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Searching for a Middle-Power Role in a New World Order

by Eugene Lang
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POLICY PERSPECTIVE

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The “America First” agenda will persist well beyond the life of the Trump administration. Washington no longer “has Canada’s back”. We are living in a new age of great power rivalry. Populism poses a major challenge to the rules-based international order. Adult supervision in global politics is in short supply.

These are some of the themes that surfaced during a recent CGAI conference titled *What Role for Canada on the Global Stage?* Implied, if unstated, was that Canada is adrift internationally on these waters, in search of a role in a new world order of which most Canadians seem unaware. The question remained: How should Canada respond to these new global currents in a way befitting a middle power entering the third decade of the 21st century?

A Middle Power is Born

Shortly after the Second World War, Louis St. Laurent, then secretary of state for External Affairs, characterized Canada as “a power of middle rank”. At that time, power in international affairs was a fairly straightforward concept. It came down essentially to the size and quality of a country’s military, the willingness of governments to use military force, and the existence of sufficient economic strength and public finances to support those forces. Power was, then, chiefly about the ability of states to shape international politics through coercion, and diplomacy backed up by the threat of coercion. Another 40 years would pass before Joseph Nye’s idea of “soft power” – the notion that the behaviour of states can be altered through values and culture – captured the attention of politicians and diplomats.

Canada scored well in St. Laurent’s time on the traditional measures of power. We were one of the few relatively strong economies at the end of the Second World War. Europe, Japan and China, by contrast, were economically devastated by war. This relative economic strength was put in the service of Canadian military power to a degree never before or since experienced. By 1945, Canadian defence spending peaked at over 35 per cent of gross domestic product (versus just over one per cent today) and constituted 80 per cent of total federal government spending (it is about six per cent now). The statistics reflected the total war effort in which Canada had been engaged.

Moreover, the quality of Canada’s armed forces – as demonstrated during six years of fighting in Western Europe – was regarded among allies and enemies alike as being of a high standard. If Canada became an independent country at Vimy Ridge, we became a middle power in both victory and defeat at Dieppe, Normandy, Sicily and in the Scheldt.

Like most countries, Canada demobilized rapidly and sharply in the late 1940s, yet still managed to spend five per cent or more of GDP on defence through the 1950s. At mid-century, Canada’s navy had 100 ships at sea, more than three times what it has today.



St. Laurent's claim that Canada was a power of middle rank was therefore sensible, uncontested and offered this country a realistic brand. That brand was on display vividly during the 1956 Suez Crisis, where Canada literally got in the middle of the great and formerly great powers to fashion a way out of an international crisis. United Nations peacekeeping was of course born at Suez, with Lester Pearson as its midwife. For many Canadians, peacekeeping remains one of the defining foreign relations achievements in this country's history, if not a feature of Canadian identity.

From Middle to Middling Power

Like a company, a political party or a university, a country can live a long time on its brand, well after the elements that gave rise to it have evaporated. Canada has gotten a lot of mileage out of the middle-power brand. When our military assets were gradually eroded from the 1970s through the 1990s, many Canadian politicians and diplomats seemed to believe the brand endured, owing in large measure to Canada's soft power assets. More likely, the Canadian Forces' (as they were then called) significant and lengthy involvement in the Balkans throughout the 1990s and in Afghanistan in the next decade – along with Canada's willingness to take on difficult and dangerous roles and missions in those conflicts – sustained whatever middle-power bona fides we had in the early part of this century.

But the degree to which Canada is a power of middle rank today is a dubious proposition.

Instruments of Power

In Canadian policy and academic circles, we tend to speak of the military, aid and the foreign service as instruments of foreign policy. We would do better to think of them as instruments of power. Canada's middle-power status hinges chiefly on the robustness of these instruments of power, which alone or in combination¹ can be used to shape the behaviour of others.

So how do Canada's instruments of power stack up today?

