



**CANADIAN GLOBAL AFFAIRS INSTITUTE
INSTITUT CANADIEN DES AFFAIRES MONDIALES**

Positioning Canada in a Messy World

by Colin Robertson
May 2019

POLICY PERSPECTIVE

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CGAI Vice President

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Prepared for the Canadian Global Affairs Institute
1800, 421 – 7th Avenue S.W., Calgary, AB T2P 4K9
www.cgai.ca

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ISBN: 978-1-77397-068-4



Canadians live in a messy world. A three-ring circus of disruptive powers, drifting multilateralism and transnational threats requires diplomatic care and the attention of leaders. The statecraft will have to be tailored to individual circumstances. For the disruptors – China, Russia, Iran, North Korea et al – it is engagement, containment and deterrence. Multilateralism needs reinvigoration and reform of its institutions especially those responsible for trade and security. The transnational threats – climate, nuclear proliferation, migration, pandemics, terrorism - are probably a chronic condition but they can be curbed, controlled and mitigated.

Positioning Canada in this changing environment will take skill, strategy and investments in security and diplomacy. Both the nature of power and relative power among nations is changing. Global power is no longer homogeneous. Borders are back. So is nationalism. In the absence of the guard rails that the United States provided during our lifetime, a world in disarray risks descending into chaos and conflict. Constructive powers – big, middle and small – need to stand up regardless of when, whether or how the U.S. re-engages.

Changing circumstances mean that the free ride Canadians enjoyed with the end of the Cold War now requires investment in dollars, people and kind starting with our armed forces and diplomatic service. Smart power blends hard and soft elements. Smart power, for Canada, also means active multilateralism and constantly looking for niches where we can play a constructive role. Canadians expect it. Our self-identity draws from how we are perceived abroad. As a nation, we will always depend on talented settlers.

When it comes to relationships providing trade and security, for Canada it is still the U.S. and then the rest. We can't change our geography, nor would we want to. Notwithstanding its increasingly polarized politics, the U.S. remains the innovation nation and robust economically and militarily. We need to invest more in understanding the U.S. We also need to recognize that its changing domestic circumstances – currents of nativism, protectionism and isolationism – make it, for now, a less reliable partner.

Pollsters find the global public, including Canadians, have grave doubts about the future. It is small wonder that many feel adrift in uncharted waters. As we grasp for hope, there is a hankering for simpler times and strong leaders who say they can fix things. Whether traditional or new age, faiths that give comfort and meaning have increased appeal even when rooted in intolerance. Where once the main political divides were between the right and the left, the new divide is more about systems that are open versus those that are closed.

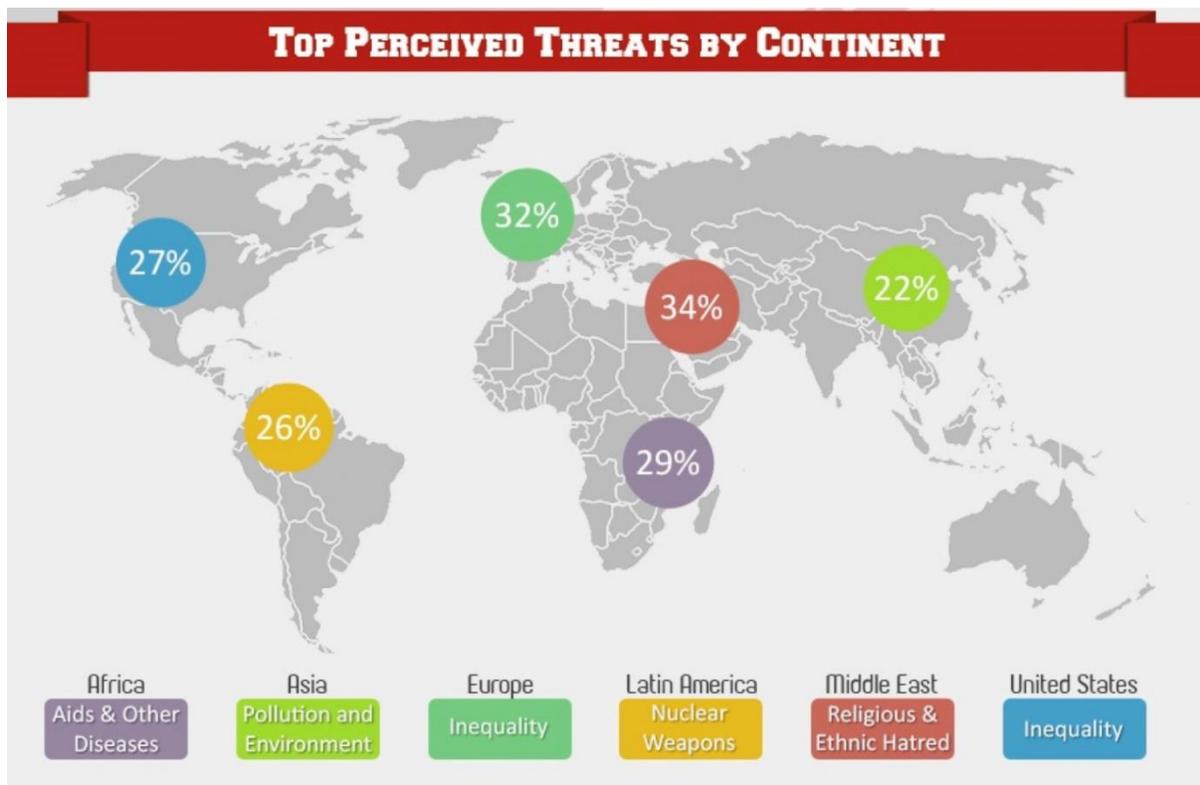
Ours is a world filled with both “known unknowns” and “unknown unknowns”. Our digital age, on the cusp of broadly applied artificial intelligence enabled by Big Data and quantum computing, brings new meaning to complexity. These are areas where Canadian know-how and technological skill must be applied, not only for our own interests but also because know-how in the new domains of space and cyber-space gives us a place at the tables where decisions are made.



While the losses are still shallow compared with the gains in the 20th century, [Freedom House](#) has recorded a decline in global freedom for 13 consecutive years. The decline is recorded in longstanding democracies like the U.S. and through the consolidation of authoritarianism in China, Russia, Turkey, Hungary and elsewhere.

This decline is accompanied by an increasing loss of popular confidence in the ability of liberal democracies to solve problems. Citizens feel that the next generation will be worse off than they are. They blame growing inequality, seemingly uncontrolled migration, terrorism and climate change. These are the factors that fuel populism, nativism and protectionism and the appeal of strong men with simple solutions.

