RISKY BUSINESS SAUDI STYLE [P.10]

CANADA'S DEFENCE REVIEW [P.14]

# Dispatch

**QUARTERLY REVIEW OF THE CANADIAN GLOBAL AFFAIRS INSTITUTE** 

Spring 2016 · VOLUME XIV · ISSUE I





# Published by the Canadian Global Affairs Institute Contributing Fellows:

John Adams

Stuart Beare

**David Bercuson** 

Serge Bertrand

Jean-Christophe Boucher

**David Carment** 

**Anthony Cary** 

Mark Collins

**Barry Cooper** 

Daryl Copeland

Glenn Davidson

Mike Day

Neil Desai

Ferry de Kerckhove

Paul Dewar

Paul Durand

Jack Granatstein

**Marius Grinius** 

Frank Harvey

Stéphanie von Hlatky

Rolf Holmboe

**Rob Huebert** 

Thomas Juneau

Tom Keenan

Whitney Lackenbauer

Julian Lindley-French

Candice Malcolm

Randolph Mank

**Kyle Matthews** 

David McLaughlin

Eric Miller

Robert Muggah

**David Perry** 

George Petrolekas

Joël Plouffe

**Andrew Rasiulis** 

Roy Rempel

Colin Robertson

Stephen Saideman

**Hugh Segal** 

Elinor Sloan

Gary Soroka

**Hugh Stephens** 

Alan Stephenson

Charity Weeden

Chris Westdal



CANADIAN GLOBAL AFFAIRS INSTITUTE INSTITUT CANADIEN
DES AFFAIRES MONDIALES

Prepared for the Canadian Global Affairs Institute 1600, 530 – 8th Avenue S.W. Calgary, Alberta T2P 3S8

www.cgai.ca

©2016 Canadian Global Affairs Institute | ISBN: 978-1-927573-59-4

## THANK YOU TO OUR SUPPORTERS:













**RBC Foundation®** 

## CONTENTS VOLUME XIV - ISSUE I

5	Message from the Editor by DAVID BERCUSON
6	COVER STORY International Reputation in Flux: Will the Real Canada Please Stand Up? by JEAN-CHRISTOPHE BOUCHER
8	<b>Trudeau's Canada as a Peacekeeper Once More</b> by J.L. GRANATSTEIN
10	<b>Deal or No Deal? Risky Business Saudi Style</b> by DAVID CARMENT & TEDDY SAMY
12	Weapon Non-Proliferation by PAUL DEWAR
14	Canada's Defence Review by ROY REMPEL
16	Lessons from Israel on Cybersecurity by ERIC MILLER
18	Brexit: What's at Stake by ANTHONY CARY
20	A Way Ahead with Russia by CHRIS WESTDAL
22	Syria—Who Blocks Peace? by ROLF HOLMBOE
24	Canada Needs an Asia Strategy, with or without the TPP by RANDOLF MANK
<b>26</b>	China and North Korea: "Lips to Teeth" by MARIUS GRINIUS
28	Arctic Security in a "Lower for Longer" World by WHITNEY LACKENBAUER & ADAM LAJEUNESSE

#### PUBLICATION TELEMETRY .....

Editor-in-Chief David Bercuson

Program Director, Global Affairs

**Assistant Editor** 

Mathew Preston Assistant Program Coordinator, Global Affairs

Design

Carri Daye

Administrative Coordinator, Global Affairs

#### Crew Brief

The Dispatch is the official communiqué of the Canadian Global Affairs Institute. Comments and subscription requests are welcome and should be sent to contact@cgai.ca.

Main Office

1600, 530—8th Avenue SW Calgary, Alberta T2P 3S8 (403) 231-7605

Ottawa Office

8 York Street, 2nd Floor Ottawa, Ontario K1N 5S6 (613) 288-2529



## MESSAGE FROM THE EDITOR

C anadians, like all other nations large and small, try

to "sell" themselves outside their international borders for a variety of reasons. For the United States, for example, it is important to extoll the values of the American Revolution—not just those embodied in the Declaration of Independence—but also Lincoln's Gettysburg Address, the Supreme Court decision on racial segregation in the 1950s, and other key manifestations of a revolution that is still ongoing. On that foundation the US shows its industrial power, its technological advances, it's hard military power ("Don't Tread on Me" declared one revolutionary flag), it's soft power — Hollywood, publishing, journalism, philanthropy, art, music, international aid, diplomacy (backed by US military might) — etc. Why? To attract immigrants, tourism and trade but also to be taken very, very, seriously.

Many Canadians, especially those in politics, journalism, academia, and the tiny Canadian world of think tanks, would also like "the world" to admire Canadian achievements and influence world events so that Canada will stand, even if only for a fraction of a second, at the centre of the world stage— as in when a Canadian team wins the Gold Medal in Olympic hockey.

The challenge Canada faces to win friends and influence people on the world stage and, most important of all, secure customers for our products and services, is that we are not a "great power". Since Canada took its first tentative steps on the world stage at the 1917 Imperial Conference in the midst of the First World War, we have searched high and low for ways to be known and respected without being a great power. If we can sell ourselves for having built a working, welcoming, democracy across six and a half time zones on some of the most inhospitable country in the world, and sustained a very good living standard while doing it, we won't automatically make the big sale, but we may open the door for the entrepreneurs who might.

So it is indeed important for Canada to enjoy a positive image in the world – or at least certain parts of the world – which will allow us the freedom and opportunity to sell

ourselves and what we have to offer in a wide range of international activities diplomatic, humanitarian, commercial, and contributing to global order, without which our world could become a very lonely and dangerous place.

Although we began to gain self-government in international affairs during the First World War, it took us a long time to really begin to define our national interests and try to press for those interests on the world stage. Certain principles evolved in that period from roughly 1940 to 1980. We are a trade-dependent nation (we have been since the 1840s). We are incapable of defending ourselves and must rely on at least one great power for our self-defence. We are tied to a confusing set of both formal and informal alliances such as NATO, NORAD, the Five Eyes, the Anglosphere, the G-7, within which we find bases to operate around the world and which we hope will help us defend ourselves as necessary. And there are more.

Pierre Elliot Trudeau's ill-considered attempt at NATO withdrawal early in his career as Prime Minister resulted in a very sharp reaction in other NATO countries. Their basic reaction was "just who do you think you are, benefitting in so many ways from this alliance but not being a member?" shut down that initiative pretty quickly. It would be strange indeed if Canada tried that again either with NATO or any of the other supporting structures we are a member of.

Canada has had some great diplomats and a few great prime ministers who have wrested the international spotlight to us from time to time, but the fact is that since we are content to free load off the United States to defend our sovereignty (and both Liberal and Conservative governments have done it) and depend on the British, the French and even the Dutch to defend our interests abroad, we are best to remember a ditty written by Canadian poet and social critic F.R. Scott in the 1930s when Canada played gadfly to a deteriorating Europe: "The toad beneath the harrow knows exactly where each tooth point goes, the butterfly upon the road preaches contentment to that toad."

**David Bercuson** is Director of the Centre for Military, Security and Strategic Studies at the University of Calgary, Area Director, International Policy for the School of Public Policy, University of Calgary and Program Director, Canadian Global Affairs Institute.



## INTERNATIONAL REPUTATION IN FLUX: WILL THE REAL CANADA PLEASE STAND UP?

by JEAN-CHRISTOPHE BOUCHER

One of the main features of foreign policy debate in Canada is the relentless anguish over international reputation. Pundits, scholars, politicians, and diplomats lose their intellectual composure when arguing on whether Canada's reputation abroad is growing, languishing, or stagnating. To be sure, the notion of international reputation remains elusive or imprecise at best. According to Jonathan Mercer, "a reputation is a judgment of someone's character (or disposition) that is then used to predict or explain future behavior." In this respect, an international reputation both has an internal and external dimension.

On the domestic front, the concept of reputation highlights the necessity of agents to outline their national identity (what Mercer calls a "character"). In other words, the notion of international reputation is interwoven with how Canadians themselves apprehend their place in the international system and their role in the world. With respect to the external dimension of reputation, it suggests that other actors, either states, international institutions, or non-state actors, have a notion of Canada's character and expect Ottawa to behave, at least minimally, accordingly. Surprisingly, notwithstanding the amount of

ink being spilled on the quest to grasp the fundamentals for international stardom, there seems to be significant confusion on the nature of Canadian international reputation.

