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Setting Priorities Given Finite Resources: National Interest Guidelines for Making Policy Choices

by Roy Rempel
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Every Canadian government must consider how best to strike an appropriate balance between values and interests in Canada's international policy.

The promotion of national interests in international policy encompasses those political, economic and military objectives that are directly related to the prosperity and security of the Canadian people.

Values-promotion, in contrast, looks to advance principles, norms and objectives to change international rules and practices. These are usually perceived as having a strong moral component aiming to 'make the world a better place.' While values-promotion is often described as being synonymous with Canada's national interests, in fact value objectives are usually much broader in scope and often possess end goals that are amorphous.

To varying degrees, all Canadian governments have engaged in values-promotion internationally. The government of Justin Trudeau, no exception to this, has indicated that it wishes to remake Canada's international policy to give greater weight to values-promotion.

In this regard, the government has identified a broad range of new values-driven objectives. Included are objectives to advance Canada's leadership at the United Nations (UN) and in other multilateral institutions such as La Francophonie, increase support for peace operations and lead efforts to combat climate change. The government also proposes to strengthen Canada's contribution to reducing poverty, supporting fragile states and helping the poorest and most vulnerable through implementation of the UN 2030 agenda for sustainable development.

At the same time, the government has also pledged to continue to pursue many of the interest objectives which were at the core of the Harper government's policy. These include a commitment to deepen trade and investment relations with large, fast-growing markets, reinforce Canada's relationship with the United States and other key bilateral partners, and work with allies to confront security challenges.¹

TEMPERING IDEALISM WITH REALISM

The identification of such a long and mixed list of declaratory objectives, incorporating both value-driven and national interest objectives, creates challenges. For one, this agenda will be highly dependent on buy-in and ongoing support from larger powers.

Such an agenda also carries potentially significant resource obligations. Who can determine, for example, what level of expenditure will ultimately be required to truly 'lead' international efforts to combat climate change? What resource demands may result from the desire to play a leadership role in UN or other multilateral processes?

Any government committed to advancing values on the international stage is wise to develop clear parameters for doing so. During the Harper government's term, value-based initiatives such as maternal and child health and the promotion of democracy and religious freedom were key objectives. Nevertheless, advancing Canada's core economic and security objectives remained the priority.



Failing to keep a values-driven agenda manageable introduces a high risk that policy goals will become quixotic when resource demands become unsustainable or if international support is lukewarm. Despite the allure that a government may feel to make a difference in the world, it must never forget that its primary moral responsibility is always to protect and advance the country's national interests.

This is a balance which some governments have been more adept at maintaining than others. Early in the post-World War II period, the government of Louis St. Laurent (1948-57) was particularly skilled at ensuring that initiatives drawn from an idealistic impulse were tempered by a clear understanding and appreciation of the limits of Canada's influence. Some of the governments that followed have been less skilled at identifying core national interests and pursuing them with both requisite policy attention and an effective commitment of resources.

In today's world, the resources which Canada can devote to supporting its international policy are decidedly limited. So too is the in-depth policy attention that Ministers, political staff and officials can necessarily devote to the wide range of individual international issues that come across their desks.

In this context, it is perhaps useful to consider some guidelines that can assist in ensuring that core national interests are not neglected.

GUIDELINES FOR SELECTING AND ADVANCING CORE NATIONAL INTERESTS

First, *Canada's bilateral relationship with the United States is the country's most important international policy priority.* Within the varied international policy 'priorities' that have been identified by the government, it must be recognized that, rhetoric aside, some will simply be more important to the prosperity and the security of Canadians than others.

In this regard, no international relationship is more important to Canada than the one with the United States. The government should be clear on what its strategic objectives are in the Canada-US relationship and ensure that all Ministers and political staff give the relationship the requisite policy attention. While governments often claim that they will do this, there is always a tendency to be distracted by other less important issues.

In 2004, former Deputy Prime Minister John Manley lamented the lack of policy attention which many Ministers gave to Canada's relationship with the United States saying that "I defy you to find any minister either of Foreign Affairs or Trade who invests time and effort in the Canada/US relationship that is at all commensurate with its importance to the economy."² His advice, from over a decade ago, to accord the relationship real priority, should be re-visited and re-activated.

Second, the government must *identify an 'inner core' of interest-based priorities.* This should be done by evaluating all initiatives based on their importance to the national economy and to the security of Canada.

On the economic side, this means making every effort to implement both the Canada-Europe Comprehensive Economic and Trade Agreement, as well as the Trans-Pacific Partnership.



However, if one or both prove to be stillborn, the Government will still need to make the pursuit of alternative bilateral deals in Asia a high priority, and, in Europe post-Brexit, take the steps needed to protect all aspects of Canada's economic and political relationship with the United Kingdom (Canada's third most important commercial partner globally), as well as with continental Europe.

On the security side, it is critical to focus on the most significant risks and threats to Canadians. In the current international environment there is currently no greater direct threat than that which emanates from terrorism and violent Islamic extremism. Since resources are limited, targeting and coordinating diplomatic, military and aid efforts to defeat this threat must continue to be a priority.

Third, the government must *work with all key sectors in developing effective global market strategies*. In key trade and market development sectors, the government traditionally engages closely with stakeholders to develop strategies that will be effective in securing broader market opportunities for that sector. The Trudeau government has made this one of its trade priorities and has indicated its intention to devote particular attention to sectors such as clean energy and the cultural industries.

