth trajectory. India’s new foreign trade policy announced in April 2023 emphasizes trade integration with preferred partners covering areas like e-commerce, digitalisation, and expanding exports through various incentives and measures to spur production.¹⁶ India’s highly ad-

vanced digital ecosystem was becoming attractive for foreign technology and services firms keen to tap India’s teeming digital economy. Momentum grew from late 2022 into early 2023 to accelerate trade and investment between both countries and use those gains to strengthen ties despite prevailing political differences over the Sikh diaspora’s alleged anti-India activities in Canada.

An ‘Indo-less’ IPS

India was largely seen in Ottawa’s IPS as the economic and geopolitical answer to a region falling under Chinese dominance and ‘disruption’. Yet, the Trudeau government has largely engaged India on economic and trade issues, not geopolitical or strategic, and that too without a stable political accord to advance incumbent interests. Questions have since mounted over whether Ottawa’s focus on India in the IPS was warranted given the recent crisis that exposed the abysmal state of bilateral relations. Trudeau’s ghastly G20 experience in India and the explosive allegations thereafter prove that the IPS’ overall focus on India was shortsighted, limited, and lacking a political ballast that could propel strategic discussions and shield it from episodic crises.¹⁷ The Trudeau government’s failure to address domestic political irritants, chiefly elements endorsing secession in India, has redounded to upend the IPS. This failure has been a feature, not an exception, of this Liberal government’s India policy.

The Trudeau government’s long-standing apathy toward Canadian groups and entities supporting India’s dismemberment preclude both countries from making their relationship fundamentally strategic, advancing mutual security and econom-

14 Anirudh Bhattacharyya, “Piyush Goyal, Mary Ng Host CEOs Roundtable in Toronto,” *Hindustan Times*, May 10, 2023, <https://www.hindustantimes.com/india-news/union-minister-piyush-goyal-canadian-counterpart-mary-ng-host-ceos-roundtable-to-discuss-early-progress-trade-agreement-bilateral-ties-101683692658902.html>.

15 Ministry of Economy, “UAE-India Comprehensive Economic Partnership Agreement - Ministry of Economy UAE,” Government of UAE, 2022, https://www.moec.gov.ae/en/cepa_india.

16 Department of Foreign Affairs and Trade, “Australia-India Economic Cooperation and Trade Agreement (ECTA),” Government of Australia, 2021, <https://www.dfat.gov.au/trade/agreements/in-force/australia-india-ecta>.

17 Claudia Chiappa, “Trudeau to Leave India (at Last) after Plane Problems Delay G20 Exit,” *Politico*, September 12, 2023, <https://www.politico.eu/article/justin-trudeau-canada-leave-india-airplane-problem-delay-g20/>.



ic interests. It beggars belief that Ottawa focuses blithely on India's economic ascent and potential as a market for Canadian goods and services while glossing over its political and security prerogatives. In fact, the IPS pontificates extensively on India's economic clout and potential for Canadians firms and investors, yet pays lip service to constraints affecting India's long-term growth, namely China's ascendance and a fragmenting regional economic and security order. Expecting Indo-Pacific countries like India (or Indonesia or Vietnam) to offer market access without sufficiently helping them balance Beijing's power and reduce their dependence on China while contributing to regional public goods is folly. Economics and security are intertwined in Asia and Canada's IPS must internalize that to be viable.

Expecting Indo-Pacific countries like India (or Indonesia or Vietnam) to offer market access without sufficiently helping them balance Beijing's power and reduce their dependence on China while contributing to regional public goods is folly.

It also makes little sense for Ottawa to implement an IPS if the 'Indo' part is compromised and, as it looks now, jettisoned. Both Canada and India have their own specific China problem that could generate and sustain productive conversations vis-à-vis deterrence. Countries that have a robust and proactive strategic partnership with India like the United States, Japan, Australia and France have focused strategic discussions with India given mutual interests and objectives in the Indo-Pacific,

specifically deterring and managing China's rise.