There is little debate that the coercive power instrument – the Canadian Armed Forces – has eroded sharply over the past two generations, owing to funding cuts and corresponding reductions in force size. Cutting the Forces has been one of the few areas of bipartisan consensus over the past 40 years. And while there has been some refinancing and rebuilding of Canada's military in fits and starts in the post-9/11 era, the regular force remains about 25,000 personnel smaller than it was a generation ago. Canadian defence funding has been mired in the one-per-cent-of-GDP

¹ In the early 2000s, it was fashionable to refer to these instruments as the "three Ds" – defence, diplomacy and development. The idea was that when they were combined in places like Afghanistan, the impact could be powerful – greater than the sum of the parts, if you will. One of the enduring challenges of Canadian foreign policy has been an inability to bridge the divergent world views among those responsible for the three Ds such that they can be so utilized.



range for almost as long, though it is projected to reach 1.4 per cent in a decade if future governments honour current funding commitments.

What about Canada's financial power instrument – foreign aid? Conventionally measured by dollar of input, Canadian official development assistance (ODA) has been stagnant for almost as long as defence funding. Although various governments have paid lip service to the Pearson Commission's goal of boosting aid to 0.7 per cent of gross national income, Canadian ODA has remained below half that level for over two decades. Today, it is a meagre 0.26 per cent.

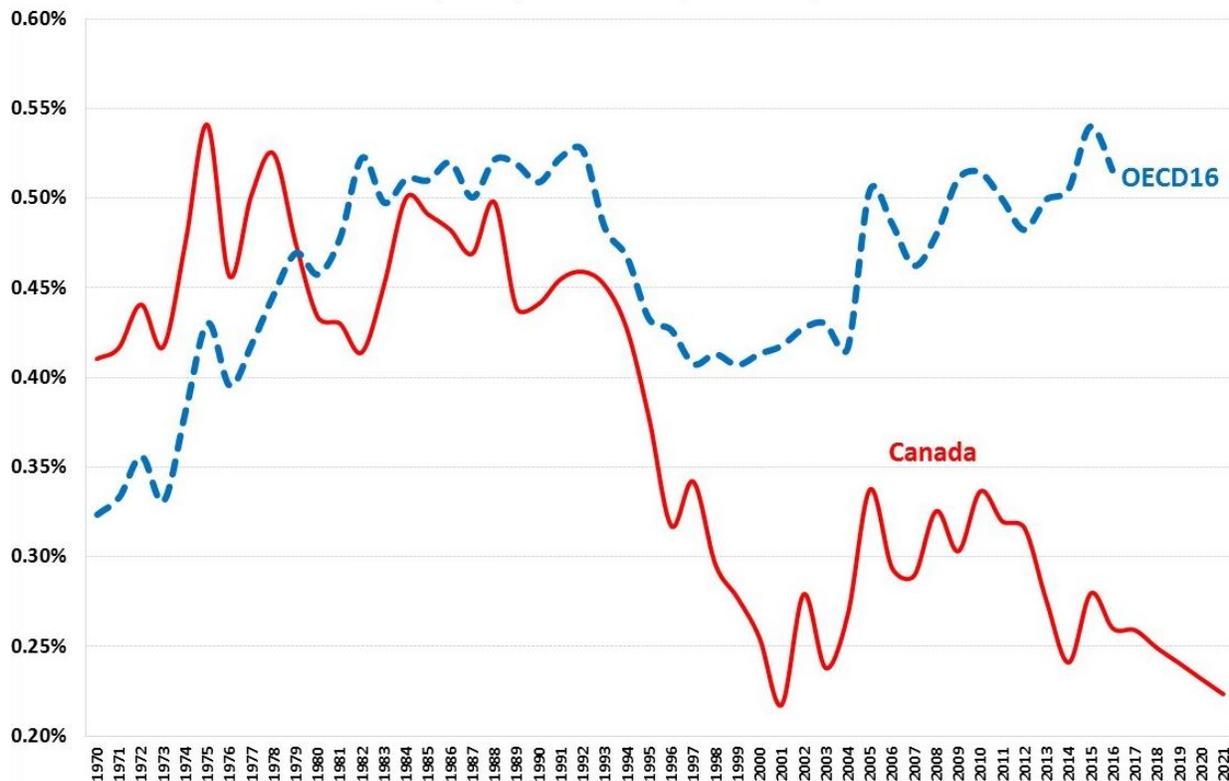


Figure 1: A chart illustrating Canada's official development assistance (ODA) measured as a percentage of GNI from 1970 to present. (Source: The Progressive Economics Forum)

Where does the foreign service – the instrument holding the power of persuasion – stand today? Retired diplomats cling to the belief that Canada still possesses one of the best foreign services in the world, yet at least the last three Canadian governments don't seem to have agreed. It's well known that former prime minister Stephen Harper and his Foreign Affairs ministers, especially John Baird, had virtually no use for the professional diplomats' ideas. It might be argued that Harper's disdain was an anomaly among prime ministers, though Pierre Trudeau's well-documented antipathy for the foreign service should be remembered. Former prime minister Paul Martin, too, became sufficiently frustrated with the Department of Foreign Affairs (as it was then called) that he centralized most of the crafting of his government's international policy review in the Privy Council Office and the PMO.