This is commendable. However, engagement cannot be limited to just those sectors with which a government is ideologically comfortable. For instance, Canada's defence industries contribute billions to the national economy and extensive consultations with industry representatives led to the launch of a Defence Procurement Strategy in 2014.³ Among other things, the strategy aims to enhance the global competitiveness of this Canadian industry.

While the government is free to set appropriate parameters to ensure that Canadian defence exports correspond with Canadian interests and are consistent with national values, within that rubric it must also be willing to work closely with any sector that is important to the national economy in order to secure broader opportunities for Canadian workers and businesses.



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Fourth, it is important to *devote priority policy attention to core national interests*. Ministers and their staffs often come to believe that all issues, every international process and every international conference are equally important. They are not. Every day spent on an issue that is of marginal importance is a day not spent on an issue that matters to Canadians.

This makes it important that Ministers and their political staff develop a clear sense of what is most important to the prosperity and security of Canadians and what is not. Time and policy focus must then be managed accordingly.

Fifth, *recognize that an effective military capability is a core national interest priority*. Thus far, there have been mixed signals on the government's intent in relation to Canada's defence policy. While there is a currently vague commitment to 'increase support for peace operations,' the new government has shown a simultaneous aversion to active military operations and has accordingly terminated involvement in the air campaign against the Islamic State of Iraq and the Levant (ISIL). This approach seems indicative of an underlying discomfort with the military component of international policy.⁴

During the late 1960s and early 1970s, the government of Pierre Trudeau had a similar discomfort with the military component of international policy. The result was a loss of Canadian influence with key allies. While by the mid-to-late 1970s the government belatedly sought to adjust its policy approach and again accord military capability greater weight, Canada's ability to advance both political and economic objectives, particularly with its European allies and within the European Community, had suffered in the interim.

Canada cannot afford a repetition of these mistakes. The government would be wise to utilize the Defence Policy Review to demonstrate clearly that it understands that both an effective military capability and a willingness to use that capability when necessary will be an essential pillar of international policy.

Sixth, *given finite defence resources, the 'home game' is more important than the 'away game.'* Canada currently spends just under \$20 billion annually on defence – or about 1% of its Gross National Product. The new government has pledged to meet the commitment made by the Harper government to increase the annual defence escalator from 2% to 3% beginning in 2017/2018. However, to renew all of the Canadian Armed Forces' (CAF) core capabilities, further spending increases will likely be required, particularly after 2020. At the same time, this may now have become more difficult due to the government's decision to run large budget deficits in the years ahead.

In this context, it will be important to prioritize those defence missions and tasks that are most essential for protecting Canada, the air and sea approaches to Canadian territory and national sovereignty. This alone will be an extensive (and expensive) undertaking, requiring a range of modernized and new capabilities. While some, including within the CAF, may wish to see a focus made on new expeditionary capabilities, unless and until additional resources are provided, defence priorities within North America must be the emphasis in the years ahead.

And, finally, *cross-party consensus on key national interest objectives must be promoted wherever feasible*. Much attention has so far been focused on areas of difference between the new government and the Harper government. However, in several areas the Trudeau



government has indicated an intent to continue with policies which were initiated under the previous government. This is the case with respect to the thinning of the Canada-US border, expanding trade opportunities with growing markets, prioritizing the protection of Canada's sovereignty, including in the Arctic, and rebuilding maritime capabilities through the National Shipbuilding Procurement Strategy (NSPS).⁵

This is important and welcome. Core national interest objectives are often pursued over many years, and even decades, making the maintenance of political consensus a critical component in ensuring that objectives which are important to Canadians are successfully implemented.

This should never be forgotten as a government considers policy alternatives and options. Any government that is able to deepen a national interest consensus in international policy builds an important legacy for itself and the country. More importantly, in that effort, it ultimately enhances the security and prosperity of all Canadians.



CBC News



¹ The full priority list can be found at Global Affairs Canada, “Our Priorities,” available at <http://www.international.gc.ca/department-ministere/priorities-priorites.aspx?lang=eng>.

² See John Manley, “Memo to Martin: Engage Canada-US Relations as one of PM’s ‘Overriding Responsibilities,’” Policy Options, 1 May 2004.

³ See Global Affairs Canada, “Export Strategy for Defence Procurement,” Media Release, February 2014, available at <http://www.international.gc.ca/media/comm/news-communiqués/2014/02/pw-tp-bg.aspx?lang=eng>.

⁴ See Kim Richard Nossal in this regard. Kim Richard Nossal, “Canada is Back – Part Two: Trudeau and the Use of Force,” CDA Institute Blog, The Forum, 28 January 2016, available at <https://www.cdainstitute.ca/en/blog/entry/canada-is-back-part-2-trudeau-and-the-use-of-force>.

⁵ See the mandate letters given to the Minister of Foreign Affairs and the Minister of National Defence, available at <http://pm.gc.ca/eng/minister-foreign-affairs-mandate-letter> and <http://www.pm.gc.ca/eng/minister-national-defence-mandate-letter>.

► **About the Author**

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The Institute was created to bridge the gap between what Canadians need to know about Canadian international activities and what they do know. Historically Canadians have tended to look abroad out of a search for markets because Canada depends heavily on foreign trade. In the modern post-Cold War world, however, global security and stability have become the bedrocks of global commerce and the free movement of people, goods and ideas across international boundaries. Canada has striven to open the world since the 1930s and was a driving factor behind the adoption of the main structures which underpin globalization such as the International Monetary Fund, the World Bank, the International Trade Organization and emerging free trade networks connecting dozens of international economies. The Canadian Global Affairs Institute recognizes Canada's contribution to a globalized world and aims to inform Canadians about Canada's role in that process and the connection between globalization and security.

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