

The Big Read **World**

How geopolitics caught up with Canada



The country once saw itself as nearly immune from the world's problems. But it is now immersed in stand-offs with India and China

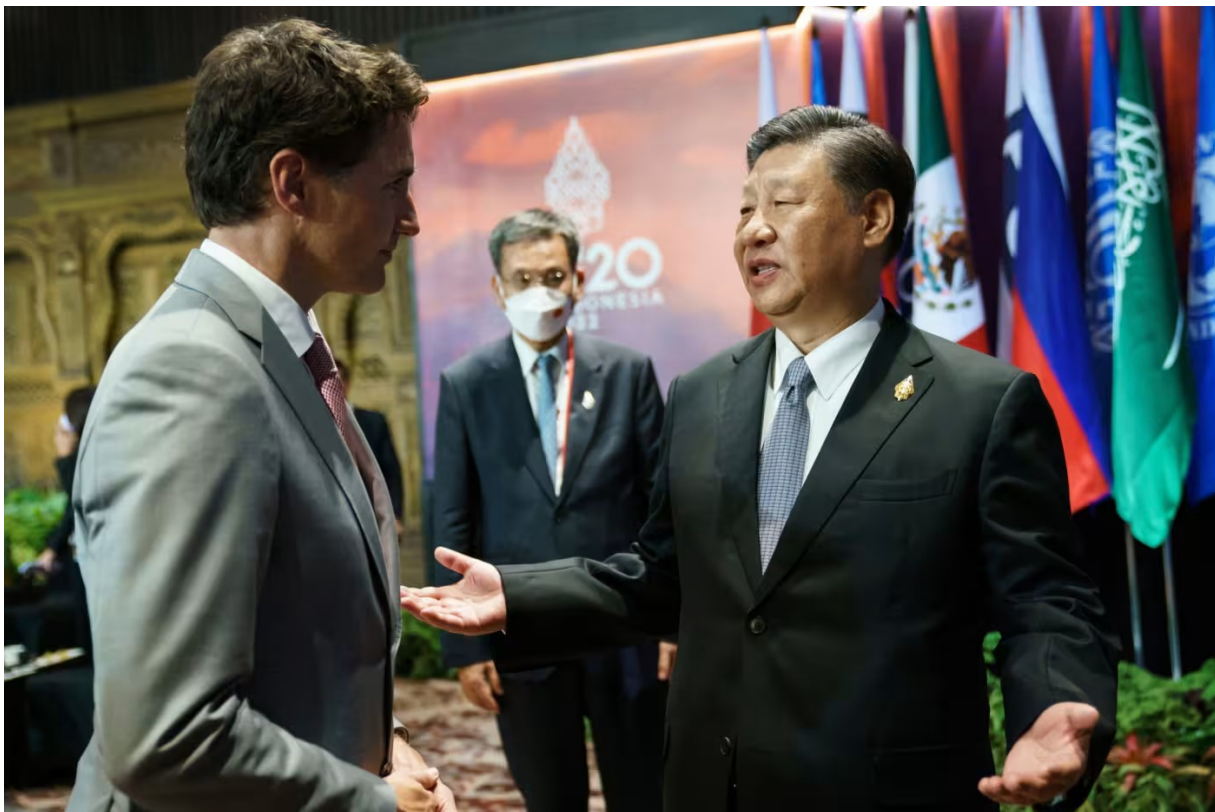
Demetri Sevastopulo in Ottawa YESTERDAY

In the 1920s, the Canadian politician Raoul Dandurand described the country as a “fireproof house” — surrounded on three sides by the Pacific, Arctic and Atlantic oceans, and with a friendly neighbour in the US to the south.

It is a comforting view of the world that has helped define Canada’s identity, even as it sent soldiers overseas to fight, from the second world war to Afghanistan.

But that sense of detachment from the harsh realities of geopolitics is rapidly disappearing. Canada has found itself sucked into a series of perilous foreign policy dilemmas that have left it struggling to balance its values, interests and identity. In particular, Canada now finds itself at loggerheads with both India and China — the two most populous nations and the rising powers of this century.

Over the past year alone, Canada has accused China of interfering in its domestic politics and criticised the Chinese military for flying dangerously close to its aircraft over the South China Sea.