That the last four deputy ministers of Foreign Affairs have not been career diplomats – when historically, that position was reserved for an experienced foreign policy hand – while less commented upon, is no less significant. Ottawa views the foreign affairs bureaucracy as something to be managed rather than mobilized.

In sum, then, Canada's instruments of power have been in relative and absolute decline for a long time. The question is how to rejuvenate them to a level commensurate with a middle-power role in today's world order.

A New Deal with America

Both Canada and the U.K. have claimed and coveted a special relationship with the United States since the 1940s. Yet the pull of geography, unparalleled economic integration and cultural affinity, plus unique defence co-operation in North America, put Canada's special relationship with the Americans in a class of its own.

The two countries have co-operated on continental defence since the Second World War. This relationship confers both tangible and intangible benefits on Canada. Washington, for example, shares some sensitive information and intelligence with Ottawa that it is under no obligation to do. Canadian officials and military personnel get invited into discussions and rooms in the U.S. from time to time almost as if they are Americans. In Colorado Springs, as is well known, Royal Canadian Air Force officers assigned to NORAD operate as the equivalent of Americans in the air defence of North America. And sometimes the Americans do Canada the courtesy of advising in advance when they intend to violate our sovereignty in Arctic waters.

Admittedly, there are times when the relationship is too close for comfort, notably when some Canadian Forces officers were invited to attend (and did attend) planning meetings for the U.S. invasion of Iraq in 2003, based on Washington's assumption that Canada would support that war (which Canada did not). But overall, Canada's defence and security partnership with the U.S. has afforded us unique and sought-after knowledge, insight and sometimes marginal influence with the superpower. It is hard to put a price on that degree of trust and co-operation. It is one of those things whose value is comprehended only when it is lost.

So if it is true Canada cannot count on the Americans to have our back the way they did in the past, Ottawa needs to pursue a new deal with Washington to shore up our special relationship.

Ending the Free Ride

One feature of Donald Trump's "America First" agenda is his emphasis on defence burden sharing. The focus of Trump's efforts has been to browbeat NATO countries into boosting their defence spending to the two-per-cent-of-GDP NATO target agreed upon at the Wales Summit in 2014. Burden sharing isn't a transitory agenda in Washington; rather, it is one of the few areas of



bipartisan agreement. Former president Barack Obama emphasized it. And a recent Senate Foreign Relations Committee staff delegation to Ottawa asserted that Canada can expect burden-sharing pressure to persist in substance, if not tone, under a Democratic president.

Canada is nowhere near the two-per-cent target. In fact, both the current Liberal and previous Conservative governments rejected the concept (even though Canada had signed onto the Wales declaration). It is almost inconceivable that any future Canadian government – regardless of what it might commit to in election manifestos or otherwise – would increase defence funding to that level. The hard reality is that decades of successful Canadian defence free-riding on the Americans has eliminated any meaningful political constituency in this country for doubling defence funding when stacked up against other domestic priorities, including lower taxes, reduced deficits and more social spending.²