The world as we knew it is changing. History suggests we have the capacity to find a way out of our problems but the challenges, especially around climate, are daunting and time is not our friend. Global complexity is increasingly overwhelming. There may be no winners but there could be lots of losers. In this new era we need realism, a sense of history and humility.



America First

For Canada, it is America first – first for our trade, first for our security, first for stewardship of our shared environment and first for people-to-people connections in everything from business to popular culture. We are different but close enough that Americans always rate Canadians as their [favourite nation](#). That they like us more than we like them is something we under-utilize.



Life with Uncle Sam is never easy, especially with President Donald Trump, but we have preferred access to the U.S. market – still the biggest in the world – and thanks to our NORAD alliance, the U.S. military provides our default security umbrella.

If Trump has taught us anything, it is that Canada needs to mount a permanent campaign to remind Americans of our mutually beneficial commerce. American jobs and prosperity depend in part on trade with Canada. We think we know everything there is to know about Americans. We are wrong. We need a better understanding of our neighbour. Understanding starts with the U.S. Constitution – its checks and balances and separation of powers. It is shocking that we have no significant research institutions devoted to the study of the U.S. We need to pay more attention to Congress and the states. We should have someone – consul, honorary consul or representative – in every state. Better understanding also means links to the various interests and institutions that fund the U.S. system and provide it with ideas.

Great Arsenal of Democracy

U.S. presidents since Franklin Roosevelt persuaded Congress and Americans to step away from tariffs, to embrace large standing military organizations, to surrender some elements of sovereignty, to give up their aversion to permanent international arrangements and to carry the burden when others fell short. The U.S. became the “great [arsenal](#) of democracy” dedicated, as Roosevelt proclaimed, to the [four freedoms](#): freedom of speech and expression, freedom of worship, freedom from want and freedom from fear. The U.S. shouldered the burdens that brought peace and prosperity. Its security blanket, especially protection of the sea-lanes, made possible a globalization that lifted billions from poverty and created a global middle class.

The U.S.’s military alliances – notably NATO – bolstered this outward-bound approach. This new strategy formed the foundation for the post-Second World War operating system that was liberal in its economic orientation and rules-based. It provided stability, relative peace and rising prosperity. Its economic performance stood in contrast to the statist command-and-control communism of Maoist China and the post-Stalinist Soviet Union with its satellites in the Warsaw Pact. Its advantages – open markets and freedom of choice – increasingly drew in the non-aligned. After 1989, most of the former Soviet satellites in Eastern Europe scrambled to join the European Union and NATO. The exuberant application of the Washington consensus saw its deregulatory flaws revealed in 2008-2009 and subsequent recession but capitalism, in its variant forms, enjoys global embrace. As Deng Xiaoping famously said, it doesn’t matter if a cat is black or white, so long as it catches mice.

And Then Came Trump

American ascendancy after the end of the Cold War was supposed to usher in the triumph of democracy, or as political scientist Francis Fukuyama put it “not just ... the passing of a particular



period of post-war history, but [the end of history](#) as such: that is, the end point of mankind's ideological evolution and the universalization of Western liberal democracy as the final form of human government." But it did not work out that way. 9/11, the wars in Afghanistan and Iraq and the great recession shook American self-confidence, and in 2016, Trump became president. His words and actions are radically different from those of his postwar predecessors. Despite record low [unemployment](#) and a buoyant economy, Trump appeals to [populism](#), protectionism and nativism. Daily, through tweets, speeches and statements he vindicates those in the Republican foreign policy establishment who [warned](#) of his recklessness and declared him unfit for office. His actions on his signature themes have worsened the immigration crisis, disrupted trade and poisoned alliances.

Speaking for the first time to the United Nations, Trump told the General Assembly that the [sovereignty, security and prosperity](#) of the American people are his sole objectives, and that these – not world order, not human rights – should also be other nations' priorities. Trumpism was perhaps best expressed by then-national security advisor H.R. McMaster and national economic director Gary Cohn (both of whom have since left the administration) when they [wrote](#) that for Trump "the world is not a 'global community' but an arena where nations, nongovernmental actors and businesses engage and compete for advantage" and that the U.S. would practise "reciprocity in trade and commerce. Simply put, America will treat others as they treat us ... America First signals the restoration of American leadership and our government's traditional role overseas – to use the diplomatic, economic and military resources of the U.S. to enhance American security, promote American prosperity, and extend American influence around the world."

Americans tell pollsters that they are [tired](#) of foreign adventures with their cost in blood and treasure. Reform of the health system – the [most expensive](#) in the OECD – continues amid controversy. Other well-documented problems include [obesity](#) and the [opiate](#) crisis, [gun violence](#) and continuing [racial](#) tensions.

Will a post-Trump U.S. return to its role as champion of liberal democracy and internationalism? It is unlikely.

Canada and the allies should strive to be reliable partners to the U.S. As former Defense secretary James Mattis wrote in his resignation letter: "the US remains the [indispensable nation](#) in the free world, we cannot protect our interests or serve that role effectively without maintaining strong alliances and showing respect to those allies...the armed forces of the United States should not be the policeman of the world. Instead, we must use all tools of American power to provide for the common defense, including providing effective leadership to our alliances. NATO's 29 democracies demonstrated that strength in their commitment to fighting alongside us following the 9-11 attack on America. The Defeat-ISIS coalition of 74 nations is further proof."

But even when a president is prepared to lead, unless it is an attack on the homeland, there will be countervailing pressures in Congress and among the American people. Reliance on the U.S., as John F. Kennedy proclaimed, to "pay any price, bear any burden, meet any hardship, support any



friend, oppose any foe, in order to assure the survival and the success of liberty”? Those days are done.

The Disruptors

Even if no one else can match the U.S. for power and reach, a resurgent China and revanchist Russia are disrupting the global operating system and challenging its norms and mores. The Russians and the Chinese are different in background, history and culture. They think differently. Both resent the West. Situated in the middle of a great plain, the Russians are conscious of threats from the West. To be safe, they extend their frontiers as far west as they can. For the Chinese, the “century of humiliation” at the hands of the West and Japan is current history and thus they are pushing their boundaries to the traditional Middle Kingdom, including the South China Sea and Taiwan.

China will be the strongest competitor and the U.S.-China relationship in the 21st century will be the most consequential global relationship.



Source: Angus Reid 2018 <http://angusreid.org/g7-summit-2018-world-leaders/>

There will be intense competition, brinksmanship and tension especially in the Indo-Pacific, likely centred around the South China Sea. Unless there is miscalculation, violent conflict – the [Thucydides trap](#) – probably can be avoided. For now, China’s aspirations are essentially regional.

The cultivation of aggressive nationalism and identification of foreign threats are part of Chinese and Russian statecraft. Their behaviour encourages others who emulate it – Iran, Saudi Arabia, North Korea and other authoritarian leaders who see the opportunity for regional gain and to solidify their power.