At loggerheads: Chinese leader Xi Jinping speaks with Justin Trudeau at the G20 summit in Bali last year © Adam Scotti/Prime Minister's Office/Reuters

In a vivid illustration of the shifts, Chinese leader Xi Jinping scolded Justin Trudeau,

Canada's prime minister, at the G20 in Bali last year. In a remarkable exchange caught on video, the Chinese president accused a shell-shocked Trudeau of having leaked the contents of a private conversation.

Most dramatically, Trudeau stunned the world in September by saying Ottawa was investigating “credible allegations” of Indian government involvement in the fatal shooting of a Canadian Sikh in Vancouver.

“The tectonic plates of the world order are shifting,” Mélanie Joly, foreign minister, said in a speech in October. “Our location on the globe — surrounded by three oceans — can no longer be relied upon to protect us.”

Canada is a dramatic example of the question that many midsized democracies are now confronting: how to conduct a foreign policy that is consistent with their political identity at a time when authoritarian governments are gaining influence and when economic power and opportunity is shifting more and more to Asia — most notably China and India.

Roland Paris, a foreign policy expert at the University of Ottawa, says Canadians are becoming increasingly aware that foreign policy issues could have a direct impact on their lives. As a member of Nato, Canada was engaged in Afghanistan for years and now is dealing with the Russian invasion of Ukraine.

“The idea that Canada is a fireproof house was never accurate, but now it is totally outdated,” says Paris.





Mélanie Joly, Canada's foreign minister: 'Our location on the globe — surrounded by three oceans — can no longer be relied upon to protect us' © Christinne Muschi/Bloomberg

As the G7's relative share of global economic power falls, Canada can rely less on membership of such groups to insulate itself from outside pressures.

Canadian Senator Peter Boehm, the chair of the foreign affairs committee, earlier told the Financial Times that countries such as India and China were more likely to bully a country like Canada given that it is much less powerful than the US.

“If a larger country wants to make an example of a country, Canada is an easy mark,” says Boehm.

In an interview with the FT, Joly says she was not explicitly referring to Dandurand when she argued Canada's location was no longer enough to protect the country. Instead, she was pointing to new risks facing the country, such as cyber and digital-related threats, including the use of artificial intelligence to facilitate political interference.

One of the new threats — the possibility of an extraterritorial killing by Indian government agents in Canada — returned to the limelight last week when the FT revealed that the US had warned India over a thwarted plot to kill a Sikh separatist on American soil that it believed had possible Indian government involvement.

Jonathan Berkshire Miller, an Indo-Pacific expert at the Macdonald-Laurier Institute think-tank in Ottawa, says that successive governments have tended to treat foreign policy as a “luxury item” and have left it to the Americans to “step up to the plate”, or the Japanese and Australians in the Indo-Pacific.

“We've had this complacency on foreign security issues for several years,” says Berkshire Miller.

Long deep freeze

The spat with India over the murder of Hardeep Singh Nijjar, a member of a separatist movement pushing for the creation of an independent Sikh state in India, is a stark example of how power relations are shifting in the world.

Last month, Joly revealed that Ottawa had been forced to withdraw 41 diplomats from India after New Delhi vowed to strip them of their diplomatic immunity — a threat that Ottawa said violated formal diplomatic conventions.

But the fracas with India came as Canadian engagement with China has still to recover from a long deep freeze.

Relations between the countries plummeted in 2018 when China detained two Canadian citizens — Michael Kovrig and Michael Spavor, who became known as the “two Michaels” — for more than three years.

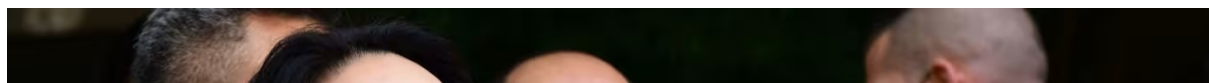


Michael Kovrig, second from right, and Michael Spavor, right, react as President Joe Biden acknowledges them during a speech to the Canadian parliament earlier this year © Andrew Harnik/Pool/AFP/Getty Images

Their detention was widely seen as retaliation for Canada detaining Meng Wanzhou, chief financial officer of Chinese telecoms company Huawei, in connection with a US extradition request. The two Canadians were freed in 2021 as part of an exchange after Meng signed a deferred prosecution deal.

In another example of foreign threats at home, Canada this year expelled a Chinese diplomat for alleged political interference. Canadian intelligence said he was involved in a campaign to intimidate an opposition lawmaker with family in Hong Kong who had slammed China on human rights.