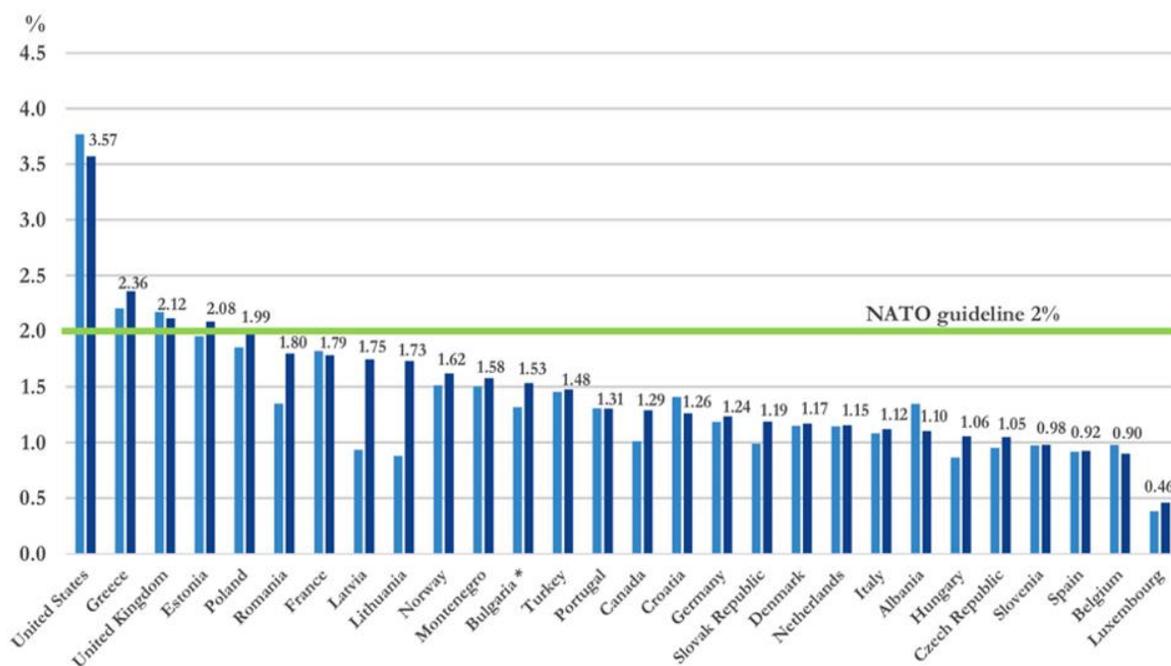


Figure 2: A graph illustrating the amount of money each NATO member spends on defence as a percentage of their GDP. [based on 2010 prices and exchange rates.] (Source: CIPS)

But perhaps Ottawa can change the terms of trade in this discussion with Washington. We are the only country that can demonstrate to the Americans increased burden sharing through greater contributions to North American defence and security. The Trudeau government’s defence policy, *Strong, Secure, Engaged*, published two years ago, is unfortunately light in this area, devoting three less-than-ambitious paragraphs – in a 100-plus page document – to the subject of continental defence co-operation.³

² Defence funding consistently falls near the bottom in opinion polls that ask Canadians to rank areas of policy priority. This has been the case for many years and shows no signs of abating.

³ Government of Canada, *Strong, Secure, Engaged: Canada’s Defence Policy*, 2017, 61.



Canada could offer to put a lot more on the table with the Americans in North American defence and security. This would not necessarily require signing onto ballistic missile defence (BMD), which seems to be a third rail in Canadian politics, after four successive governments in Ottawa have rejected the idea. It is hard to believe that at this stage in the development of America's BMD systems, Washington would even see much value in Canada coming on board.⁴

There are other ways, however, for Canada to play a greater role in continental defence and security that Washington might value and be worth exploring. One is putting a greater emphasis on and investment in Canada's cyber-defence capabilities in the service of North American defence. Cyber is the new threat frontier that has Washington's attention, if less so Ottawa's.

Shifting the terms of burden sharing from NATO to North American defence has its advantages. It would be less costly for Canada. It would be of more direct and demonstrable benefit to the U.S. And it would probably be easier to sell to Canadians than trying to mobilize public support for meeting a very expensive and rather abstract NATO defence spending target.

Rebuilding Canada's Instruments of Power

Since the end of the Cold War – and the conclusion of the last era of great power rivalry – Ottawa has implicitly sent Canadians the message that we can play an influential role internationally on the cheap. That Canada can be a middle power without spending much on its instruments of power – relying on soft power and alleged moral leadership – has become almost part of the national identity, if not one of the great Canadian conceits. This mindset must end. If Canada wants to have some influence in a new age of great power rivalry, we must enhance our instruments of power and somehow achieve bipartisan agreement on this basic policy direction.

A Canadian Armed Forces Funding Guarantee

To its credit, the Trudeau government has booked into its fiscal framework graduated increases to defence funding, which are projected to result 10 years out in a defence budget 70 per cent larger in nominal dollar terms than it was in 2016-2017. However, there is no guarantee this funding will be delivered. The biggest risk here is less about politics and more about the business cycle.