In short, there is no national consensus on how Canadians understand their place in the world.

Hence, during the last federal elections in October 2015, much of the Liberals' argument on foreign policy revolved around the notion that the Harper government had relinquished Canada's international role as a good international citizen and damaged its international reputation in the process. Thus, as ascertained in their electoral platform, an elected Liberal government would "[...] restore Canada as a leader in the world. Not only to provide greater security and economic growth for Canadians, but because Canada can make a real and valuable contribution to a more peaceful and prosperous

(Continued on page 7)

world." Conversely, the decision by the Trudeau government to end the combat mission in Iraq and Syria in February 2016 generated much criticism that Canada was abandoning its allies, most notably the United States, the United Kingdom, and France. Such decisions, it is alleged, diminishes Canadian credibility amongst its most important friends. In essence, if there is consensus amongst political elites that Canada's international reputation is waning, there seems to be little agreement on what Canada's reputation should be.

In this perspective, there are two fundamentally different conceptions of Canada's role in the world. On the one hand, some promote an activist Canada that would focus its international contribution to multilateral endeavours, especially the UN system, with a strong emphasis on human rights. Accordingly, Canada's reputation centers on the notions of peacekeeping, an honest broker, and a good international citizen. On the other hand, some would argue that Canadian national interests are profoundly anchored into the North American continent. Thus, Canada's national role, and the ensuing reputation, is to cater and strengthen its ties with the United States. In this context, Canadian international reputation is enhanced when it is perceived as a reliable and credible ally in Washington and, to a lesser extent, in London and Paris. Although these two national role conceptions are not always mutually exclusive, in a domestic political environment where resources devoted to foreign affairs are limited, there is often a need to prioritize certain policies and ultimately "choose" which role Canada will play in the world.



On the domestic front, there is strong evidence that both public opinion and political elites diverge on which role Canada should adopt. In short, there is no national consensus on how Canadians understand their place in the world. Consequently, panic-stricken claims of vanishing Canadian international reputation will remain a constant because proponents of respective fraternities disagree on foreign policy orientations.

On the international front, our knowledge of how actors perceive Canadian reputation remains circumscribed by inadequate empirical evidence. First, a majority of polls analyzing international public opinion published in the last decade consistently rank Canada as one of the most respected countries in the world. If Canada's reputation changed, the data indicates that no one really noticed or cared. Second, if we are concerned by the opinion of international elites, one has to recognize that we are in short supply of empirical support. In fact, we do not have a good understanding of Canadian international reputation short of anecdotal evidence gleamed through diplomatic cables and hallway conversations. Contrary to what one would expect from a country obsessed with how the rest of the world sees it, there has been no systematic study of Canadian reputation assessing scientifically the sources and nature on this notion. As Canadians explore the ramification of international branding and public diplomacy, it is essential that we develop a good understanding of our target audience's perception. An evidence-based foreign policy, such as the one advocated by the Trudeau government, will rise and fall on the quality of its data.

Jean-Christophe Boucher is an Assistant Professor at the Department of Political Science, MacEwan University, and currently a Research Fellow at the Centre for Foreign Policy Studies at Dalhousie University.



## TRUDEAU'S CANADA AS A PEACEKEEPER ONCE MORE

by J.L. GRANATSTEIN

The new Trudeau government has given every indication that it intends the Canadian Forces to do more peacekeeping operations. The mandate letter to the Minister of National Defence, Harjit Sajjan, directed him to work with the Minister of Foreign Affairs to renew Canada's commitment to United Nations peace operations. This included:

making Canada's specialized capabilities – from mobile medical teams, to engineering support, to aircraft that can carry supplies and personnel – available on a case-by-case basis; working with the Minister of Foreign Affairs to help the United Nations respond more quickly to emerging and escalating conflicts and providing well-trained personnel to international initiatives that can be quickly deployed, such as mission commanders, staff officers, and headquarters units; and leading an international effort to improve and expand the training of military and civilian personnel deployed on peace operations, while insisting that any peacekeepers involved in misconduct be held accountable by their own country and the United Nations.

This mandate clearly is not a blanket commitment to put large numbers of Canadian servicemen and women into UN operations. Instead it suggests specialists—commanders, staff officers, medical teams and other capabilities that the CF can provide. What is striking, however, is that only UN operations are specified. Will Canada now not do extra-UN peace operations? Not even NATO operations, as Canadians participated in during the operations in Former Yugoslavia? We shall see.

...simply putting Canadian troops in blue helmets into a conflict zone provides no guarantee of success.

Not all UN operations are good or successful ones, of course, and Canada needs to apply a few rules before committing its soldiers abroad.

-First, there needs to be broad political support at the United Nations and the will to act.

-Second, the host nation(s) must agree to accept UN troops—and especially Canadians—on its soil and show good faith in wanting to resolve the crisis.

(Continued on page 9)

(Continued from page 8)

-Third, fully trained Canadian troops in the required numbers and with the weaponry necessary must be able to reach the conflict area quickly and be supplied readily, as assessed by National Defence Headquarters.

-Fourth, Canada must have a withdrawal date stated in advance by the UN and/or the Canadian government and a clear exit strategy.

> Not all UN operations are good or successful ones, of course, and Canada needs to apply a few rules before committing soldiers abroad.

-Finally, the mission must serve Canadian national interests and, if a substantial deployment is required, be approved in Parliament.

Why such requirements? Some UN operations—as in Cyprus—last forever. Canada sent a battalion-sized force to the Greek-Turkish island in 1964 and maintained that commitment through an extraordinary 59 rotations to 1993. The Canadians had to fight to survive the invasion by Turkey, a NATO ally, in 1974. Such a never-ending failed mission serves no Canadian national interest. Other UN missions, as in Rwanda, were so understrength and ill -supported by New York that General Roméo Dallaire, the UN commander and his handful of Canadian staff officers, had no chance to halt the massacres that occurred in 1994.

In other words, simply putting Canadian troops in blue helmets into a conflict zone provides no guarantee of Canadians are not divinely inspired peacekeepers, and the Canadian government should never make almost automatic and reflexive commitments. Peace operations can be useful, to be sure, but only the wellplanned, well-supported ones work and only if the contending parties genuinely want a peaceful solution. That does not occur very often, and if such a desire for peace is absent, peacekeeping becomes peace enforcement—or war. If we commit to such an operation, we need to know that there likely will be casualties.

Now, the buzz in Ottawa is that the Trudeau government is considering sending CF personnel to Burundi to bolster the tiny UN peace mission (United Nations Operations in

Burundi, or ONUB, established in 2004) already in place. This might be a useful way of preventing a genocidal civil war from worsening, if the Burundi government would agree to accept such a force. But President Pierre Nkurunziza's spokesman, however, has said his army and people will resist any expansion of the operation: "We will not allow foreign troops in Burundi. We don't need them." Ottawa will need to consider very carefully if Canadian troops can be effective in such a situation which sounds more like war than a peace operation.

Defence minister Harjit Sajjan and the NDHQ staff should look at Burundi as a test case for the Trudeau government's peacekeeping policy. Peacekeeping, yes. But peacekeeping everywhere and every time New York asks? Not necessarily, and only if the auguries are favourable. In Burundi, they may not be.

J.L. Granatstein has been an Officer of the Order of Canada since 1969 and a Fellow of the Royal Society of Canada since 1982. His book. the Generals (1993), won the J.W. Dafoe Prize and the UBC Medal for Canadian Biography.



## **DEAL OR NO DEAL? RISKY BUSINESS SAUDI STYLE**

by DAVID CARMENT & TEDDY SAMY

C ritics of the proposed 15 billion dollar arms deal to Saudi Arabia have taken the government to task for failing to fully disclose the information it relies on to evaluate country risk. It is part of the due diligence framework government officers must do when conducting arms sales to countries with dubious human rights records, who may be aid recipients, who may be at war or whose governments are in violation of international law. The proposed sale came under scrutiny because of Saudi Arabia's poor record of human rights violations, which we have documented on behalf of and in partnership with the Government of Canada in our evidence-based research on failed and fragile states.