Presidents Xi Jinping and Vladimir Putin claim that the current system is tilted against them and does not serve their interests. They want a system based on a concert of great powers, each with hegemony in its own neighbourhood – complete with vassal or tributary states.



For Xi, it is all about the stability of the People's Republic of China, based on an order that the Chinese Communist Party (CCP) has directed and led since 1949. For Xi and the CCP, the state is indivisible from the party and the party's job is to ensure the state's stability.

For Putin, the “[greatest geopolitical catastrophe](#)” of the 20th century was the collapse of the Soviet Union. Putin would like to re-establish a greater Mother Russia, positioning himself as champion of the revived conservative and nationalist Russian Orthodox Church. He prefers stealth and subversion, but he will also employ force, as demonstrated in Georgia, Crimea and eastern Ukraine. Russia is [upgrading](#) its armed forces and weaponry – nuclear, conventional and unconventional (“little green men”). Using artificial intelligence and machine learning, Russia has developed hybrid capacities which it employs to disrupt democracies, especially their elections.

Both Russia and China have problems. Russia suffers from a sclerotic petro-based economy. It has an aging population with a high rate of alcoholism. China's population is also aging. Despite abandonment of the one-child policy, the ethnic Han Chinese population is in decline. China is dependent on imports of food and energy, and its Belt and Road initiative is designed to create a secure land and sea supply chain.

Chinese and Russian leaders rely on a pervasive internal security apparatus. They are betting that the bulk of their citizens prefer stability and rising economic standards to nebulous democratic rights. They may be right. Increasingly, they think their security-state model is ready for export into the Middle East, Asia, Africa, Latin America and Eastern Europe.

Canadian relations with both China and Russia are currently in the deep freeze. Just because these countries are big does not give them a pass on bad behaviour. Whatever our economic interests, they must also reflect core values, notably human rights. Canada sanctioned Russia for its occupation of Crimea and continuing incursions into Ukraine. Targeting the responsible individuals rather than nations, as we do through the *Magnitsky Act* sanctions for human rights abuse, is smart diplomacy. We are applying sanctions against the Russians and Venezuelans. Sanctions should also be applied against those Chinese officials responsible for keeping Michael Kovrig and Michael Spavor hostage in inhumane circumstances.

We should, nonetheless, look for areas to engage – with Russia, for example, on Arctic safety and environmental protection. With China, we need to keep the lines open through the annual heads-of-government and ministerial meetings and through co-operation on issues like climate change and containing pandemics.

Astute diplomacy should be able to contain or constrain China's rising power. But it will depend on robust alliances – an expanded NATO, for example – and a continuing strong U.S. naval presence in the Indo-Pacific. Asia is America's to lose, not China's to win. It will take a lot for China to disrupt this, although Trump's cavalier rejection of the Trans-Pacific Partnership was a strategic unforced error.



Russia is a power in decline. This makes it more dangerous, especially because it has weapons of mass destruction. There must be continued vigilance and deterrence through a reinvigorated NATO alliance.

Three Cheers for Multilateralism

The international system – liberal and multilateral – is shifting and drifting. If we are not careful, like Humpty Dumpty, it is headed for a very big fall.

Created by the U.S. and its allies after the Second World War, the system has overseen an extraordinary period of global peace and prosperity. This operating system is characterized by freer trade and the market economy, alliances of representative governments and rules-based international institutions with multilateral membership. Although imperfect, it is better than previous systems and there have been continuous incremental improvements.

Multilateralism, the means by which medium and small powers level the field against big and super powers, is the greatest diplomatic innovation of recent times. Born out of Wilsonian idealism, its first manifestation in the League of Nations was handicapped from birth when the U.S. Senate rejected involvement. Franklin Roosevelt and Winston Churchill's [Atlantic Charter](#) gave multilateralism new life that was elaborated at the Quebec conference hosted by Mackenzie King. It took form in the Bretton Woods twins – the International Monetary Fund and World Bank – then the United Nations and its alphabet soup of agencies and, later, within the Geneva-based World Trade Organization.



Prime minister William Lyon Mackenzie King (foreground centre) confers with U.S. president Franklin Roosevelt and British prime minister Winston Churchill at the First Quebec Conference in August 1943.



Multilateralism has been at the core of Canadian foreign policy since the Second World War. It serves Canadian interests. Canada and other constructive powers must keep these institutions relevant and efficient through constant vigilance. This means permanent efforts to cut waste, check corruption and streamline the tendency to mind-numbing bureaucracy.

There are other ideas on how to fix multilateralism. Ivo Daalder (now CEO of the Chicago Council on Global Affairs) and James Lindsay (Council on Foreign Relations) argue in their book, *The Empty Throne: America's Abdication of Global Leadership* (2018) and in their recent *Foreign Affairs* article, "[The Committee to Save the World Order](#)," that we need to turn to some of the bigger countries to lead. While their analysis is excellent, I think their prescription is too narrowly based.

The Germans and the French are planning to launch an [alliance for multilateralism](#) which will include [Canada](#), at the UN General Assembly this fall. Its intent is to create a "[global network](#) of like-minded states which are convinced that pursuing legitimate, national interests and protecting the collective property of humankind are fully compatible, not mutually exclusive." It deserves three cheers.

Just as in 1945, when 40+ future members of the UN contributed to creating it and its functional agencies, so today, liberal democracies, regardless of size, need to stand up and make functional contributions. The functional principle – nations contribute based on competence and capacity – rather than on sheer size, guided Canadian policy-making at that time.

Multilateralism is imperfect. It has not met the ambitiousness of its original design. It often limps along and disappoints. But that is the reality in a world order where great powers will always play a disproportionate role and where there is a trapdoor for the superpowers, especially in advancing their own interests. The wonder is not its flaws, but that it operates as well as it does.

Essential Relationships

The essential relationships for the West in the 21st century span three oceans. There is the traditional transatlantic relationship of the U.S., the EU and Canada and now the transindopacific relationship of these nations with Japan, Korea, Australia, New Zealand and like-minded liberal democracies in Asia and the Americas. With global warming, a fourth ocean, the Arctic, may come into play.

Both NATO and the G7 are open communities of shared democratic scope. NATO membership should be broadened to include partner countries, starting with Japan, Korea, Australia and New Zealand. The G7 should broaden its membership to include India and Mexico and, in time, Brazil. Membership in NATO needs a litmus test to weed out the authoritarians. The G7 booted out Russia when it invaded Crimea. Should Turkey and Hungary be suspended from NATO until they clean up their acts?