As India modernizes its military to face challenges in the Indo-Pacific, an interest that Ottawa shares, it is partnering with Canada's long-standing allies like Australia, Japan, and the United States on security and transnational issues. Working with India also brings dividends for Canada in South and Southeast Asia where countries increasingly welcome India's security and economic engagement. Yet, this message has been lost on Ottawa that has not been able to fashion a coherent strategic framework to engage India and leverage its partnership for regional stability.

Canada-India Ties in 2024

Will Canada-India ties turn in 2024? Direct pathways do not exist to revive bilateral relations. Moreover, Canada has little leverage in Delhi given the Trudeau government's India policy that's all politics and no strategy. Ottawa's listless approach has cost Canada a viable political way out of the crisis, mend ties, and signal our relevance to India and the wider Indo-Pacific that's grappling with intense security and economic competition. 2024, as a result, could be more of the same for the relationship — stasis.

That said, with political ties frayed and an RCMP investigation that could further dip relations and an upcoming Indian election that will consume the country, we have to largely rely on existing trade and investment pathways to open doors, reclaim leverage, and restore our relevance. Given India's ongoing economic surge, demand will only increase for Canadian commodities, energy resources, and services, all areas where Canadian provinces and firms thrive.

So far, India has largely relied on manufacturing and IT services to drive growth but that trend is changing as consumption rises with growing in-



comes. As macroeconomic fundamentals continue to stabilize, the scope for external inflows from capital and knowledge rich countries like Canada will only heighten. That said, routes to deepen access to the Indian market as it liberalizes further have to be negotiated and netted. To be sure, Canada has other markets for its goods and services that might compel policymakers to pass on India. That would be shortsighted. Investing in India helps us politically given our fragile growth position and need to secure robust Asian market access and strategically as India's power ascends in Asia.