Canada is due for a recession – they tend to happen about every 10 years and a decade has passed since the last one ended. When recessions occur, a basic mechanics in Ottawa seems to spring into action. Revenues drop, deficits increase and some sort of cost-cutting or austerity drive aimed at non-statutory spending follows. This has been the pattern for 30 years. In this context, the Department of National Defence becomes an arithmetically irresistible target for any

⁴ Canada's absence from BMD seems to have had no impact on either the development of the technology or its deployment by the Americans. The *sturm und drang* that has characterized the BMD debate in Ottawa for 15 years now has been matched in intensity by Washington's indifference to Canada's participation.



government, owing to the large share of total federal non-statutory spending it occupies – about one-fifth or more.

Consequently, these planned defence funding increases need to be protected from this possibility for Canada to revitalize its instrument of coercive power.⁵ We need bipartisan agreement on this. And if Canada pursues a new North American defence and security deal with Washington, as suggested, a dedicated new envelope of funding to execute this agenda will be required. This won't be cheap, but it will be less than two per cent of GDP.

Meeting Pearson Halfway: Restoring Official Development Assistance

This year marks half a century since Pearson's Commission on International Development, established by then-World Bank president Robert S. McNamara, issued its report calling on developed nations to commit 0.7 per cent of their gross national income to ODA. Since then, various Canadian politicians, scholars and NGOs have clung to the faint hope that someday, some government in Ottawa would meet that target. Fifty years on, and never having come close to reaching Pearson's goal, regardless of government fiscal conditions (including unprecedented surpluses for a decade beginning in the late 1990s), it is time to admit Canada will never achieve this ambition. There is no political constituency in this country sufficiently motivated by foreign aid to get politicians that focused on it.

Canada's current level of ODA – just over 0.26 per cent of gross national income – is a nadir since the turn of the millennium. It is also an embarrassment for a country that claims to have moral authority on a range of global issues, including poverty reduction.

Canadian ODA as a percentage of gross national income hit a high-water mark this century about 15 years ago at just under half the Pearson target. Getting Canada's instrument of financial power back to half of what Pearson called for, and keeping it there indefinitely, is therefore a realistic goal that Canada should pursue.

In Pearson's Long Shadow: Reviving the Foreign Service

It's been said for years that the chief problem with the Department of Foreign Affairs is organizational in nature; namely, there are too many staff in the Ottawa headquarters and not enough people in embassies, high commissions and consulates around the world. That may be true, but there is perhaps a deeper issue.

A foreign service that has trouble engaging and inspiring ministers and prime ministers risks marginalization. And there is evidence that over the last 15 years or more, successive governments have marginalized what is now called Global Affairs Canada.

Not long after he left office in 2006, Paul Martin had this to say about the state of the foreign service: "Over twenty-five years, due to the combination of Michael Pitfield's (Pierre Trudeau's

⁵ It is not unprecedented for one department of the federal government to be protected from expenditure reviews or cost-cutting exercises. The Department of Indian and Northern Affairs (as it was then called), for example, was excused from the 1994-1995 program review.



clerk of the Privy Council) centralization initiatives and my budgets (in reference to Martin's nine years as Finance minister), we have totally destroyed the policy-making capacity of the public service, and nowhere is this more manifest than in the Department of Foreign Affairs."⁶

Stephen Harper offered a similarly dim view. Shortly after he became prime minister, Harper had conversations with a senior official in line for an ambassadorship. The prime minister asked the official: "Why do you want to be an ambassador? What do ambassadors do? What do ambassadors do that I can't do myself?"⁷

A former senior deputy minister was more scathing yet: "The Department of Foreign Affairs can't do policy, they have no policy capacity. The Department of Foreign Affairs is a roving travel agency and property management department."

If those sentiments reflect the reputation of the foreign service within the power centres of the Canadian government, the problem is fundamental, not organizational. Somehow, the leadership of Global Affairs Canada needs to find the language and the ideas to reverse a mindset among Canada's political and civil service leaders which undervalues the skills and knowledge of the foreign service.

Conclusion: The Canadian Adult in the Room

Today, the Trudeau government is pursuing a seat on the United Nations Security Council, with a vote in the General Assembly in the coming months. Canada was last elected to the Council 20 years ago. How were our instruments of power resourced and engaged on the eve of that vote?