So despite forewarning on the Saudi file that trouble was looming, Prime Minister Trudeau has decided for now to push ahead with the deal, his Foreign Minister Stephane Dion noting "Almost all our allies are selling weapons to Saudi Arabia. It's part of the world in which we are." Judging from Mr. Dion's comments, one might conclude the Liberal government has scrutinized the numbers and is satisfied with them and their predecessors' decision to proceed with the deal. But there is more to it than that. Indeed a leaked memo from DFATD (now GAC) in 2012 made it quite clear that Canada would have to establish trade relations with countries which do not share our values, suggesting that the Harper government was

willing to overlook human rights abuses in the interest of economic gains at home.

Consider that a similar situation unfolded when former Defence Minister Jason Kenny told Canadians he was interested in shipping lethal weapons to the government of Ukraine. But in that case, since Ukraine is a country of focus for our international development assistance, Canada was, by law, bound to uphold its own Official Development Assistance Accountability Act, which the Harper government introduced in 2008. Poverty reduction and human rights are front and centre of that act as are aid effectiveness and anti-corruption measures. In essence, selling arms to Ukraine would have been a violation of the Act. In instances where countries are at war and are receiving aid, any decisions regarding lethal aid must be approved by Parliament. More specifically, for a government to contravene the Aid Accountability Act, it would have to make the case to Parliament that a country should be exempt for reasons related to a declared emergency.

But apparently no such accountability is required in the Saudi trade deal even though its leaders are committing forces to fight Islamic State (ISIS) in Syria. Obviously, Saudi Arabia is not an aid recipient but the principle is the

(Continued on page 11)

same. That is because in launching its revamped mission against ISIS, the Liberal government committed over 1.6 billion dollars to provide support for good governance and overhauling the public sector among some of the countries hardest hit by the crisis, namely Lebanon and Jordan, as well as specific humanitarian aid to handle the refugee situation in the region.

But in contradiction to a policy focused on good governance, the Liberal government's position on Saudi Arabia is different, even though an even stronger argument could be made for reforming that country's political system in comparison to Lebanon and Jordan. Since it is not part of the anti-ISIS aid and reform package, Saudi Arabia should be, by Liberal government standards, exempt from any formal human rights review.

But that argument doesn't hold much water now that Saudi Arabia is an explicit part of the coalition's war against ISIS. Should, for example, Saudi Arabia for any reason introduce martial law or impose severe restrictions on civil and political liberties, or should those within its government be accused of human rights abuses, corruption or unsavory acts towards minorities, then obviously the arms deal must be called into question.

Indeed, one could make a strong case that Saudi Arabia is already in a precarious human rights position considering that its forces have been engaged in a year-long campaign against Yemen using banned cluster munitions with a very high death toll among the civilian population and the displacement of more than 2.5 million people.

In fact, the research we have done for the Government of Canada over the last 10 years documenting the trajectories of failed and fragile states shows that Saudi Arabia has not fared well on a basket of key indicators measuring a country's Legitimacy. This basket of indicators includes civil liberties and political rights, gender inequality and press freedom.

In the years that preceded the Arab Spring, Saudi Arabia, like many other countries in the Middle East and North Africa region (MENA), was among the worst performing countries when it came to Legitimacy. In 2006 and 2007 Saudi Arabia ranked as the 3rd least Legitimate country in the world. In 2009 it ranked 2nd. In 2008, 8th. In 2010, 3rd. Then, starting in 2011, its Legitimacy scores improved slightly relative to other countries whose performance had actually worsened in the region where it ranked 11th.

By 2013 Saudi Arabia ranked in the low 30s largely because of a key policy change associated with the genderrelated Legitimacy indicators we use. One indicator is the percentage of female parliamentarians. Saudi Arabia used to rank the absolute worst for this one, since no women were allowed to sit in parliament. This changed due to a quota imposed by the King, which partly explains the rapid and significant change. A second of these indicators is the gender inequality index. Between 2012 and 2013, Saudi Arabia went from 4 to 96, again because of female representation in parliament. Despite these improvements women are still forbidden from obtaining a passport, marrying, traveling, or accessing higher education without the approval of a male guardian, usually a husband, father, brother, or son. On human rights and press freedoms, Saudi Arabia continues to perform poorly. It ranks among the top 15 worst in terms of press freedom and among the very worst in political rights and civil liberties.

Lack of Legitimacy in the MENA region is an issue that we have highlighted in previous publications for CGAI and in our published research on the subject. In fact, by the time the Arab Spring had become an arena for uncontrolled violence in 2013, Legitimacy is where many of the MENA countries tended to underperform compared to the global average. Today, Yemen, Syria, Iraq and Libya are among the most fragile countries in the world, and despite recent improvements, Legitimacy is where the challenges are the most severe for the majority of MENA countries.

Apart from the fact that the Harper, and now the Trudeau, governments disregarded evidence that contradicts their desire for an arms deal with Saudi Arabia, there is another important conclusion to take away from these findings. Like the other countries that succumbed to violence during the Arab Spring, Saudi Arabia is a hydrocarbonbased economy run by autocrats. While its Legitimacy rankings may have improved slightly over time, it is an open question whether even a reform oriented regime can withstand the same pressures that brought on the collapse of Iraq, Libya, Syria and Yemen. Our evidence suggests that there is considerable cause for concern when it comes to measures of Legitimacy, and therefore the Government of Canada would be best to rethink this deal.

**David Carment** is the editor of the Canadian Foreign Policy Journal and a Professor of International Affairs at the Norman Paterson School of International Affairs. Teddy Samy is a Professor of International Affairs at Carleton University and Associate Director of the Norman Paterson School of International Affairs.



### **WEAPON NON-PROLIFERATION**

by PAUL DEWAR

**S** hould we sell Arms to Saudi Arabia?

What is Canada's position on the Iranian Nuclear agreement?

Recently these questions have dominated the foreign policy debate in Canada and the United Kingdom.

While these are important questions the debate itself reveals something is profoundly lacking.

Plainly put, what is our foreign policy on arms control both, conventional and unconventional?

As a country that prided itself on the Ottawa Treaty to Ban Land Mines and leaders in Nuclear Non-Proliferation recently we have been missing in action.

After a decade of despair in diplomacy particularly in arms control it's time to put on our skates and get back on the ice. Or sharpen our pencils and get involved.

There is incredible opportunity for Canada to make a real difference and now is the time.

So where to begin?

#### **Conventional Weapons**

Whether it's the Middle East or North Africa many regions have become awash with small- and medium-sized weapons which has enabled extremist groups like ISIL and Boko Haram instability and support. Remember what happened in Libya after the fall of Muammar Gaddafi in 2011? The weapons stockpiled by Gaddafi were quickly spirited over the border via the black market and were used in Mali and Iraq.

The most obvious way to impact the threat of illegal arms sales is to sign and ratify the UN Arms Trade Treaty.

While we may be late to the party we can still be a champion to this important treaty which would help repair the damage of the previous government's bizarre reluctance to sign the treaty.

The new Liberal government has committed to sign the Arms Trade Treaty which is a good start but we will need to ratify the treaty as soon as possible to make up for lost time. In fact, 130 Countries have signed the agreement and 80 Countries have ratified. By May of this year states

(Continued on page 13)

(Continued from page 12)

who have signed and ratified the agreement will be filing their annual reports, so we need to catch up.

The importance of this UN treaty cannot be overstated. It requires countries to adopt reports of exports and end use, national control lists and other regulations and measures.

While the treaty lays out various reporting and accountability measures involving government industry, there is also a role for civil society and our Parliament.

In the case of Parliament, Canada should adopt the UK's structure of their House of Commons Committee for Arms Exports and Controls. The committee consists of members from the standing committees of Defence, Foreign Affairs, International Development and Business and Skills Development, and we could assemble a similar committee in our Parliament. This committee could monitor our compliance with the Arms Trade Treaty and provide a forum for industry and civil society to be heard. As we have seen with the Saudi deal, once an export is approved it becomes difficult to monitor use and hold end users to account.

Along with signing and implementing the ATT we should become vigorous champions of the treaty and promote its implementation by other countries, similar to Canada's support of the Ottawa Land Mines Treaty.

#### Nuclear Non-Proliferation

Along with conventional arms control Canada must contribute to nuclear non-proliferation.

Recently The Doomsday Clock, the symbolic countdown to humanity's end due to the threat of nuclear weapons, was calculated at three minutes to midnight. This should be a wakeup call. Historically Canada has a proud tradition of limiting the proliferation, testing, and use of nuclear weapons. However, in recent years we have impeded progress on nuclear weapon controls. At a time when we see new states seeking to proliferate and old ones looking to refurbish their nuclear stockpiles Canada, is on the sidelines. For example, the previous government refused to support the P5 plus one negotiation with Iran and most recently we refused to sign the 2014 Vienna Protocol on Nuclear Weapons.