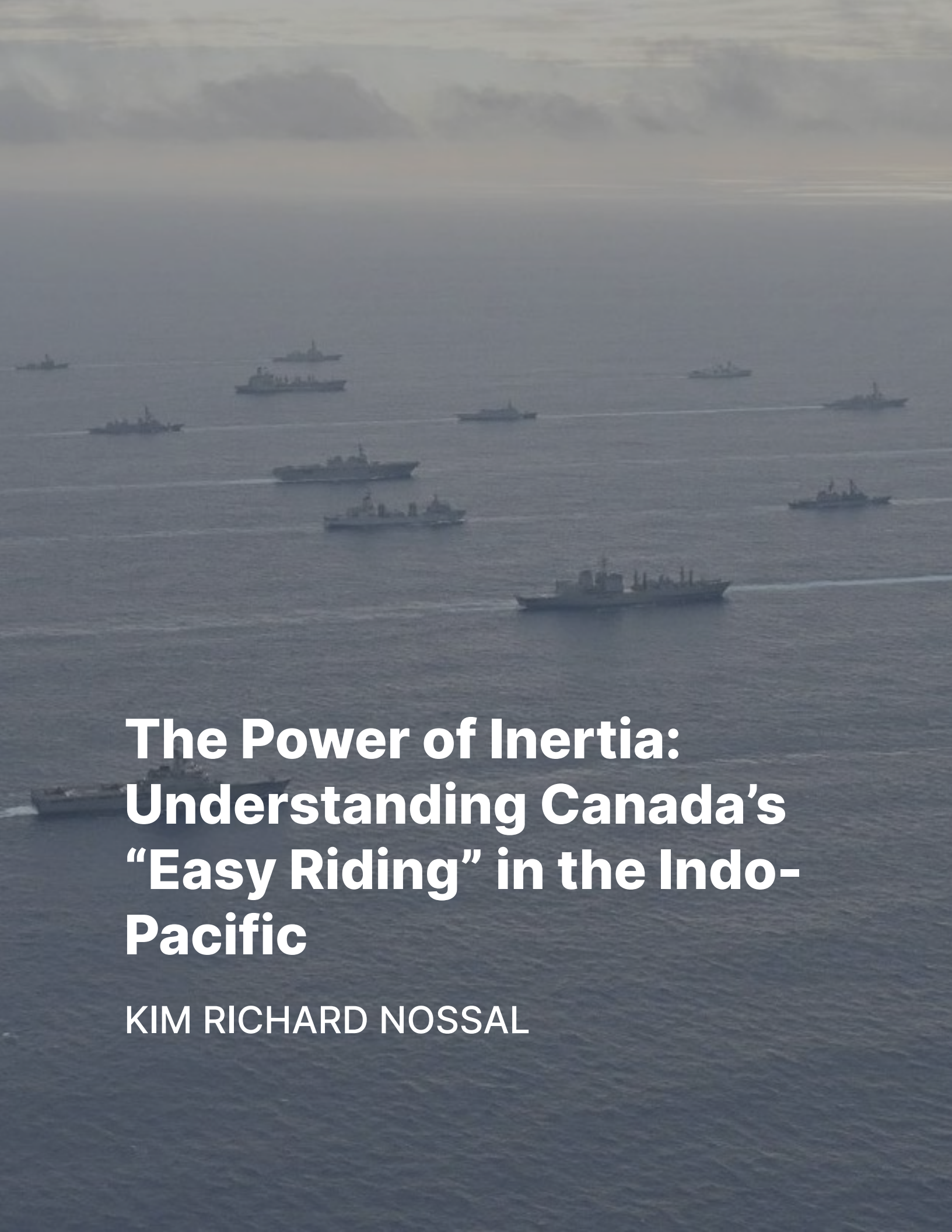
Conclusion

The Indo-Pacific is a complex and fluid landscape. Most countries that have an Indo-Pacific strategy to engage the region and grapple with China's rise emphasize India given the latter's economic rise and how that translates to growing military and geopolitical heft. Canada is an exception, due to high levels of mistrust between Ottawa and New Delhi that have stymied the formation of a strategic partnership.

Delhi's foreign policy all but revolves around maximizing partnerships and opportunities to manage and constrain a rising China. Yet, Ottawa has seldom engaged Delhi on such strategic matters, instead relying on a trade-centric approach given India's market power and potential.

Canada and India also share a deep strategic desire to keep the Indo-Pacific free, open, and transparent to support their long-term growth and prosperity. While Ottawa recognizes China as a 'disruptive power' in its IPS, Delhi's foreign policy all but revolves around maximizing partnerships and opportunities to manage and constrain a rising China. Yet, Ottawa has seldom engaged Delhi on such strategic matters, instead relying on a trade-centric approach given India's market power and potential. Ironically, that one-dimensional approach must unlock pathways to stabilize the relationship and revive it for the long term.

Unquestionably, Canada and India share common interests and values from being pluralistic democracies with considerable faith in the rules-based international order, and both are striving to ensure that the international order remains strong, effective, and fit for purpose in Asia and beyond. Without mutual trust, however, little progress can occur for Canada and India to work together in the Indo-Pacific and beyond. Ottawa must build that trust through existing economic channels before drafting a viable policy to engage Delhi or prioritize India through the IPS. The success of Canada's IPS hinges on that policy.

An aerial photograph of a large fleet of naval ships, including destroyers, frigates, and submarines, moving in formation across the open ocean. The ships are silhouetted against the sea, and their wakes are visible. The sky is overcast with soft, grey clouds.