More Attention to India

From a liberal democratic perspective, the India relationship could become indispensable in the pivotal Indo-Pacific region, with India becoming another anchor nation along with Korea and Japan in the northeast Pacific, and with Australia and New Zealand to the south. India is embracing the digital economy, revitalizing its military and will soon surpass China in population. India lives in a nuclear neighbourhood. Borders with China and Pakistan are contested. India is cacophonous, unruly and as much riven as united by its colourful diversity. But as the “great game” enters a new chapter, India matters.



Adam Smith is Still Right

Trade, the lifeblood of globalization, is being [blamed](#) for de-industrialization in the U.S. and Europe, even though the economic evidence points to technological innovation and automation as the real reasons. However, there is no doubt that a significant percentage of manufacturing jobs in traditional industries like steel, textiles and household appliances have moved to Asia, especially to China.

[Nearly half](#) of Canada’s national income depends on trade. With the Canada-U.S. FTA and then NAFTA, trade-led growth has generated continuing prosperity for Canadians, notwithstanding internal trade barriers that remain the unfinished business of Confederation.

While trade helped to lift a billion people from poverty in Asia, it contributed to unemployment in the West at the same time that companies restructured to shed costs like pensions and health benefits for their employees. Trade, which led global economic growth, has slowed in recent years and there are counter-forces – in-shoring, piracy, protectionism – that threaten to upend global supply chains.



This has particular implications for Canada as more and more of our manufacturing trade is in what economists call intermediate goods – the parts, for example, produced by Canadian auto parts champions like Magna, Linamar and Martinrea, that move back and forth across borders.

With global trade talks (Doha round) going nowhere and the WTO dispute settlement approaching impotence as the U.S. withholds agreement on the appointment of new judges, global trade policy will go into limbo. Trade will be managed more through quotas, voluntary restraints and other mechanisms. Future progress will depend on and take place within groupings of like-minded nations.

For Canada, regional trade blocs, like the Comprehensive Economic and Trade Agreement (CETA), the Canada-United States-Mexico Agreement (CUSMA) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) are the best option to keep trade flowing. This is where new standards on intellectual property and e-commerce, and disciplines of state-owned enterprises, will be developed and then tested.

The China Problem

There is a genuine problem with China. It is a highly non-transparent and less-than-free market economy. Its accession to the WTO was dubious. It was given privileges on intellectual property and industrial policies without any enforcement mechanisms. These things continue to violate the understandings that make the trading system's political economy work.

Can China and the U.S. work out their differences on regulating state-owned enterprises, intellectual property and technology transfers? Will China recognize the value of protecting its own intellectual property? Self-interest would suggest an eventual deal, especially if China is to succeed with its 2025 Made-in-China initiative. If this happens, there will likely be a critical mass to restore a rules-based global trading system because China will have skin in the game. For now, it's a messy world.

The Democratic Deficit

While the losses are still shallow compared with the gains in the 20th century, [Freedom House](#) has recorded a decline in global freedom for 13 consecutive years. The decline is recorded in longstanding democracies like the U.S. and through the consolidation of authoritarianism in China, Russia, Turkey, Hungary and elsewhere.

This decline is accompanied by an increasing loss of popular confidence in the ability of liberal democracies to solve problems. Citizens feel that the next generation will be worse off than they are. They blame growing inequality, seemingly uncontrolled migration, terrorism and climate change. These are the factors that fuel populism, nativism and protectionism and the appeal of strong men with simple solutions. There are a host of international organizations – America's



National Democratic Institute and International Republican Institute, the German stiftung and Canada's own Parliamentary Center – that do good work in helping to build and nurture democratic norms and institutions. It's a smart investment.

Protest for Change

Democracies and autocracies throw up movements that can change the current social, economic and political trajectories. As the third ring in the global operating system, they are increasingly empowered by social media, and social movements are phenomena that can effect major change. They often blend into transnational issues – inequality, climate change and non-proliferation. A multilateral approach is usually the best way to deal with them, as demonstrated through global efforts on controlling and curbing pandemics, international crime and terrorism.

Since the Second World War, these global efforts have included the peace movement (first nuclear disarmament and now anti-war) and democratic movements (as in Eastern Europe in 1989 and then the Arab Spring). They also include civil rights (initially for African-Americans but now for all dispossessed groups – the Occupy movement, Idle No More and #MeToo – with branching out into abortion, LGBTQ rights, marijuana, same-sex marriage, privacy, consumer rights and diversity), and the environment (banning DDT, acid rain, ozone and climate change).

Lack of confidence in leadership translates to growing defiance against elites and established institutions, including government, Big Business, the church and unions.

Social change appears to follow a pattern. Local and subnational governments respond to a movement, and then a key event – often a court decision or a grassroots campaign – triggers a rush of activity that ultimately leads to change embodied in national or international law. Social media are helping to speed the pace of change and in democracies, to accelerate the defeat, even the demise, of traditional parties and the rise of new ones. If these movements are mostly positive, those in reaction to globalization – anti-trade, anti-migrant, intolerant religious fundamentalism – are dangerous and feed a perverse nationalism that encourages authoritarianism. Democratic governments are grappling with this challenge. With citizens' rights in the areas of privacy and surveillance, it's no easy task.

Addressing Inequality

The middle class feels it is slipping. A small percentage has moved upwards to enjoy Chardonnay and foreign chateaux, but the larger percentage of what used to be the middle class is drifting downwards into a precarious blue-collar existence that is one or two misfortunes away from poverty. They are employed, but their lives are full of worries: aging parents, insufficient pensions, inadequate health care and education. Most are [pessimistic](#) about the prospects for the next generation.