Despite Canada's anemic response there have been some positive moves on the nuclear non-proliferation front; in 2009 UN Secretary General Ban Ki-Moon challenged the world to get behind his five-point proposal to curb and eventually eliminate the threat of nuclear weapons. This was followed by a unanimous motion in both the Canadian Senate and House of Commons in 2010 calling our government to support t Ban Ki-Moon's initiative. Indeed, Canada can play a constructive role - we can support the recently negotiated Iran deal by offering financial and human resources to monitor the agreement. We should sign the Vienna Protocol on Humanitarian Effects of Nuclear Weapons.

But we can go further. We should pursue a global treaty on nuclear weapons. Canada has a unique credibility in taking a leading role in such efforts. At the height of the Cold War, Canada chose not to develop nuclear arms. As a country, we have always known the dangers of nuclear weapons. But we need to engage and inspire a younger generation of people who may not have the intuitive understanding of nuclear weapons that came with life during the Cold War. This September 26th - the International Day for the Total Elimination of Nuclear Weapons - we should host a conference for an eventual Nuclear Weapons treaty.

Canada is a significant world power. We have the experience, the trust and self-interest to lean into the major issues that face our globe. Instead of ambiguity and chastening responses, let's, with clear vision, objectives, and the will to follow through, work for a better world. We can achieve more on Arms Control to make the world a safer place and have our country take its rightful place on the global stage.

Paul Dewar was the Member of Parliament for Ottawa Centre from 2006 until 2015, and the NDP Foreign Affairs Critic and Vice-Chair of the House of Commons Standing Committee on Foreign Affairs and International Development from 2007 until 2015.



#### **CANADA'S DEFENCE REVIEW**

by ROY REMPEL

The Government of Justin Trudeau is currently undertaking a review of Canada's defence policy. It has pledged to produce a new defence policy statement by the end of the year. According to Defence Minister Harjit Sajjan the review will examine a range of issues including protecting the country's sovereignty against the risks and threats of the future as well as Canada's future contributions to NATO, NORAD and other international coalitions. The Government is also pledging to "renew" Canada's commitment to United Nations peacekeeping operations.

Given the Government's simultaneous commitment to sustain the same level of defence spending as under the previous Government, how much flexibility does it have to meet both the requirements related to protecting Canadian sovereignty and also enhance expeditionary military capability?

More fundamentally, does the Government have the will to participate militarily in the international coalitions of today?

The protection of Canada and its sovereignty is the priority responsibility of any Canadian Government. It

was the core objective of the Harper Government's "Canada First Defence Strategy" (CFDS) and it is not surprising that Minister Sajjan's mandate letter also directs him to: "Renew Canada's focus on surveillance and control of Canadian territory and approaches, particularly our Arctic regions, and increase the size of the Canadian Rangers".

More fundamentally, does the Government have the will to participate militarily in the international coalitions of today?

The challenges in accomplishing this are significant. Multiple initiatives will need to be considered in the coming years to protect Canada and North America. These include modernizing the aging North Warning System, improving the ability to monitor Canada's Arctic and offshore waters and replacing a wide range of core military capabilities that are essential for both controlling Canadian territory and responding to potentially varied national emergencies. A decision with respect to renewing

(Continued on page 15)

(Continued from page 14)

one of these core capabilities, Fixed-Wing Search and Rescue, is required shortly.

There is also the need to modernize the Royal Canadian Navy through the National Shipbuilding Procurement Strategy (NSPS); a Strategy which was launched under the Harper Government, and to which the new Government has, to its credit, committed itself.

All of these varied initiatives are expensive.

Since the Trudeau Government has formally pledged to spend as much on defence as was spent under the Harper Government, it will inevitably have to devote priority resources to NSPS and to renewing those core capabilities that are vital to protect Canada's sovereignty. In this respect at least, the defence policy of the Trudeau Government may actually more closely mirror that of the Harper Government than it would care to admit.

The likely focus of finite resources on sovereignty protection and rebuilding the Navy means that any substantial investment in further strengthening expeditionary capability is probably unlikely. Indeed, it would be irresponsible to invest heavily in the "away game" if gaps exist with respect to home defence.

Certainly there is little in the way of traditional peacekeeping perform in today's international system.

To be sure, over the past decade Canada has already augmented its expeditionary capability. Special Forces capability, Army combat capabilities and air transport capacity is all stronger than it was a decade ago.

However, the new Government, and the Prime Minister in particular, has demonstrated a clear aversion to the use of military force in defence of Canadian interests. Certainly the decision to discontinue Canada's involvement in the air campaign against ISIL is almost inexplicable otherwise. Even the decision to step back from Canada's commitment to the F-35, an aircraft which was hastily branded as a "first strike" weapon by Mr. Trudeau during the election campaign, can be viewed in this context. As is often the product of hasty and ill-considered decisions, this issue is now set to dog the Government for the rest of its mandate.

In the end, the declaratory pledge to "renew" Canada's commitment to UN peacekeeping may well be as much rhetorical cover as it is indicative of a substantial policy shift. Certainly there is little in the way of traditional peacekeeping to perform in today's international system. However, by pledging to renew Canada's role in such missions, the Government is also proclaiming what Canada will do less of; that is to participate in frontline combat roles in the fight against terrorism.

There is both good and bad in the Trudeau defence review to date. On the positive side, there are hopeful signals of national consistency and consensus in the focus on both sovereignty protection and on the NSPS. However, on the negative side are ad hoc and ill-thought out decisions related to the use, and even the raison d'être, of the Canadian military. The Government is likely to find that while the former decisions have planted it on relatively firm ground, the latter orientation will become increasingly problematic with Canada's allies and difficult to justify or explain at home.

Roy Rempel served as the senior advisor for defence policy in the Prime Minister's office from 2010 to 2015. He earned his Ph.D. in international relations from Queen's University.



#### LESSONS FROM ISRAEL ON CYBERSECURITY

by ERIC MILLER

K now it or not, you have probably been hacked. Cybersecurity is not just for the military or big business. It is something that we all must understand.

Everything that is networked is hackable. And everything is now networked.

Cisco estimates that the number of internet-enabled devices will hit 50 billion globally by 2020. In Canada, most of our critical infrastructure systems are online.

Many Canadian companies are already spending heavily on cybersecurity. Even with these investments, however, they are being continually attacked. Consumer demands for ever more services online makes the cybersecurity challenge even greater.

The perpetrators of cyber attacks vary. They include statesponsored actors seeking national advantage, criminal groups seeking financial gain, and hackivists seeking to inflict damage or make a point. This is, in many ways, a new shadow war. Cybersecurity is not a single technical solution. It is a comprehensive framework of people, process and technology designed to operate holistically.

On the people side, the supply of those who combine robust information systems knowledge with a security mindset is nowhere close to the demand. We do not keep reliable statistics, but everyone agrees that it is bad. Worse still, large employers suffer from significant attrition rates as cyber talent is lured away.

Recently, I was in Israel as part of a delegation focused on cybersecurity in the financial sector. What we saw stood in stark contrast to Canada's unfocused approach.

Israel, already famous for being the "Start-Up Nation", has become a world leader in cybersecurity technologies and applications. According to YL Partners, in 2014, Israel's cybersecurity exports reached \$6bn or 10 percent of the global market.

Pretty astounding for a country of 8 million!

(Continued on page 17)

The core of Israel's cyber success is its talent development system, which is rooted in its military. Everyone is required to serve. As young people prepare for their military enrolment, the government does aptitude testing in order to identify useful talents among the incoming class. Those that show an aptitude for information systems are channelled into the cyber branch.

> In Canada, we do not have a coherent system for developing cybersecurity expertise.

During their military service, these recruits are trained on advanced tools and techniques. When they finish, they are often met with job offers and/or funding to support the launch of a new company. Combine military discipline with a tradition of studying mathematics and engineering at an advanced level and you have the foundations of a cybersecurity dynamo.

In Canada, we do not have a coherent system for developing cybersecurity expertise. Senior cyber executives with Canada's largest firms tend to come out of one of two backgrounds: the military (Canadian or allied) or information technology (including some who are selftaught).