The case followed leaks to the media about internal warnings the Canadian Security Intelligence Service had issued to the government about the case, which sparked criticism that Trudeau had not taken the issue seriously enough.





Meng Wanzhou, chief financial officer of Chinese telecoms company Huawei. Detention of the 'two Michaels' was widely seen as retaliation for detaining Meng in connection with a US extradition request © Don Mackinnon/AFP/Getty Images

In a rare move for a security agency that hides in the shadows even more than some of its western peers, CSIS head David Vigneault recently joined FBI director Christopher Wray and their counterparts from the UK, Australia and New Zealand — the other members of the Five Eyes intelligence-sharing network — in San Francisco to issue a public warning about China conducting [unprecedented levels of espionage](#) to steal cutting-edge technologies.

Joly says Canada will deal with the changing landscape and its new threats by relying on two principles. First, Ottawa will strongly defend its sovereignty amid rising global security threats. And second, it will use “pragmatic diplomacy”, which she defines as engaging nations with different perspectives to Canada in an effort to help prevent international conflicts.

“We’re going through an international security crisis and so [we’re] explaining to Canadians more than ever that we need to embrace pragmatic diplomacy,” Joly argues. “I’d say that is realpolitik.”

To illustrate the first principle, Ottawa is stepping up its presence in the Indo-Pacific, where Joly says that “for too long, Canada was not seen as a reliable partner”. In addition to raising defence spending, Canada is boosting its diplomatic and military presence in the region. For example, Canada’s navy now operates three ships in the Indo-Pacific, which she says is a strong signal of commitment to allies.



US Navy guided-missile destroyer USS Chung-Hoon sails alongside the Royal Canadian Navy frigate HMCS Montreal during operations in the South China Sea in May © US Navy/Naval Air Crewman (Helicopter) 1st Class Dalton Cooper/Handout/Reuters

Canadian naval ships have also joined the US in transiting the Taiwan Strait, in “freedom of navigation” operations designed to send a message to Beijing as it increasingly challenges America and its allies in the South China Sea.

In one example of Canada taking a public stand, it recently accused the Chinese military of reckless activity after a fighter jet fired flares near one of its military helicopters over the South China Sea. Yet Ottawa has at other times been reluctant to speak out. Earlier this year, the US asked Canada to make public the details of another dangerous incident that involved a Chinese fighter jet, but Ottawa declined, according to people familiar with the case.

“The Indo-Pacific strategy had a clear message on China that has not changed. But our diplomacy — how we deal with China and others — now has to take into account the need for pragmatism,” says Vina Nadjibulla, vice-president of research and strategy at the Asia Pacific Foundation of Canada.

Looking to Australia

Nadjibulla says that includes the need to stabilise relations with China and have a more constructive dialogue with the country, as the US and Australia have recently been doing.

Anthony Albanese recently became the first Australian prime minister to visit China in seven years, in a trip that eased tensions in what has been a frosty relationship

in seven years, in a trip that eased tensions in what has been a frosty relationship, particularly since his predecessor called for an investigation into China and the Covid-19 pandemic.

“Australia has demonstrated how you can stabilise relations with China while not giving up on your principles and values,” Nadjibulla adds.

Canadian diplomats are also watching closely as the US tries to stabilise relations with China, which had plummeted to their lowest level since they established diplomatic ties in 1979. President Joe Biden and his Chinese counterpart Xi Jinping met in San Francisco on November 15 for a summit that produced a slight thaw.

Asked whether “pragmatic diplomacy” would include engagement with India and China, Joly says it will.

The spat between Canada and India continues two months after Trudeau’s bombshell claim. But earlier this month there was a nascent sign of better relations when India resumed the electronic processing of visas for Canadians, which was halted after the crisis erupted.

Improving relations with India is particularly important for Canada given that 1.3mn people in the country — or 4 per cent of the population — claim Indian heritage. Despite the public rhetoric between the two capitals, Canada and India have continued discussions in private.



Justin Trudeau and his Indian counterpart Narendra Modi take part in a wreath-laying ceremony at Raj Ghat, Mahatma Gandhi's cremation site, during the G20 summit in New Delhi in September © Sean Kilpatrick/AP

The FT previously revealed that Joly and Indian foreign minister S Jaishankar held a secret meeting in Washington in late September.

But while Canada has maintained dialogue with India, the situation with China is more complicated.

Joly tells the FT it is “definitely a priority of mine” to engage China. Pressed on whether she would travel to China at some point, she responds: “It’s important that I be able to go to different countries . . . including China.”