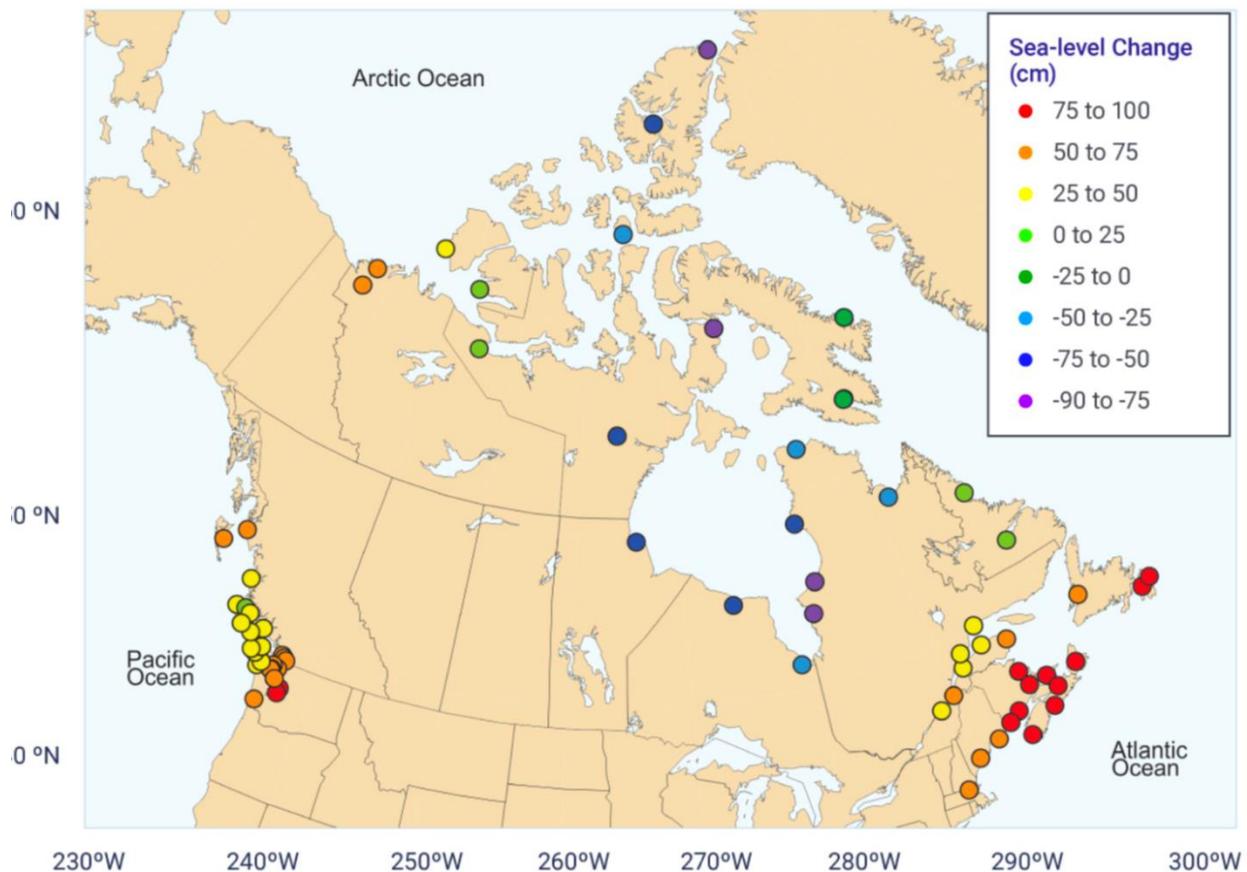


Meanwhile, public trust in government [remains at near historic lows](#). Democracies are particularly vulnerable because of growing [polarization](#) and the time it takes to get stuff done. The safety nets that government is expected to provide – public education, public health, pensions – are fraying because there is also a growing allergy to taxation (always the case in the U.S.) and because of the growing perception that [special interests](#) like Big Business get their way.

Big Business' Reputational Problems

Big corporations – Boeing, Monsanto, Goldman Sachs, Wells Fargo and SNC Lavalin – are increasingly [perceived](#) as corrupt and their products and services as rotten, if not dangerous. There is also a perception that they have undue influence on governments.

Companies need to take social responsibility seriously, starting with their own employees. The balance between workers and shareholders is seen to have skewed too much toward investors and the investment class.



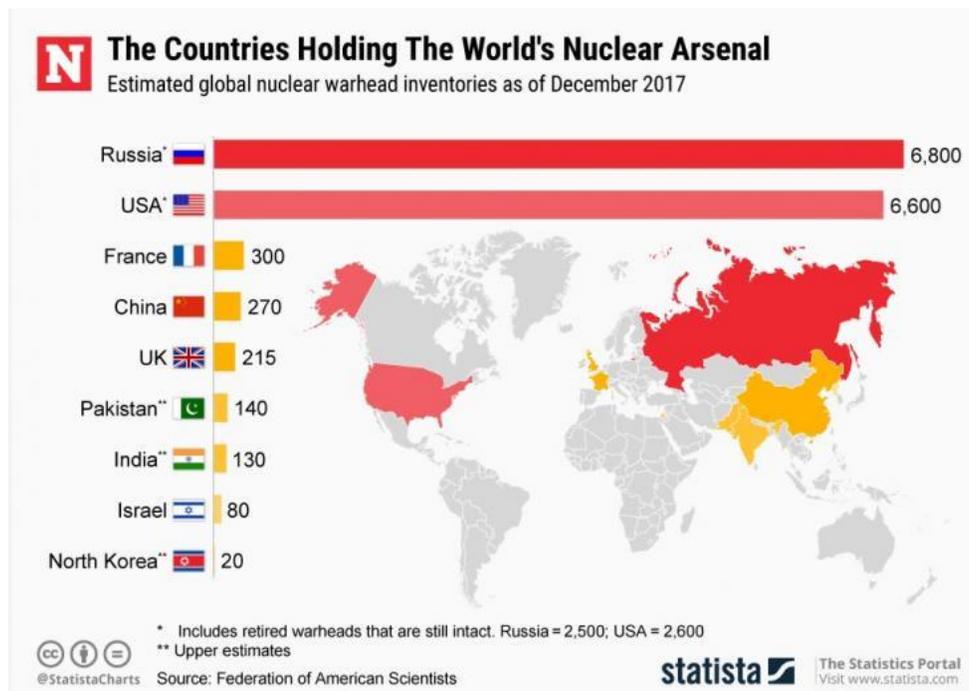


Climate Change

The science is unambiguous [globally](#) and [in Canada](#). Global warming also contributes to [inequality](#) with hotter, poorer countries becoming less productive, while cooler, wealthier countries have benefited.

Carbon mitigation is complicated. Environmentalists with an understandable impatience for action want governments to act now. Governments employ various strategies: mitigation through housing and transportation codes, research into carbon sequestration and battery storage, a shift to renewables and nuclear power, and taxing pollution. It's all about getting the right balance so as to carry the public with them.

For a [brief moment](#), Canada looked like it had its act together. Alas, a combination of stupidity, shrillness and politics has left us in a mess. Swedish schoolgirl Greta Thunberg gets it right when she says: "Since our leaders are [behaving like children](#), we will have to take the responsibility they should have taken long ago."