Canada's military, like Israel's, provides a useful training ground for cyber professionals. Our challenge is on the non-military side.

Civilians generally find their way into cybersecurity by happenstance. We have no mechanism for assessing aptitude or for properly channelling tech tinkerers toward training that will lead to a career in cybersecurity.

One possible way to replicate the Israeli talent identification model is to introduce "coding" into the curriculum of Canadian schools. Given that software runs most everything, children should get some exposure to how it is put together and operates. It would also provide a way of identifying children with an aptitude for information systems that could be developed over time.

Institutionally, Israel houses all policy and trade development functions in the National Cyber Bureau,

reporting directly to the Prime Minister. The success of Israeli cyber companies globally and the protection of the nation are clearly inter-linked.

In Canada, we tend to view the fulfillment of public objectives as being distinct from the global commercial success of Canadian companies. As the Trudeau Government re-thinks Canada's cyber strategy, it should draw lessons from Israel about how best to support the internationalization of innovative Canadian cyber firms.

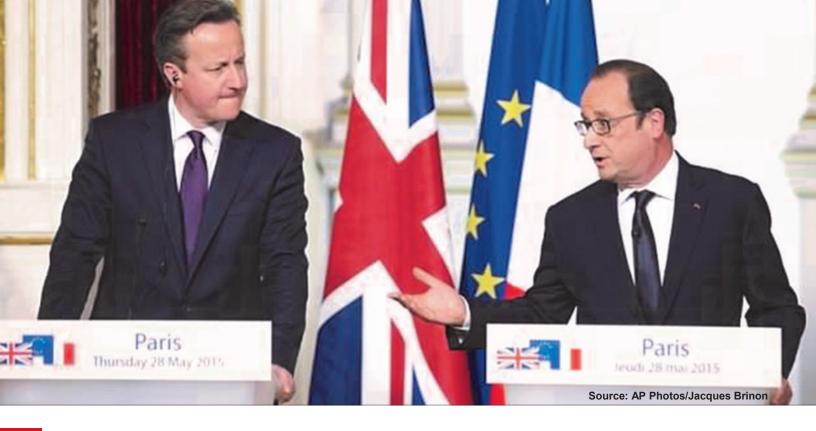


Source: thumbnails.cbc.ca

Some posit that Israel's success in cybersecurity cannot be replicated, given the focus generated by its unique geopolitical context. While external factors undoubtedly play a role, much of Israel's commercial success in cybersecurity stems from consciously focusing their resources on becoming a world-class competitor.

Cybersecurity knowledge will be integral to defining the 21st Century economic pecking order. If Canada wants to be a world-leading cyber innovator, it has to start making changes now.

Eric Miller is Vice President of Policy, Innovation, and Competitiveness at the Canadian Council of Chief Executives.



#### **BREXIT: WHAT'S AT STAKE**

by ANTHONY CARY

A fter traditional cliff-hanger negotiations, Britain has reached a deal on new terms for its membership in the European Union, and 23 June has been set as the date for Britain's In/Out referendum. The vote is a huge gamble with Britain's future and a potential threat to the wider cause of international liberal democracy.

The European Union is unloved in the UK. It is cumbersome and intensely frustrating. It is accused of over-regulation. Its procedures are complex and little understood. It has never succeeded in connecting with ordinary citizens. For years it has been the whipping boy of British Governments, who blame it for every ill. The British media, meanwhile, lose no opportunity to rail against *Them* (ill-intentioned, corrupt and undemocratic), who are out to pull one over *Us* (powerless and put-upon).

Everywhere, the political establishment is losing the trust of voters.

The EU is in crisis, too. The travails of the Eurozone are far from resolved. The migration tide has fuelled an ugly rise in populist nationalism across the whole continent. Everywhere, the political establishment is losing the trust of voters. There are striking and worrying parallels with the Trump phenomenon in the US.

Yet a Brexit would be Britain's greatest policy blunder since the Boston Tea Party, leaving the country utterly diminished. Britain would abandon the leadership of Europe to others. It would be of less help to its allies – including Canada – and of less concern to its enemies. It would be severely weakened economically (as even Brexiters are prepared to admit, if they are honest, though they see this as a price worth paying for the illusion of 'taking back control').

Paradoxically, Britain would *lose* influence over its own affairs, since it would become a rule taker in Europe rather than a rule maker. Brexit might well precipitate the break-up of the United Kingdom, since Scotland would oppose the decision. It would certainly create new tensions in Ireland because of the necessity for a land border between North and South. Britain would surely be condemned to years and years of economic uncertainty, bitterness, recrimination and buyer's remorse.

(Continued on page 19)

Above all, by leaving the EU Britain would do grave damage to its continent, swelling the dangerous tide of renationalisation. The only world leader who would cheer would be Putin, who has an interest in weakening Britain and Western Europe, thereby also damaging the prospect of a strong rules-based, democratic international system.

David Cameron never really wanted this referendum. His fervent wish was to 'stop banging on about Europe' as he put it, since deep party divisions on the issue repulsed the electorate, while the subject itself has always confused and bored people. He was forced to offer the In/Out vote to buy a few years of peace on his backbenches - though he also saw tactical advantage in wrong-footing the Opposition, as he did very effectively at the last election.

> Referendums are notoriously unpredictable in their outcomes. Polls suggest that this one will be tight.

Cameron has never doubted the national interest in continued British membership of the EU, but he did not dare make that case openly for fear of reigniting disputes in his party. Instead, he professed support for a hypothetically 'reformed EU' - and then embarked on rather a synthetic quest to achieve one.

That negotiation is now concluded, and the Prime Minister has declared victory, as he was bound to do. He has achieved rather more than most people expected, especially in securing safeguards for non-members of the Eurozone. But on the issue of migration, which has been overwhelmingly the dominant public concern, he is having to over-sell a marginal change. Ideally, the In camp would take the high ground, explaining that "benefit tourism" by EU migrants is largely a myth. They represent a net benefit to the Exchequer. The bigger problem is with -non-EU migration, which would not be affected one jot if Britain were to leave the Union. Sadly, however, it is too late to make that case. The Government was so panicked by the rise of the UK Independence Party (UKIP) a year ago that it fuelled public hysteria by mirroring UKIP rhetoric instead of confronting it.

It is more than half a century since Dean Acheson's quip that Britain had lost an Empire but failed to find a role. Sadly, the observation still holds some force. Britain's reluctance to engage properly - let alone to lead - in Europe is evidence that it has not yet come to terms with its reduced status in the modern world. If Britain was the great and confident country that Brexiters yearn to reclaim, it would contribute wholeheartedly to building an effective European Union. Instead, there is atavistic regret for what is past, and an impulse to blame relative decline on foreigners, elites, and especially Brussels; to "bawl at Gaul", as a famous Sun headline put it.

Referendums are notoriously unpredictable in their outcomes. Polls suggest that this one will be tight. It can only be hoped that the good sense of the people will prevail over those seeking to persuade them to build walls instead of bridges; and to embrace narrow nationalism in the name of patriotism. Canadians in the UK - who are eligible to vote as Commonwealth citizens - can help to achieve that outcome. It is important that they do.

Anthony Cary is a former British diplomat who served as High Commissioner to Canada.



### A WAY AHEAD WITH RUSSIA

by CHRIS WESTDAL

Russian Foreign Minister Lavrov has been "stunned by the absence of pragmatism" in recent Canadian foreign policy, and last week regretted years of "lost opportunity" and advised that our leaders had agreed they "wanted to normalize relations." In Ottawa, following suit, Russian Ambassador Darchiev said he was encouraged by "a very promising change in Canada's approach."

Indeed, our approach to Russia has been radically changed: our new government has abandoned Stephen Harper's policies of vocal disdain and attempted isolation. Prime Minister Trudeau said last month that "there is room for Russia to play a more positive role in all sorts of places," imagining even that Russia might become "a positive force for stability and good" in the world. Trudeau's hopes were carefully qualified, but his outlook and tone were as different from Harper's as night is from day.

"The more we disagree, the more we have to discuss."

The Tories still sing from their Manichean hymn-book, though - in which engagement with Russia means betrayal of Ukraine. Global affairs critic, Tony Clement, asked why the government "was turning its back on the people of Ukraine" (which it wasn't) and why the Prime Minister was "playing footsie with Putin" (a surely odd, Sarah Palinesque, turn of phrase).