The Power of Inertia: Understanding Canada's “Easy Riding” in the Indo- Pacific

KIM RICHARD NOSSAL



When the Liberal government of Justin Trudeau announced its Indo-Pacific strategy in late November 2022, it promised a more robust engagement for Canada in the region. Given that the Indo-Pacific is, as the government's key document, Canada's Indo-Pacific Strategy, put it — with considerable understatement — “home to numerous security hotspots with potential global repercussions,” it was unsurprising that the government would commit to a role as “a reliable partner in the region to promote security and stability across the region and at home.”¹ The policies outlined in the strategy are purposely wide-ranging. The five strategic objectives embraced by the government include peace, resilience, and security; expanded trade and investment, and supply chain resilience; people-to-people connections; sustainability and green policies; and the entrenchment of Canada as “an active and engaged partner” in the region. These new objectives were framed as Canada's response to the rising influence of the Indo-Pacific region: this, the government declared grandly, was a “once-in-a-generation global shift that requires a generational Canadian response.”²

As the other contributions to this assessment of the first year of the Indo-Pacific Strategy demonstrate, the ways in which the five interconnected strategic objectives have been implemented varied considerably. In the case of some objectives, such as the efforts to improve Canada's relations with key regional actors, Ottawa has deepened its relations with Japan; it has moved to improve ties with the Republic of Korea and Indonesia; and it has secured the status of a “strategic partner” of the Association of Southeast Asian Nations (ASEAN).

1 Global Affairs Canada, “Canada's Indo-Pacific Strategy,” Government of Canada, November 24, 2022, <https://www.international.gc.ca/transparency-transparence/indo-pacific-indo-pacifique/index.aspx?lang=eng>.

2 Ibid.

Likewise, a number of people-to-people initiatives were put in place in relatively short order.

In the case of the peace, resilience, and security objective, however, we see a somewhat different pattern. Following the enunciation of the strategy in November 2022, the government sought to flesh out what Hugh Stephens has called the “unclothed skeletons” of the strategy.³ Of the \$2.3 billion devoted to the strategy over five years (2022–2027), \$500 million was devoted to shifts in defence policy to align with the objectives laid out in the Indo-Pacific Strategy. This included shifting Canada's naval assets to the Indo-Pacific and increasing the tempo of Royal Canadian Navy (RCN) deployments in the region. Thus, in March 2023, HMCS *Montréal* was deployed from its base in Halifax to the Pacific region along with the MV *Asterix*, a naval replenishment vessel that is also based in Halifax, to Operation PROJECTION, Canada's naval forward presence mission in the Indo-Pacific region. HMCS *Montréal* also was deployed to Operation NEON, Canada's contribution to United Nations sanctions efforts against North Korea.⁴

In June, while in Singapore at the annual Shangri-La Dialogue, the minister of national defence, Anita Anand, announced that the government would significantly enhance its military presence in the Indo-Pacific. A new operation, Operation HORIZON, was inaugurated, replacing the Indo-Pacific portion of Op PROJECTION; hence-

3 Hugh Stephens, “Canada's New Indo-Pacific Strategy: A Critical Assessment,” *The School of Public Policy Publications* 16, no. 1 (June 21, 2023), <https://doi.org/10.11575/sppp.v16i1.76860>.

4 Department of National Defence, “His Majesty's Canadian Ship *Montréal* and Motor Vessel *Asterix* Depart to the Indo-Pacific,” Government of Canada, March 26, 2023, <https://www.canada.ca/en/department-national-defence/news/2023/03/his-majestys-canadian-ship-montreal-and-motor-vessel-asterix-depart-to-the-indo-pacific.html>.



forth there would be an additional warship deployed to the Indo-Pacific so that Canada could increase its participation in international exercises.⁵

With this new arrangement in place, HMCS *Ottawa* and HMCS *Vancouver*, along with MV *Asterix*, were deployed in August 2023 to join bilateral and multilateral exercises in the Indo-Pacific. HMCS *Vancouver* assisted in the monitoring of UN sanctions against Korea and in September transited the Taiwan Straits with an American guided-missile destroyer, USS *Higgins*.⁶

The shift in naval assets to the Indo-Pacific was also accompanied by new defence initiatives in Korea. Anand secured the appointment of a Canadian general as the next deputy commander of the UN Command in Korea, continuing a pattern set in 2018, when Gen. Wayne Eyre, currently the Chief of the Defence Staff, was the first non-US general officer appointed to this position. Canada also signed a ten-year memorandum of understanding on defence research and development that sought to increase collaboration between the two countries in the defence sector. Defence cooperation with the Philippines was also strengthened, with Canada's first resident defence attaché appointed to Manila in October 2023.