Loose Nukes

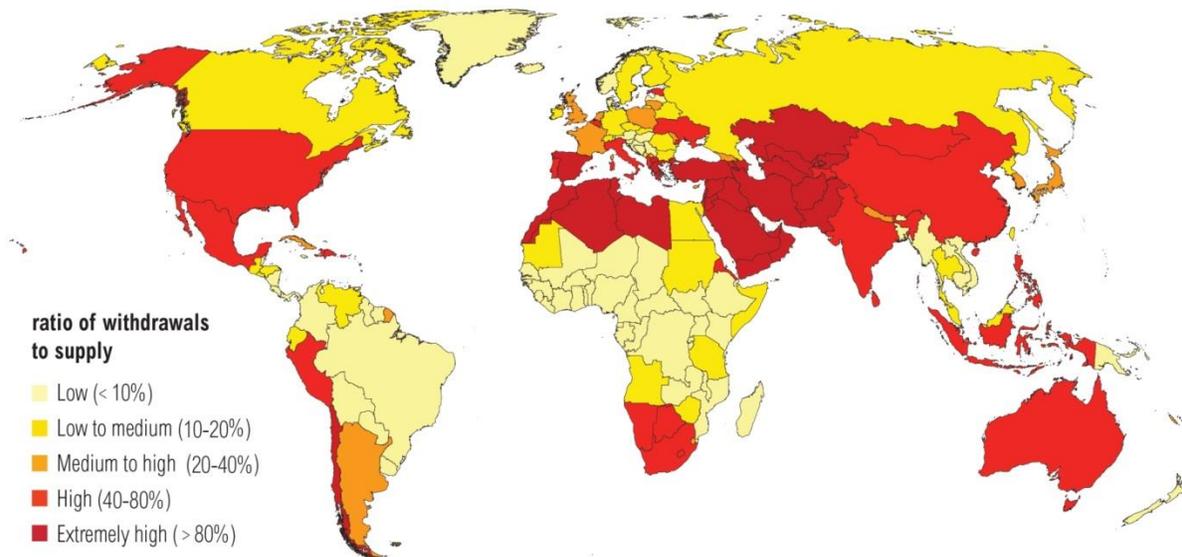
Climate change may have replaced nuclear winter as the existential threat of our time, but nuclear proliferation kept every previous postwar American president awake at night. [Three-D printed weapons](#) could mean the end of non-proliferation, which is yet another reason the [Bulletin of the Atomic Scientists](#) has reset the Doomsday Clock at two minutes to midnight.



Arms control is heading south as the Russians and the U.S. set aside the [INF treaty](#) and reinvigorate their nuclear capacities, as [others](#) are doing. Pakistan, India and China are adding stock and North Korea's Kim Jong-un has demonstrated his new capacity in spectacular fashion. With the Iran deal in jeopardy, Saudi Arabia wants nuclear capacity. Reinstating the regular Obama-initiated [nuclear security summits](#) would be a worthwhile Canadian initiative.

An even more useful initiative: Kazakhstan, Australia and Canada account for [more than two-thirds](#) of global uranium production. What if the three agreed to become permanent stewards of used uranium products? They would permanently "own" their uranium and ensure that its waste, including radioactive and fissile material, was properly disposed of, perhaps in mines no longer in production. While this doesn't solve the problem of existing nuclear waste, it would control most new supply. The International Atomic Energy Agency would provide on-site accounting oversight and supervise the transportation of all uranium. Rates would reflect risks to make it commercially and politically viable. Given their secure geography, Canada and Australia would have to take the lead in long-term global disposal.

Water Stress by Country: 2040



NOTE: Projections are based on a business-as-usual scenario using SSP2 and RCP8.5.

For more: ow.ly/RiWop

 WORLD RESOURCES INSTITUTE



Digital Conflict

The new warfare is already in use. China, Russia, North Korea and Iran regularly apply hybrid tactics and cyber-sabotage. They subvert our democracies and can disrupt our critical infrastructure. The U.S. has argued for [closer collaboration](#) among allies to “name and shame” and make it clear that the costs of such actions outweigh the benefits for the perpetrators. This should be a priority at the next NATO summit.

We need commonly agreed-upon standards on hybrid and cyber-warfare. Should we negotiate a Geneva convention with our adversaries on cyber-weapons? World leaders did it on the use of chemical and biological weapons after the First World War and while there have been violations, it has mostly endured.

Things that Go Bang in the Night

Terrorism is a scourge as old as recorded history. It's a chronic condition but not an existential threat as long as intelligence services and police can keep weapons of mass destruction – chemical, biological, nuclear - out of their hands. What the police and security services can control and curb, soft power must try to convert the indoctrinated recognizing that not all are convertible, which is why we need Special Forces to manage evil-doers.

Safe, Orderly and Regular Migration

Not since the Second World War have there been so many [displaced](#) persons. The UNHCR and refugee agencies mitigate but the [Global Compact on Migration](#) gets it right when it argues for migration that is safe, orderly and regular.

Water Wars?

What oil and gas were to the 20th century, water will likely be to the 21st century. Participants at Davos this year ranked the threat of a [water crisis](#) as the biggest single risk facing North Africa and the Middle East. Former ambassador to the U.S. Gary Doer has warned that water diplomacy with the U.S. will make the debates on Keystone “[look silly](#)”. As reservoir to about one-fifth of fresh water, Canada is blessed, but we should become experts on water efficiency, technology and recycling.



The nation's security and well-being depend on managing the economy and attending to defence and security needs. This means prudent fiscal stewardship and monetary oversight, investments in public infrastructure, open trade, a skills-based migration policy and ensuring the provinces have sufficient funds for education and health. All of these contribute to generating national income. National security means investments: in vigilant border security; in NORAD and our air and maritime defence; and in hardening cyber-defences for critical infrastructure – transportation, electricity and energy, and banking. Given the changing security environment, it should also mean investment in ballistic missile defence through NORAD.

A Clubbable Country

Canada belongs to almost every multilateral club, be it economic, security, general or specific purpose in creation. On balance this is a good thing, but prioritization of attention and resources is overdue. The first tier would include Five Eyes, NORAD and CUSMA. The second tier would include the G7, G20, NATO, CETA, CPTPP and the Pacific Alliance. The UN, OECD, APEC, the Commonwealth and the Francophonie would be the third tier.

We should also invest more in some of our relationships. If the future is Asia, then India, Japan, Korea and Indonesia should be priorities. And the entrée into the Americas is Mexico.

YCDBSOYA

When George Hees was Canada's minister of Trade and Commerce, he had cufflinks and tie clips prepared for his trade commissioners, who in this earlier age were all men. The cufflinks were initialled [YCDBSOYA](#): You Can't Do Business Sitting On Your Ass. The motto should be resurrected for today's trade commissioners and engraved on the backs of their iPhones or BlackBerries. The same should be done for the prime minister, his cabinet and Canada's premiers and trade ministers, as this needs to be a Team Canada Inc. effort.

While we have done a good job in opening the doors to trade, we need to generate more trade deals. This is hard in a nation with a few big enterprises and lots of SMEs. There is no magic formula. All levels of government need to work with local business to identify opportunities. We could learn from Asian nations – Hong Kong, Taiwan, Korea and Japan – in their ability to aggregate capacities and then bid on big projects.

Canadians are skilled at the extraction of minerals and growing and harvesting food from land and sea. We are not so good at getting our products to market. "Build Canada" should be a Team Canada Inc. project. Stranded assets shortchange the nation and ignore its geopolitical value.