For his part, Global Affairs Minister Stephane Dion, who will visit Kyiv this weekend, insists on engagement: "The more we disagree, the more we have to discuss." He puts a new spin on Ukraine too: We are "very determined to have positive results for Ukraine ... and will find the best way to do it in our relationship with Russia." The Harper line, recall, was that we'd have no relations whatever with Russia until Crimea was back in Ukraine – and the cows came home.

Let us not get ahead of ourselves, though. In our bilateral relations, there's a lot of ice to thaw.

There are also many reasons to thaw it. With our Arctic neighbour, we command two thirds of the northern latitudes of the earth. There has long been rich potential in our political and economic relations – and, one day, we may exploit it. Meantime, though, we live between two nuclear-armed heavyweights – and must be bound to try to have them get along.

(Continued on page 21)

Barrack Obama and Vladimir Putin are far from friendly, but John Kerry and Sergei Lavrov have been working together for years now. The prospects for East-West amity are nonetheless far from assured. Should this fall's US presidential election bring a harsher US approach to Russia, our Canadian instinct for intermediation - for doing what we can, however modest, to keep the peace between the two - will make as compelling, elementary good sense as it did through the Cold War.

The biggest, over-arching reason for the West to engage Russia, seeking cooperation, is simply that an alliance of Russia and China, the most populous and the largest state on earth, would be a potential world hegemon, antithetical to our interests.

> In all these fields and more, we can begin again with Russia, seeking common ground, despite our withered bilateral links.

Meantime, in the leading dramas of our age - from geostrategic security, the balance (or not) of powers in key regions, to climate change and the conservation of nature, to the future of the Arctic and of much else - Russia plays key roles. In all these fields and more, we can begin again with Russia, seeking common ground, despite our withered bilateral links.



Source: carnegiecouncil.org

Bilaterally, we can start anew with a few basics, such as policy consultations. We might begin with subjects relatively free of contention, like resumed cooperation in the Arctic or in anti-terrorism, but there'd soon be no avoiding the more difficult issues embroiled in Minsk peace plan implementation and the related relief of sanctions.

Minister Dion's plan to seek the best outcome for Ukraine in our relations with Russia makes good sense. There is no good outcome for Ukraine that involves hostility with Russia, no good outcome without reconciliation, an end to tragic Slavic civil war, nor without freedom for Ukraine to trade with both Europe and Russia, not just with one or the other. Bilaterally and multilaterally, by all means, these are the outcomes we should seek for Ukraine.

Nor in our consultations would there be any avoiding the bigger picture: the need for a better fence between Russia and NATO, a "mending wall," in Robert Frost's phrase, the need for new understanding and a big new security deal. In it, a neutral Ukraine, essential cartilage in the skeleton of Eurasian security, might at last be given a chance, by both sides, to recover and progress. In the absence of a larger peace, Ukraine is rope, fraying, in a risky tug of war.

Though living with Russia's no day at the beach, the West has no choice but to try.

Chris Westdal is a former Canadian Ambassador to, among others, Ukraine and Russia.



## SYRIA-WHO BLOCKS PEACE?

by ROLF HOLMBOE

A new round of peace talks on Syria is planned to start in Geneva. As in previous Geneva Peace Talks in 2012 and 2014, all focus is on getting the parties to the meeting table, but the real challenge will be to forge a peace solution that can actually work. The Assad regime is still insisting on parametres that will mean the failure of any process.

When Russia and Iran insist on Assad staying on until new elections, it is tantamount to saying that Assad *is* the solution. When they claim that the rebels are "terrorists," they mean to limit the partners in a political solution to those they can control.

The fight over the parametres of the peace talks is endangering the possibility of arriving at a realistic political solution that can actually work.

#### With Assad, There is No Political Solution

It is not a question whether Assad and his inner circle should be part of a solution or not. Assad knows that any real power sharing arrangement will eventually lead to his downfall, and he and his inner circles are bent on sabotaging any political solution that does not ensure the full survival of his regime.

Assad can never give up his massive repressive apparatus or his control of the security services and the army – this is his life insurance and all his power rests on that.

Nobody will trust a deal with Assad. Rebels will never give up their weapons, but will consolidate in areas under their control. Refugees will not return in any big number and the massive wave of migration out of the region will continue. Those who are left in Syria will eventually float into sectarian enclaves.

With Assad, Syria will be nothing more than a fragmented failed state and the current war will just be the first phase of a much longer one.

## A Political Solution Must Build on the Armed Groups

In the likely absence of an international stabilisation force, it will be Syrian armed groups that will have to ensure security at the local level. In order to avoid this leading to fragmentation and a decay into corruptive practices, such as in Libya, the armed groups both on the rebel and regime side have to be united under a single authority through which they can function as each other's

(Continued on page 23)

(Continued from page 22)

controllers.

The regime tries to define key rebel groups as "terrorist" in order to exclude them, but a political solution that does not have at the core the armed groups with actual power on the ground - evidently all but the so-called Islamic State and Jabhet alNusrah - will just not work. If too many armed groups are left outside the tent, there will be a critical mass of spoilers that could make it impossible to avoid fragmentation and establish security.

The danger is also that extremist groups take advantage of exactly such instability and lack of security at the local level to create parallel, much more radical "political solutions" that undermine a stabilisation process, just as the Taliban has done in Afghanistan.

For security to be established and for undermining spoilers to be controlled, as many armed groups as possible must be included in the political solution. This means that there has to be a minimum level of trust, but this cannot happen with Assad still in Syria. The good thing is that the rebels and the Syrian army already talk to each other, much to the dislike of the Assad regime. Eventually, it will have to be a coalition of the rebel groups and the regime army that must defeat ISIS in Syria.

#### Assad Uses Russia, Iran and Hizbollah to Avoid a **Political Solution**

Through the military intervention of Russia, Iran and Hizbollah, the regime has twice managed to avoid a threatening collapse both in 2013 and in the spring of 2015, has since been able to consolidate its military position and has made it impossible for the rebels to launch major attacks against regime strongholds.

Through the military efforts of its allies, the regime continues to pursue a long-term strategy of "wearing the rebels out", hoping that they will ultimately disintegrate under the pressures of relentless bombing, deadly sieges and brutal repression.

#### A Political Solution Must Set the Scene for **Success**

Setting the right parametres for a political solution will take considerable diplomatic skill on the part of the peace makers. But it will also take willingness on the part of the international sponsors to aim for a realistic solution that can actually work and to do some serious arm twisting on those trying to sabotage the process!

Rolf Holmboe, was the former Ambassador of Denmark to Syria, Lebanon and Jordan 2012-2015.



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

formerly Canadian Defence & Foreign Affairs Institute (CDFAI)

The Canadian Global Affairs Institute is on Social Media!







Or check out the 3Ds blog! www.cgai3ds.wordpress.com

www.cgai.ca



## CANADA NEEDS AN ASIA STRATEGY, WITH OR WITHOUT THE TPP

by RANDOLPH MANK

Much has been written about the Trans Pacific Partnership (TPP) deal and whether the Trudeau government in Canada should sign off on what was negotiated under the Harper government.

Clearly, it should. As a trading nation, Canada would be seriously disadvantaged if it opted out of such a broad new trade deal involving our main trading partners. Trade accounts for about 60 percent of our GDP, including one in five Canadian jobs. The TPP market will have over 800 million people and a combined GDP of some \$28 trillion. If successful it will be the biggest free trade arrangement of its kind, comprising twelve Asia Pacific countries and 40 percent of global GDP.

We could fuss over the details in the agreement and, as Trade Minister Freeland is learning in her consultations across Canada, we certainly haven't won on every point of the negotiations. But the more pertinent concern now is whether President Obama will succeed in pushing the deal to conclusion in the US Congress before his term ends. This is by no means certain. We should be more worried that, if the TPP isn't concluded, we will be left with an empty bucket in Asia, still the most dynamic economic growth region in the world.

That's why the TPP is no substitute for developing a full

Asia strategy of our own. As Prime Minister Trudeau contemplates his foreign policy priorities and prepares for his first bilateral visits to the US and Asia, devising such a strategy should be high on his list.

Even with a successful TPP deal, in reality only five of the twelve prospective members are actually Asian: Japan, Singapore, Vietnam, Malaysia and Brunei. Missing are such G20 regional giants as China, India, Indonesia and South Korea.