While defence spending had been cut in 1989, then again more severely in the 1995 budget, the Canadian Forces were nevertheless heavily engaged internationally leading up to that Security Council vote. In the half-decade prior, Canada's military was on the ground in crumbling states like Somalia and Rwanda. Most significantly, however, since the early 1990s the CF had between 1,000 and 2,000 troops in the United Nations Protection Force (UNPROFOR), a Chapter 6 peacekeeping mission in the former Yugoslavia. This was the largest Canadian military operation at that time since the Korean War. The CF played major roles in UNPROFOR, notably, yet largely forgotten, in Operation Medak Pocket in Croatia.

Canada's diplomatic initiatives in the late 1990s were equally impressive. Throughout the second half of the decade, the foreign service was highly engaged in supporting the government's "human security agenda" under then-Foreign Affairs minister Lloyd Axworthy. Controversial as this was and remains among some of our allies, it nevertheless gave Canada a leadership role in the establishment of the International Criminal Court and in negotiating the Ottawa Treaty banning

⁶ Author's interview with Paul Martin, cited in Janice Gross Stein and Eugene Lang, *The Unexpected War: Canada in Kandahar*, (Penguin Canada, 2007) 153.

⁷ Conversation between the author and the official in question, 2009.



anti-personnel mines. Canada was also present at the creation of the G20 in 1999. Then-Finance minister Martin is in fact considered an architect of that forum, if not the instigator of the concept.

And while Canada's official development assistance was dropping precipitously by the mid-1990s owing to the Chrétien government's program review, Ottawa still managed to spend more on ODA as a percentage of gross national income – 0.29 per cent in 1999 – than we are spending today.

To be sure, Canada's instruments of international power were relatively poorly resourced during those years – the CF, ODA and the foreign service were all being cut sharply – yet they were heavily utilized. This was undoubtedly a big factor in Canada getting elected to the Security Council. Canada has nothing approaching that record of international achievement, engagement and commitment⁸ in the years immediately leading up to the impending vote. We should therefore not be surprised if Ottawa fails in this endeavour.

Bob Rae has summed up the state of global political leadership with the phrase “there's no adult supervision.” By that he is referring chiefly to the United States, specifically Trump and his foreign policy team.

Canada cannot be the adult supervision the world needs today. We can, however, be the adult in the room. But Canada will never be taken seriously by the children and adolescents unless and until our instruments of power are demonstrably on the rise relative to their current very low base. We can also bolster our adult credentials by resisting the temptation to engage in international grandstanding and one-upmanship via social media, as is too common today.

In other words, being the adult in the room requires seriousness, in substance, tone and comportment. This means Canada's political leadership – the prime minister, the Foreign Affairs minister, the minister of National Defence, the minister for Official Development Assistance and the Finance minister – needs to get more serious with themselves, their cabinet colleagues, Parliament and ultimately, the Canadian public about today's world and the need to rebuild Canada's instruments of power. It is essential if Canada is to be taken seriously as a middle power.

Jean Chrétien's former director of communications, Peter Donolo, has said foreign policy communications should be like the soundtrack to a movie, largely unnoticed but serving to enhance the experience. Today, though, we need a more clarion message from Canada's political leaders.

Rather than asserting “Canada is back” – with little evidence to back up the assertion – Canadians need to be given the hard truth about the world and Canada's gradually diminished role in it. They need to be told that if they want the kind of global role and influence of our halcyon middle-power

⁸ It has been suggested that Canada's contribution to the United Nations Multinational Integrated Stabilization Mission in Mali (MINUSMA) will impress the UN General Assembly enough to support Canada's Security Council bid. Canada's contribution to MINUSMA consists of some 250 RCAF personnel flying and supporting Griffon and Chinook helicopters, and 10 staff officers at the MINUSMA headquarters, committed for one year. That Ottawa considers this a significant international military commitment is indicative of how diminished Canada's global ambition has become since the days of UNPROFOR and the various missions in Afghanistan.



years, Ottawa must rebuild those instruments of power, and this will be expensive. There is no being a middle power anymore on the cheap, and Canadians need to get that message loud and clear. Unless and until that shift in Canada's narrative, mindset and priorities happens – to paraphrase Bono's famous line – the world will not get much more Canada even if it needs it.

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