These shifts in defence policy and posture intro-

5 Department of National Defence, "Defence Minister Anita Anand Announces Revamped Indo-Pacific Military Mission and Strengthens Canada's Defence Relationships in the Region," Government of Canada, June 2, 2023, <https://www.canada.ca/en/department-national-defence/news/2023/06/defence-minister-anita-anand-announces-revamped-indo-pacific-military-mission-and-strengthens-canadas-defence-relationships-in-the-region.html>.

6 Department of National Defence, "Royal Canadian Navy Ships Deploy to Indo-Pacific Region," Government of Canada, August 14, 2023, <https://www.canada.ca/en/department-national-defence/news/2023/08/royal-canadian-navy-ships-deploy-to-indo-pacific-region.html>.

duced in the year after Canada's Indo-Pacific Strategy was released are by no means inconsequential. But they are not the kind of sharp break with the past implied by the promise of a "once-in-a-generation" response to the challenges posed by the geostrategic changes in the politics of the Indo-Pacific. The shuffling of an east-coast frigate to the Indian and Pacific Oceans, a modest increase in the tempo of naval operations in the Indo-Pacific, and improvements in defence cooperation with the Republic of Korea and the Philippines reflected a limited redeployment of existing resources. The shift in policy did not dramatically move assets from the Atlantic to the Indo-Pacific; nor did it allocate significant new resources that could have provided Canada with the ability to project a significantly different level of naval capacity in the Indo-Pacific region.

Shifts in defence policy and posture introduced in the year after Canada's Indo-Pacific Strategy was released are by no means inconsequential. But they are not the kind of sharp break with the past implied by the promise of a "once-in-a-generation" response to the challenges posed by the geostrategic changes in the politics of the Indo-Pacific.

Far from a "once-in-a-generation" response, what we have seen in the strategy's first year is a deeply inertial approach to geostrategic policy. The Can-



adian government's evolving defence policy in the Indo-Pacific region in 2023 was very much in keeping with how governments, both Liberal and Conservative, have approached defence policy for the last sixty years.

First, despite the modest changes in policy, we continue to see the privileging of the Atlantic in defence policy. I have argued that during both the Cold War and post-Cold War eras, Canada's defence policy was anchored in the North Atlantic area; but in the contemporary era, we see little willingness to make a substantial shift to the Indo-Pacific.⁷ As the contributions that Canada has made to both Operation REASSURANCE in Latvia, and to the defence of Ukraine, the inertial drag of Atlanticism continues to shape Canadian defence policy in the post-American world.

A second inertial factor has been the unwillingness of the government in Ottawa to even dream of spending what would be necessary to make such a shift a reality. The Trudeau government, like every government in the last sixty years, both Liberal and Conservative, continues to embrace a pinchpenny approach to spending on international affairs.⁸ What *The Economist* has characterized as Canada's "miserly" defence spending can be — and is — called free riding.⁹ But Joel Sokolsky, former principal of the Royal Military College of Canada,

has a more accurate characterization. Canadians, he argued in 2004, are not so much free riders as they are "easy riders": they spend as little on international policy as they can get away with.¹⁰ Certainly the Liberal government's approach to the Indo-Pacific in the year after it articulated Canada's Indo-Pacific Strategy was very much in the easy-riding tradition.