Attracting Talent

Our skills-based immigration program has netted us a lot of talent. Expanding the annual target to about one per cent of our population makes sense. Canada's birth rate does not replenish our population.

Our refugee policy is generous, but Canadians expect people to play by the rules. Enforcement, including deportation of queue-jumpers and those found inadmissible, is necessary to sustain public confidence. It is also vital to preserving U.S. confidence that Canada holds up its end in a perimeter approach to who and what come into North America. The [9/11 Commission](#) report worried about Canadian immigration, especially from North Africa (the Millennium Bomber, Ahmed Ressam, was from Algeria) and it has remained a [recurring](#) American worry.

Canada needs a [global education strategy](#). More Canadians should be encouraged to [study abroad](#). Canada does well in attracting foreign students, but we could do better. Foreign students and foreign studies not only make our universities more cosmopolitan but they are also potential future talent for Canada. Those who return to their native lands are usually very positive about their Canadian experience and they become valuable bridges between our countries.

More Navy

Canada needs to embrace digital sea power and be better prepared in the Indo-Pacific and Arctic.

By harnessing technology and the application of Big Data, we will create the next generation of surface and underwater naval combatants. Manned and unmanned, these warships and submarines are the weapons necessary to meet traditional and grey-zone threats

What the Atlantic was to the 19th century, the Indo-Pacific will be to the 21st century. Canada needs to re-imagine our naval base in Esquimalt and our air base in Comox. Roughly [80 per cent of global trade](#) is transported by sea. [Sixty per cent](#) of maritime trade passes through Asia, with the South China Sea carrying an estimated one-third of global shipping. Annual defence spending in the Indo-Pacific has [doubled](#) since 2000 to \$450 billion – more than \$200 billion of that by China – and the region is forecast to surpass the U.S. as the world's biggest spender on weapons by 2029. By 2035, half the world's submarines will patrol Indo-Pacific waters, according to Australia's [2016 defence white paper](#).

While we take justifiable pride in our armed forces, the U.S. bears the burden of continental defence (through NORAD) and collective security (through NATO). Successive presidents have complained about sharing the burden. Trump doesn't like multilateralism, nor will he underwrite the allies.



Self-interest and self-respect should oblige Canada to invest more. This means air defence – satellites, drones and fighter jets – but the focus should be on our naval forces. We are ringed by three oceans. This means completing the promised Arctic patrol ships, icebreakers and new surface combatants. It means commissioning the next generation of submarines and more multi-purpose ships.

The Americans regularly remind us: if you claim sovereignty in the Arctic, then exercise that sovereignty. We need an Arctic naval base – the [Harper government](#) proposed Nanisivik, Nunavut – and search-and-rescue posts. If the Russians can do it, so can we.

Keeping it Together

National unity is not easy in a nation that, by comparison to Europe or Asia, is new, covers more time zones than any mainland nation but Russia and aims to make a virtue of its diversity. Canadians are progressive but prudent. The challenges of geography and climate mean that we also understand compromise. Unlike Americans, who run the attitudinal gamut from A-Z, the Canadian spectrum would be F-M.

For the poet-philosopher Frank Scott, the mantra of our longest serving prime minister, Mackenzie King, was “do nothing by halves that can be done by quarters.” Scott feared it encouraged mediocrity, but for a nation in continuous development, initiatives like reconciliation with First Nations take time and patience. In contrast to the American mantra of “life, liberty and the pursuit of happiness,” Canadians are well served sticking with “peace, order and good government.”

Managing Uncle Sam

Life with Uncle Sam is never easy. Former prime minister Brian Mulroney’s advice stands: “The golden rule of Canada-US relations is very simple. We can disagree without being disagreeable. The Americans are very important to us. We know they are, notwithstanding the differences, our best ally, our closest neighbour, our biggest customer. There is also a rule of global politics – Canada’s influence in the world is measured to a significant degree by the extent to which we are perceived as having real influence in Washington.”

The coda to the golden rule is that serious Americans (not Trump) appreciate the insights and intelligence our foreign service can bring to the table. This is why we need ambassadors in Tehran, Riyadh and Pyongyang. Diplomatic recognition is not a “Good Housekeeping” seal of approval. It’s how we conduct business and protect Canadian interests. It’s also why we need to invest in our diplomatic service and develop expertise and empathy in foreign cultures.

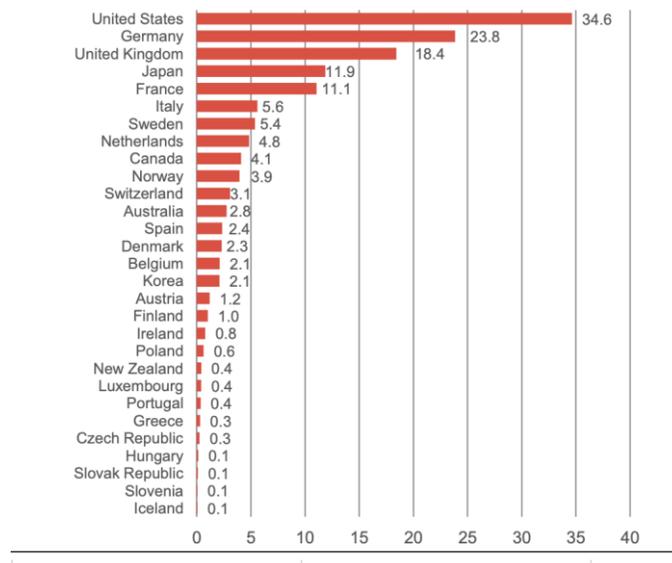
This also means making investments and sharing the burden. A 2015 study for the Canadian International Council concluded that “Canada’s engagement is so low that today it meets the



statistical definition of an international ‘[free rider](#).’” Is Canada really back? If you want to play, you have to pay.

Former Foreign Affairs minister John Manley [observed](#) that as the waiter bringing the tab approaches the table, the Canadian tendency is to head to the toilet and leave the bill to others (usually Uncle Sam). We still fall short ([1.23 per cent of GDP](#)) of the NATO target of two per cent GDP on defence spending. Our international development assistance ([0.26 per cent GDP](#)) remains well short of the [0.7 per cent](#) endorsed by the G7. If the British can manage it, why can’t Canada?

Figure 3: Net ODA in 2017 by DAC donor



Avoid Temptations

Canadian leadership needs to avoid three temptations:

First, avoid smugness and the temptation to preach. In former U.S. secretary of state Dean Acheson’s memorable phrase (recalled from William Wordsworth’s poem [Ode to Duty](#)), Canadians have a tendency to act like “the [stern daughter](#) of the voice of God”. Virtue is a quality but it won’t win us a UN Security Council seat. Humility, being constructive and paying our way is better statecraft.