The TPP market will have over 800 million people and a combined GDP of some \$28 trillion.

Rather than sitting idle, however, these countries are involved in a separate set of trade negotiations called the Regional Comprehensive Economic Partnership initiative, launched by ASEAN in 2012. This grouping encompasses more than three billion people, with a combined and rapidly growing GDP of about \$17 trillion. Never having bothered to pursue a trade accord with ASEAN, Canada is

(Continued on page 25)

excluded from these trade negotiations.

So, yes, we need an Asia strategy, and it should include at least two main elements on the economic front, one related to policy and the other to programmes. First, on policy, we should pursue a concerted initiative both to finalize the TPP and to harmonize it with competing trade processes. If not, we will be left with half a loaf in Asia and an ongoing fragmentation of trade arrangements.

China isn't the whole story of Asia, but it's certainly a key driver of it. Agreeing to negotiate a bilateral free trade deal with China would be a good way both to get inside the Asian negotiating tent, as well as to start diversifying our trade relationships, as we so desperately need to do if we are to recover from our current economic downturn.

> Since trade deals alone don't automatically guarantee new business, we need practical support mechanisms Canadian companies in Asia,...

We should also join the recently launched Asia Infrastructure Investment Bank, led by China. Now ready for business, the new bank has \$100 billion in registered capital for infrastructure projects in Asia. Canadian companies should have the chance to participate in these projects. Though the US remains absent, our major European allies, as well as Australia and New Zealand, have already joined the new Bank. We should, too.

The second main element of our Asia strategy should be strengthening government programmes. Since trade deals alone don't automatically guarantee new business, we need practical support mechanisms for Canadian companies in Asia, as well as their Asian counterparts interested in doing business in Canada. There are tools for For example, our excellent Trade doing this. Commissioner Service, which supports our companies abroad by connecting them with specific opportunities, is spread too thin and should be grown significantly. Provinces should also deploy more commercial representatives to our embassies in the region. As well, two key crown corporations - Export Development Canada and the Canadian Commercial Corporation need to increase their Asia presence and become much more dynamic in support of doing business.

In the other direction, we need to improve visa services for those who want to visit, study or do business here. Difficulty in obtaining timely Canadian visas is a constant complaint heard throughout the region. Full adoption of the APEC Business Travel Card would also help the flow of business visitors.

There are many other things that would go into a new Asia including important non-commercial cooperation around security, the environment and social issues. Bottom line: the TPP, if implemented, would clearly expand our market access. But, with or without it, we need to equip ourselves with a broader Asia strategy. If we don't, be prepared for geography to remain our destiny and for the Asian economic opportunities to pass us by.

Randolph Mank is currently a Board Director of the Canadian Chamber of Commerce in Singapore. He has served as Canada's ambassador to Indonesia, Pakistan and Malausia, Senior Official for ASEAN, and Vice President Asia for BlackBerry.



### CHINA AND NORTH KOREA: "LIPS TO TEETH"

by MARIUS GRINIUS

From the Korean War onwards Chinese and North Korean leaders would describe their relationship being as close as "lips to teeth". This analogy, however, soon began to fray. These days, as Chinese political and military power begin to catch up to its global economic clout, China faces a dilemma about how to deal with its unpredictable and recalcitrant neighbour whose long-term stability is questionable.

China is North Korea's biggest trading partner, main source of food and fuel, and biggest foreign investor, particularly in natural resources.

The Defence of the Fatherland Front Museum in Pyongyang is devoted to propagating the story of how the Great Leader, Kim Il-sung, gloriously defended North Korea against the surprise attack in 1950 by the South with the connivance of the American imperialists. The museum cites casualties inflicted on members of UN Command (UNC), including Canada, and on South Korean forces. North Korean casualties remain a state secret. The museum does grudgingly note that China helped out a bit; but, all glory goes to the Great Leader. In

fact when UNC forces pushed north of the 38th parallel China unleashed some 3 million soldiers of the Chinese People's "Volunteer Army" in support of Kim Il-sung. 180,000 were killed in the "War to Resist US Aggression and Aid Korea", including Mao Zedong's son. In Pyongyang there is a monument near the Chinese Embassy which notes China's contribution. It is modest in size compared to other super-sized North Korean monuments.

Over the years China has remained North Korea's strongest friend and ally. The relationship is officially based on the 1961 "Sino-North Korean Mutual Aid and Cooperation Friendship Treaty" last renewed to 2021. But, in the face of North Korea's various escapades including missile and nuclear weapon development, China's longstanding mantra calling for peace and stability on the Korean Peninsula is getting a bit shopworn. China must carefully weigh whether North Korea is still a useful partner or an increasing liability. While having an unpredictable neighbour with nuclear weapons is not in China's national security interests, it appears that regime collapse is viewed as being even more dangerous. China professes to fear a refugee tsunami if North Korea collapsed. Arguably, however, if Thailand international aid was able to receive hundreds of

(Continued on page 27)

thousands of Indochinese refugees, surely China could easily cope. China also prefers the wobbly status quo because it has not decided whether a unified Korea would be in its best long-term interest. China is North Korea's biggest trading partner, main source of food and fuel, and biggest foreign investor, particularly in natural resources. More seriously, China will not tolerate American troops on its border that a unified Korea would imply. This concern is exacerbated by the greater strategic game afoot, the slow US security pivot towards Asia-Pacific, perceived by China as an attempt to contain China.

frustrated US keeps pressing China to put more pressure on North Korea.

With every North Korean nuclear test (four so far) and another recent missile test, purported satellite launch, questions arise about how much influence Beijing actually has with Pyongyang. The Six Party Talks (China, US, Russia, Japan, South Korea, North Korea) tried to negotiate a roadmap to North Korea's denuclearization between 2003 and 2009. They ultimately failed and remain moribund. UN sanctions have not deterred North Korea's nuclear ambitions. A frustrated US keeps pressing China to put more pressure on North Korea. China, however, believes that too much pressure on North Korea may lead to regime collapse, chaos and ultimately Korean unification, something it is not yet prepared to accept.

North Korea has a well-calibrated sense of China's reluctance and has thumbed its nose at previous mild Chinese rebukes. It will continue to push the regional tension envelope knowing that China will attenuate any international consequences. With no obvious way forward, the "lips to teeth" relationship continues to slowly unravel as China tries to figure out what to do next. Meanwhile China will do nothing to alter the strained status quo.

Post scriptum: Since the publication of this article and after several weeks of haggling with the US, China finally agreed on March 2 to the passage of a stronglyworded Security Council resolution which puts further constraints on North Korea's nuclear weapon and missile technology, imposes new cargo inspections, targets North Korea's trade in resources and imposes new financial sanctions against North Korean banks and assets. The question now will be whether China actually implements all of the agreed measures, the totality of which still fall far short of any serious threat to the regime, or whether it will use the resolution simply as another verbal warning to North Korea.

Marius Grinius joined the Canadian Foreign Service in 1979 after serving in the Canadian Army for 12 years. His early overseas postings included Bangkok, NATO/Brussels and Hanoi.

#### **Canadian Global Affairs** Institute

#### **Board of Directors**

George Brookman West Canadian Industries

Don Douglas **Jetstream Capital Corporation** 

> Sheila McIntosh Corporate Director

**Craig Stewart** RMP Energy Inc.

Ian Wild (Chair) **ATB Corporate Financial Services** 

**Bob Millar** Canadian Global Affairs Institute



## **ARCTIC SECURITY IN A "LOWER FOR LONGER" WORLD**

by WHITNEY LACKENBAUER AND ADAM LAJEUNESSE

n 2013 Russia's National Security Council declared that the Arctic must become the "basic strategic resource base of Russia." The thinking behind this grand, optimistic declaration was simple: Russia's economy is heavily reliant on resource extraction - primarily oil and gas – and maintaining its output requires expansion into new basins. 1 In Canada and the United States, the past decade has seen a similar, if less dramatic, emphasis on northern resources, with billions in offshore leases sold to multinational oil companies and new permits issued for precious and base mineral extraction across the region. For fifteen years, what Oran Young called the "Age of the Arctic" appeared to be upon us, driven by Chinese demand for northern products and framed by security and economic concerns stemming from that new and anticipated activity. And then, it seems, it all fell apart.