Moreover, there is no indication that there is any willingness in Ottawa to abandon that easy-riding approach. On the contrary: the defence budget has come under significant pressure, with cuts of nearly up to \$1 billion announced in September 2023.¹¹ Some of that pressure comes from the dynamics of domestic politics: the Conservative Party of Canada under opposition leader Pierre Poilievre has decided to focus its attacks on the Liberal government for its supposedly profligate ways. While this makes eminent sense for the electoral prospects of the CPC in the next general election, it also ensures that any spending increase becomes deeply political. And because Poilievre himself has pointedly refused to commit himself to increased defence spending — no doubt because he recognizes that this would undercut his party's simplistic "axe the tax" mantra — it adds to the wider aversion to spending serious money on defence in the Indo-Pacific.

But the Trudeau government's hesitation to spend much more on defence in the region is not just driven by electoral calculations. There is a broader aversion at work: Canadian governments have demonstrated that they are generally unwilling

7 Kim Richard Nossal, "The North Atlantic Anchor: Canada and the Pacific Century," *International Journal: Canada's Journal of Global Policy Analysis* 73, no. 3 (September 2018): 364–78, <https://doi.org/10.1177/0020702018792909>.

8 Kim Richard Nossal, "Pinchpenny Diplomacy: The Decline of 'Good International Citizenship' in Canadian Foreign Policy," *International Journal* 54, no. 1 (1998): 88, <https://doi.org/10.2307/40203357>.

9 See *The Economist*, "Canada's Miserly Defence Spending Is Increasingly Embarrassing," *The Economist*, July 24, 2023, <https://www.economist.com/the-americas/2023/07/24/canadas-miserly-defence-spending-is-increasingly-embarrassing>; The Editorial Board, "Canada Is a Military Free-Rider in NATO," *Wall Street Journal*, July 12, 2023, sec. Opinion, <https://www.wsj.com/articles/canada-military-defence-spending-justin-trudeau-lithuania-nato-summit-bd1771d9>.

10 Joel J. Sokolsky, "Realism Canadian style: National security policy and the Chrétien legacy," *Policy Matters* 5, no. 2 (2004): 11, <https://irpp.org/research-studies/policy-matters-vol5-no2/>.

11 Murray Brewster, "Federal Government Looking to Cut \$1 Billion from National Defence Budget," *CBC*, September 29, 2023, <https://www.cbc.ca/news/politics/department-national-defence-budget-billion-1.6981974>.



to take strategic decisions on broad geopolitical shifts they have faced. It can be argued that the Trudeau government's decision to abandon this a-strategic approach and publish an Indo-Pacific strategy was only taken because the need for some kind of policy response was simply too overwhelming.¹² But even then, there appears to be a deep division among cabinet ministers on just how important defence spending is — at least by some accounts.¹³ This division would certainly help explain why the Defence Policy Update to the government's 2017 defence white paper, *Strong, Secure, Engaged*, has yet to appear. First promised in early 2022 for publication in the fall of that year, the update has been routinely postponed, most recently in November 2023.

Canadian governments have demonstrated that they are generally unwilling to take strategic decisions on broad geopolitical shifts they have faced.

12 See, for example, Dr. James Boutillier, "Thoughts on Canada's 'old' horizon of opportunity in the Indo-Pacific region," CDAI Institute Threat Assessment, vol. 2, April 2023, <https://cdainstitute.ca/wp-content/uploads/2023/05/Final-2-The-New-Indo-Pacific-Horizon-edited-version-2.pdf>; on the historical propensity of Canadian governments to take an 'a-strategic' approach to great power politics, see Kim Richard Nossal, "An 'a-strategic' power: Canada, China, and great power transitions," in James Fergusson and Francis Furtado, eds., *After Afghanistan* Reflections on Canadian International Security Policy (Vancouver: UBC Press, 2016), 151–61, https://nossalk.files.wordpress.com/2021/03/nossal_2016_astategic-power.pdf.