Second, recognize our limitations. Championing the cause of the Rohingya, participating in the Lima Group’s efforts on Venezuela, hosting meetings on North Korea and working to improve the WTO’s dispute settlement are examples of constructive diplomatic entrepreneurship. But we can’t fix everything. Canadian achievement: Louis St. Laurent and Lester Pearson and peacekeeping in 1956; the Brian Mulroney-Joe Clark work on South Africa and German reunification; the Jean Chrétien-Lloyd Axworthy security agenda that produced the Ottawa Treaty banning landmines, and the International Criminal Court; Stephen Harper’s work on



maternal health and John Baird's 'girls not brides' initiative – came about through a confluence of time and events. They cannot be planned and even then, they require strong leadership – a dedicated prime minister and energetic foreign minister and a foreign service at the top of its game. There are no guarantees of success. Not everything endures, as we have learned with Responsibility to Protect. Thus, the need to focus and decide what best serves Canadian interests. It means hard choices and hard questions: Why peace operations in Mali? Why not more in Haiti or in Central America?

Third, playing diaspora politics hurts national security and bilateral relations. Prime Minister Justin Trudeau learned this during his tour of India.

With [one in five](#) Canadians born abroad, including half of our biggest city, Canadians are the people of the world. The Aga Khan set up his centre for [pluralism](#) in Canada because he thinks we get it right in how to manage diversity. Canadian citizenship is like winning the lottery, but sometimes it is taken a bit casually. We are more than the "[greatest hotel](#) on Earth."

Looking Forward

Canada is a blessed nation – in its neighbour, in its resources, in its people. This good fortune can be sustained through prudent but progressive policies at home and constructive internationalism abroad.

In a messy world, providing good government and managing diversity at home will make Canada a country from which other nations can learn. Canada must always look outwards. Internationalism and multilateralism serve the national interest. These were the principles behind the speech that defined Canadian postwar policy. Delivered by Louis St. Laurent in January 1947, it still resonates. National unity, political liberty, values and "the [acceptance](#) of international responsibility." These principles still justify an active Canadian role in international affairs and "every international organization which contributes to the economic and political stability of the world."

As a middle power, we accomplish more when we work with other constructive nations. This means reinvigorating our shared multilateral institutions to set and enforce the rules that level the playing field. It means finding niches where helpful fixing and diplomatic entrepreneurship can be constructively applied. It also means investing money and muscle in our alliances. But we must do this always, always with recognition of our limitations and a realistic appreciation of the world as it is, not as wishful thinking imagines it to be. The arc of history may bend towards justice but human nature being what it is we need checks and balances to support the better angels and contain the dark side.



R.: Hon. Paul Martin, Hon. Lester B. Pearson and the Rt. Hon. Louis St. Laurent at Ottawa after Pearson's return from Norway with the Nobel Peace Prize.

Further Reading

Robert Kagan's *The Jungle Grows Back: America and our Imperiled World* argues that the world is inching closer to a dark jungle of competing interests, clashing nationalism, tribalism and self-interest. Two other Brookings scholars' books are Stewart Patrick's *The Sovereignty Wars: Reconciling America with the World* and Thomas Wright's *All Measures Short of War: The Contest for the 21st Century and the Future of American Power*. In a similar genre are Ivo Daalder's and James Lindsay's *The Empty Throne: America's Abdication of Global Leadership* and Michael Mandelbaum's *The Rise and Fall of Peace on Earth*.

Gideon Rachman's *Easternization: Asia's Rise and America's Decline from Obama to Trump and Beyond* argues that Asian nations' growing wealth is a trend that will only continue, challenging Western power and influence. Parag Khanna's *The Future is Asian: Commerce, Conflict and Culture in the 21st Century* argues that the Asian century is dawning as Asia becomes more than the sum of its parts (and he argues the Belt and Road Initiative has done this). Kai-Fu Lee, in *AI Superpowers: China, Silicon Valley, and the New World Order*, says that China will soon overtake the United States as the world leader in innovation. For a harsher view on China, read Michael Pillsbury's *The Hundred-Year Marathon: China's Secret Strategy to Replace America as the Global Superpower* and for another provocative view, read Kishore Mahbubani's *Has the West Lost It? A Provocation*.

Hal Brands and Charles Edel, in *The Lessons of Tragedy: Statecraft and World Order*, take the long view of history.

Graham Allison's *Destined for War: Can America and China Escape the Thucydides Trap?* argues that in 12 of 16 cases over the past 500 years, things have ended badly, often for both



nations. When the parties avoided war, it required huge, painful adjustments in attitudes and actions, not only on the part of the challenger, but also the challenged.

J.D. Vance's *Hillbilly Elegy: A Memoir of Family and Culture in Crisis* is a riveting account of the forces that Trump channels.

If you despair, reach for Steven Pinker's *Enlightenment Now: The Case for Reason, Science, Humanism, and Progress*.

For annual global threat analysis, look to the Council on Foreign Relations' annual [Preventive Priorities Survey](#) and the Munich Security Report's aptly named "The Great Puzzle: Who Will Pick up the Pieces?" The New America Foundation's Peter Singer has a very good essay entitled [Insurgency in 2030](#).

As for Canada: Randolph Mank asks whether Canada needs a foreign policy review, in a [CGAI policy paper](#) (2019). Roland Paris's letter to the prime minister, "Time to Make Ourselves Useful," in the [Literary Review of Canada](#) (2015) has continued relevance, as does [A Global Positioning Strategy for a Networked Age](#), by Edward Greenspon of the Centre for International Governance Innovation (2012).

► About the Author

A former Canadian diplomat, **Colin Robertson** is Vice-President and Fellow at the **Canadian Global Affairs Institute** and hosts its regular **Global Exchange podcast**. He is an Executive Fellow at the University of Calgary's **School of Public Policy** and a Distinguished Senior Fellow at the **Norman Paterson School of International Affairs** at Carleton University. Robertson sits on the advisory councils of the **Johnson-Shoyama School of Public Policy**, **North American Research Partnership**, **the Sir Winston Churchill Society of Ottawa** and **the Conference of Defence Associations Institute**. He is an **Honorary Captain (Royal Canadian Navy)** assigned to the Strategic Communications Directorate. During his foreign service career, he served as first head of the Advocacy Secretariat, minister at the Canadian Embassy in Washington and consul general in Los Angeles, as consul and counsellor in Hong Kong and in New York at the UN and Consulate General. A member of the teams that negotiated the Canada-U.S. FTA and then NAFTA, he is a member of the Deputy Minister of International Trade's NAFTA Advisory Council and the North American Forum. He writes on foreign affairs for the **Globe and Mail** and he is a frequent contributor to other media. The **Hill Times** has named him as one of those who influence Canadian foreign policy, most recently in their 2018 "top 40".

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