By 2016, in a strikingly similar repeat of the mid-1980s, new sources of supply and Saudi Arabia's hunt for market share have driven down the price of oil and gas, rendering Arctic resources grossly uneconomical. Mineral prices have fallen in lockstep as oversupply, matched with a stutter in Chinese growth prospects, has wiped out the past fifteen years of price gains in most Arctic commodities. The result is a decade of assumptions of what the Arctic's future will look like and how circumpolar states should respond and prepare for an imminent "race"

for resources" being upended.

If BP CEO Bob Dudley is correct and the price of oil will be "lower for longer," <sup>2</sup> analysts will have to reconsider certain notions of Arctic security (broadly defined). This is particularly necessary in Russia, where billions have been invested in the Barents, Kara and Pechora Seas and along the Yamal Peninsula. This Arctic buildup, premised on the notion that oil, gas, and minerals from the region will provide Russia with much of the hard currency that it needs to maintain its lopsided economy, has been imbued with nationalistic undertones reminiscent of Soviet themes of conquering harsh environments and capped with large military deployments. Thirteen new airfields and special Arctic brigades, protected by S-400 missile systems and new fleet units, now "guard" resources that few foreign interests are eager to develop.

Other offshore assets, or onshore assets exported by icebreaking tankers, face similarly dire economics.

(Continued on page 29)

Sub-fifty dollar oil (let alone sub-thirty dollar oil) would leave virtually all of Russia's northern hydrocarbons as stranded assets. Prirazlomnaya, Russia's first offshore platform, has been in operation since 2014, but its high lifting and transportation costs mean it began burning money as soon as Brent crude prices fell below \$80-\$90/ barrel. 3 Other offshore assets, or onshore assets exported by icebreaking tankers, face similarly dire economics.

...Russia may have to reconsider its approach to Arctic defence and security.

In the wake of these new realities, Russia may have to reconsider its approach to Arctic defence and security. Large-scale military deployments and exercises (like those witnessed in August 2015) lose a great deal of justification without covetous foreign eyes seeking to undermine Russian sovereignty and deprive it of its resources. While a substantive threat never really existed, the potential value of Arctic resources made the mere implication of such a danger a viable strategy, yielding a siege mentality which the Putin government could use to political effect. With oil at \$30/barrel, Arctic chest-thumping is not only less affordable, but may also serve as an example of the Russian military's proclivity for tilting with windmills.

In Canada, the Harper government also pursued an Arctic strategy framed by aggressive rhetoric (at least from 2006 -09) predicated on potential sovereignty threats and the need to protect Arctic resources. In practice, both Canada and the United States have crafted national strategies that are both restrained and more appropriate to the realities (and uncertainties) of the North American Arctic and the circumpolar world. Both countries have moved cautiously in establishing new Arctic defence capabilities and, accordingly, the integrated policies established during a time of high resource prices oil are well suited to a world where northern mining has slowed and hydrocarbon extraction has fallen off the visible horizon.

Over the last decade, Canada has crafted its military strategy and operational plans for the North around the assumption that emerging threats will be unconventional. Ship groundings, disaster relief, policing, and assistance to other government departments – not warfighting – are the types of scenarios that frame most training and exercises. Canada's ground presence, such as the Canadian Rangers and the Arctic Response Company groups, are small, specialty forces designed to be selfsustaining, flexible, and responsive. Trained not to "defend" our natural resources from foreign competitors but to deal with the most probable "soft" security and safety scenarios, these forces will retain the same mandate and requirements regardless of the pace of resource extraction.

In a 'lower for longer' world, Arctic defence and security will lose much of the sense of dire urgency attached to it over the past decade. This might mean that major capital projects, like the Canadian AOPS or American icebreaker replacements, will proceed more slowly - though they will proceed. In Russia, however, it may mean a fundamental revision to how budgets are allocated, how national defence is funded, and how the world's largest Arctic state maintains itself when its strategic resource base is a bust.

- <sup>1</sup> Russia, Security Council of the Russian Federation, Fundamentals of the Russian Federation's Policy in the Arctic for the Period up to 2020 and beyond (2009)
- http://www.cnbc.com/2015/04/21/bp-ceo-oil-prices-will-stay-lowerfor-longer.html
- 3 http://bellona.org/news/fossil-fuels/oil/2014-04-russia-opens-oilsluices-arctic-rickety-prirazlomnaya-platform-begins-production

Whitney Lackenbauer is a Professor in the Department of History and Co-director of the Centre for Foreign Policy and Federalism at St. Jerome's University in the University of Waterloo. Adam Lajeunesse is a SSHRC postdoctoral Fellow at St. Jerome's University.

## **ADVISORY COUNCIL**



IAN BRODIE

Ian Brodie is Research Director of the School of Public Policy, University of Calgary. He served as Chief to Staff to Canadian Prime Minister Stephen Harper.



JOHN MANLEY-CHAIR

Hon. John Manley is President and CEO of the Canadian Council of Chief Executives and former Deputy Prime Minister of Canada.



JOCELYN COULON

Jocelyn Coulon is Director of Peace Operations Research Network at the Université de Montréal's Centre for International Research and Studies.



ANNE MCGRATH

Anne McGrath is the National Director of the New Democratic Party and was Chief of Staff to Official Opposition New Democratic Party leaders Jack Layton, Nycole Turmel, and Thomas Mulcair.



**BOB FOWLER** 

Bob Fowler was Canada's longest serving Ambassador to the United Nations. He also served as Canada's Ambassador to Italy.



DAVID PRATT

Hon. David Pratt served as the Minister of National Defence from 2003-2004 and is an independent consultant.



PETER HARDER

Peter Harder is a Senior Policy Advisor to Denton's. He also serves as President of the Canada-China Business Council.



ELINOR SLOAN

Elinor Sloan is a Professor of International Relations in the Department of Political Science at Carleton University, and former defence analyst. for the Department of National Defence.



DAN HAYS

Hon. Dan Hays is a Senior Partner with Norton Rose Fulbright. While serving in the Senate he was appointed Deputy Leader of the Government in the Senate.



**CHRIS WADDELL** 

Christopher Waddell is the Director, School of Journalism and Communication at Carleton University.



RAY HENAULT

General (Ret'd) Raymond Henault served as Canada's Chief of the Defence Staff from 2001-2005, and as the Chairman of the NATO Military Committee from 2005-2008.



**ROB WRIGHT** 

Rob Wright served as Canada's Ambassador to China from 2005-2009 and Ambassador to Japan from 2001-2005.



DON MACNAMARA

BGen (Ret'd) Don Macnamara is a former Professor with Queen's University School of Business and the Queen's Executive Development Centre.

#### **RBC Foundation Cheque Presentation**



On February 23rd at the Calgary Golf & Country Club, Kent Parlee, Vice President RBC Wealth Management, presented David Bercuson, Program Director for Canadian Global Affairs Institute, with a sizable cheque for a research project the Institute is undertaking. The Institute will be contracting with at least 22 subject matter experts to write short essays on topical issues relevant to Canada's upcoming foreign and defence reviews. Each author will be expected to describe the issue, why it matters to Canada and provide a recommendation on what Canada should do about it. RBC Foundation has long been supportive of the Institute and this additional support for our participation in the federal government's foreign and defence policy reviews is greatly appreciated.

#### **Canadian Global Affairs Institute**

The Canadian Global Affairs Institute focuses on the entire range of Canada's international relations in all its forms including (in partnership with the University of Calgary's School of Public Policy), trade investment and international capacity building. Successor to the Canadian Defence and Foreign Affairs Institute (CDFAI, which was established in 2001), the Institute works to inform Canadians about the importance of having a respected and influential voice in those parts of the globe where Canada has significant interests due to trade and investment, origins of Canada's population, geographic security (and especially security of North America in conjunction with the United States) or the peace and freedom of allied nations. The Institute aims to demonstrate to Canadians the importance of comprehensive foreign, defence and trade policies which both express our values and represent our interests.

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 educate Canadians about Canada's role in that process and the connection between globalization and security.

In all its activities the Institute is a charitable, non-partisan, non-advocacy organization that provides a platform for a variety of viewpoints. It is supported financially by the contributions of individuals, foundations, and corporations. Conclusions or opinions expressed in Institute publications and programs are those of the author(s) and do not necessarily reflect the views of Institute staff, fellows, directors, advisors or any individuals or organizations that provide financial support to the Institute.



Charitable Registration No. 87982 7913 RR0001