Philippe Rheault, a recently retired Canadian diplomat who spent much of his career focused on, and working in, China, says Beijing is ready to re-engage but is “somewhat bemused” by the reluctance in Ottawa.

“In Canada, there’s a lot of scarring from the ‘Two Michaels’ episode and a sense that China used coercive behaviour,” says Rheault, who heads the China Institute at the University of Alberta. “That combined with low favourability ratings for China in Canada makes Canadian officials wary of engagement.”

Another former Canadian diplomat says the Michaels case was a “searing, traumatising experience” for Canadians because the pair had almost iconic status as personifications of a “big country trying to bully a small country”.

In September, Trudeau appeared to play down the prospects of a detente with Beijing. He said there would be “no” rapprochement because Chinese actions had made that “more difficult”.

Two weeks ago, Trudeau had a brief exchange with Xi as they gathered for a group photo at the Asia-Pacific Economic Cooperation forum in San Francisco immediately after Biden’s summit with the Chinese leader.

Trudeau said he told Xi their teams should try to have “constructive dialogue”. In language that alluded to “pragmatic diplomacy”, he said it was “part of the ongoing engagement that Canada needs to have . . . including with countries we disagree with”.

But Lynette Ong, a Canada-China expert at the University of Toronto, says Trudeau’s hands are “really tied” now because the opposition Conservative party is pressuring him to be tough on China. The prime minister is running for a fourth term in a general election that must be held by 2025 but faces increasingly bad public polling numbers.

Regardless of whether Canada reboots its engagement with Beijing, Ong says that Canada has to do more if it is really serious about stepping up its presence in the Indo-Pacific. Other countries in Asia have privately expressed interest in joining the Quad, a security group consisting of the US, Japan, Australia and India.



Protesters outside the Indian consulate in Toronto last month. The spat over the murder of Hardeep Singh Nijjar, a member of a separatist movement pushing for the creation of an independent Sikh state in India, shows how global power relations are shifting © Arlyn McAdorey/Bloomberg

Some are also keen to join Aukus, an Australia-UK-US pact that is primarily designed to enable Canberra to procure nuclear-propelled submarines, but has a separate pillar focused on developing advanced technologies such as hypersonic weapons.

“Unless we get our act together, beef up our security and defence and somehow figure out a way to get invited to join Aukus and the Quad . . . the tough position on China is going to be mostly rhetoric,” says Ong.

Joly declines to say if Canada is interested in joining Aukus. Ottawa is already part of what she calls the “most compelling architecture in the Indo-Pacific” — a reference to CPTPP, a massive Pacific trade deal that was resurrected from the TPP agreement that Donald Trump jettisoned in 2017.

Michael Kovrig, now a senior Asia adviser at the International Crisis Group, says one problem Canada faces is that it has been “sheltered” as other western countries have been adapting to an evolving geopolitical order.

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“Canadians aren’t used to thinking geopolitically,” he says. “But that’s going to be essential for the country to protect itself, maintain influence, and prosper in an increasingly complex and hostile world.”

Berkshire Miller says Canada has, however, put muscle behind its rhetoric in terms of relations with Japan and South Korea, which he says is the most concrete part of the country’s Indo-Pacific strategy, which was unveiled last year. Ottawa has had serious discussions with Tokyo and Seoul on issues such as critical minerals to energy security. The country also participates in a multilateral effort to monitor North Korean compliance with UN sanctions.

For now, Ottawa must grapple with how to approach China and India. But Vincent Rigby, a former national security adviser to Trudeau, says a broader and longer-term critical question is whether Ottawa is responding seriously enough to the rapid decline in the international security order.

“Canada has been a bit of bystander. It has taken measures, but not always in a systematically planned way. We haven’t had a comprehensive foreign policy strategy since 2005 or a national security policy since 2004,” says Rigby, who now works at McGill University. “We are lacking a bit of strategic direction in a world that is being buffeted by change.”

Canada also faces a potentially very turbulent situation on the horizon — the possible re-election of Trump, whose first term in the White House sparked a marked deterioration in relations between Canada and its closest ally.

In interviews in Ottawa, multiple officials and foreign policy experts say Canada is fretting about the prospect of Trump. When pressed on how the country was preparing for that possibility, Joly is extremely diplomatic. “We’ve been always able to work with the administration of the day. The US is our most important ally and best friend.”

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