13 For example, Richard Shimooka, "Replacing Anand in Defence Is a Risky Political Gambit," The Hub, July 26, 2023, <https://thehub.ca/2023-07-26/new-messengers-for-the-same-tired-message-the-hub-reacts-to-the-trudeau-governments-cabinet-shuffle/>.

However, even if the Trudeau government eventually shrugs off its easy-riding ways and significantly ramps up defence spending with an eye to projecting a greater Canadian naval presence in the Indo-Pacific, the path-dependent and deeply inertial consequences of decades of easy riding by Canadian governments, both Liberal and Conservative, would make such a goal impossible to achieve, at least in the short and medium term. The Royal Canadian Navy has only twelve *Halifax*-class patrol frigates, twelve *Kingston*-class coastal defence vessels, and four *Victoria*-class submarines to deploy, assisted by one supply/replenishment ship, MV *Asterix*, that since 2018 has serviced the RCN fleet on an interim basis. Well might the Royal Canadian Navy characterize so much of its fleet with the adjective "future" — the warships under construction are known as the "future Canadian surface combatants" and the joint support ships are the "future *Protecteur* class."¹⁴ However, a "future fleet" has only limited utility in the here and now. The warships, for example, will not begin to see service until the early 2030s — so far in the future that these vessels will have no impact on contemporary efforts to project a Canadian naval presence in the Indo-Pacific.

And there is no way to rectify this in the short term. If warships grew on trees, as Timothy Choi and Jeffrey Collins have noted so crisply,¹⁵ Canada would be able to rapidly expand its naval capacity to meet the challenges of the Indo-Pacific. But since they don't, Canada is stuck with the fleet it has. Now it is true that the Trudeau government could order

14 Department of National Defence, "Surface Fleet," Government of Canada, June 8, 2022, <https://www.canada.ca/en/navy/corporate/fleet-units/surface.html>.

15 Timothy Choi and Jeffrey F. Collins, "If only warships grew on trees: The complexities of off-the-shelf defence procurement," Canadian Global Affairs Institute, March 2022, https://assets.nationbuilder.com/cdfai/pages/4983/attachments/original/1647471456/If_Only_Warships_Grew_on_Trees.pdf?1647471456.



the RCN to deploy its resources more aggressively in the region. More of the *Halifax*-class fleet could be ordered into the Indo-Pacific from service in the Atlantic. The *Kingston*-class maritime coastal defence vessels could be deployed to the South China Sea to assist in freedom-of-navigation exercises with other navies, particularly with the Philippine Navy. More of the *Victoria*-class submarines could be deployed, as HMCS *Chicoutimi* was in 2017-18, in the Indo-Pacific for exercises with allies and service with Op HORIZON. However, even if the Trudeau government were to decide to ramp up Canada's naval presence in the Indo-Pacific region in such ways, we would see the inertial consequences of decades of easy riding. For today the RCN simply does not have enough personnel to engage in such an increase in tempo. The navy has had such difficulty recruiting and training sailors that the vacancy rate in some occupations is more than 20 percent.¹⁶

In short, the IPS set an almost impossible task for a government that is so deeply committed to an inertially-driven easy-riding approach to defence. A greater Canadian presence in the Indo-Pacific can only be achieved if both the Liberals and the Conservatives are willing to spend far more on defence. And that will only happen when both parties recognize that a pinchpenny approach to the current geostrategic environment in global politics is simply inadequate to protect Canadian interests.

16 Sarah Ritchie, "Canadian Navy in Critical State, Could Fail to Meet Readiness Commitments: Commander," CBC, November 29, 2023, <https://www.cbc.ca/news/politics/canadian-navy-critical-state-1.7044267>. For an explicit statement of the problem, see the video posted by the commander of the RCN, Vice-Admiral Angus Topshie: "The state of the Royal Canadian Navy | L'état de la marine royale du Canada," YouTube, 27 November 2023, <https://www.youtube.com/watch?v=FuD6Q1HXsKw>.

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