

VIMY PAPER

**NAVIGATING A WORLD OF
STRUCTURAL CHANGE,
STRATEGIC RIVALRY AND
UNCERTAINTY:
DETERMINING A CANADIAN
INDO-PACIFIC ORIENTATION**

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NAVIGATING A WORLD OF STRUCTURAL CHANGE, STRATEGIC RIVALRY AND UNCERTAINTY: DETERMINING A CANADIAN INDO-PACIFIC ORIENTATION



BY ADAM P. MACDONALD & CARTER VANCE

EXECUTIVE SUMMARY

The last decade has seen a noticeable augmentation in Canada's engagement with the Indo-Pacific region. Whether this activity solidifies into a durable trend or is simply another short-lived spike of interest periodically punctuating the history of an otherwise low priority for Canadian foreign policy is yet to be determined. The emergence of Sino-American rivalry as a system-level feature of and force in global politics, however, should be the impetus for a re-examination of Canada's Indo-Pacific relations. Regional relations are, and should be, based on more than Sino-American rivalry but it is a common paradigm within which all regional states operate, including determining the nature and trajectory of regional order building with ramifications extending far beyond its geographic boundaries. Canada needs a more comprehensive and interlinked Indo-Pacific approach – one that is informed by and operates within geopolitical considerations. In this paper, we sketch out and compare four possible regional orientations Canada could pursue- Minimal Engagement, US-Aligned Confrontation, Regional Involvement and Selective Minilateralism. These orientations constitute different types of strategic thinking necessary to help ensure policy activities are tethered together in meaningful and mutually supportive ways towards achieving national interests across various domains in the current international environment. The federal government is currently known to be undertaking development of an Indo-Pacific strategy, and we feel this work must be conscious of and informed by a number of trends and trade-offs identified here.

The last decade has seen a noticeable augmentation in Canada's engagement with the Indo-Pacific region. Whether this activity solidifies into a durable trend or is simply another short-lived spike of interest periodically punctuating the history of an otherwise low priority for Canadian foreign policy is yet to be determined. Canadian strategic focus has historically and largely remains fixated on the North Atlantic which has inhibited development of a robust regional approach towards what has historically been known as the Asia-Pacific/East Asia, Southeast Asia and South Asia regions, which have become increasingly tethered together and treated as one macro strategic system known as the Indo-Pacific region.¹ This despite the fact that, according to a number of analysts, the Indo-Pacific has become the new centre of political, security and economic gravity in the global system which demands Canada have a robust strategy of engagement.²

The emergence of Sino-American rivalry as a system-level feature of and force in global politics should be the impetus for a re-examination of Canada's Indo-Pacific relations. Regional relations are, and should be, based on more than Sino-American rivalry but it is a common paradigm within which all regional states operate, including determining the nature and trajectory of regional order building with ramifications extending far beyond its geographic boundaries. Canada needs a more comprehensive and interlinked Indo-Pacific approach – one that is informed by and operates within geopolitical considerations.

The term “Indo-Pacific” is used here consciously to reflect 1) the emerging regional concept consensus between regional states that stems from and prioritizes their actions and preferences, including growing coordinated approaches among themselves to structure the normative, political, economic and security frameworks of the region; and 2) acknowledges the fact that the Indo-Pacific region is an ever interconnected strategic system, with resource flows, trade, and geopolitics increasingly tethering the Pacific and Indian Ocean regions together. Japan, India, Australia, and increasingly Indonesia, have been instrumental in developing and fleshing out the strategic rationales and implications of this regional concept, which is gaining growing acceptance from those within the region (such as ASEAN³) and beyond (including the United States and several European states, some of which have crafted their own regional strategies).⁴ These major Asian powers, furthermore, are increasingly working in concert in response to changes in the balance of power associated with the rise of China, becoming more regional

¹ Kim Richard Nossal. "The North Atlantic Anchor: Canada and the Pacific Century." *International Journal* 73.3 (2018): 364-78.

² "Canada as a 21st Century Pacific Power: Towards Broad Diversification in Asia," *Asia-Pacific Foundation of Canada*, January 2020.

³ "ASEAN Outlook on the Indo-Pacific." ASEAN, 23 June 2019, https://asean.org/storage/2019/06/ASEAN-Outlook-on-the-Indo-Pacific_FINAL_22062019.pdf

⁴ Gurjit Singh. "Germany Takes View of the Indo-Pacific." *Observer Research Foundation*, 10 October 2020.

managers in terms of consciously shaping and constructing the geopolitical environment rather than being simply onlookers and participants in the growing Sino-American rivalry.⁵

In this paper, we sketch out and compare four possible regional orientations Canada could pursue- Minimal Engagement, US-Aligned Confrontation, Regional Involvement and Selective Minilateralism - taking into consideration their connectedness to Canada's larger foreign policy, resources and assets requirements and commensurability with regional states' interests. These are briefly summarized in the table at the end. These orientations are not comprehensive 'grand strategies', specifically given the absence of a clear and coherent overarching Canadian foreign policy currently, but constitute different types of strategic thinking necessary to help ensure policy activities are tethered together in meaningful and mutually supportive ways towards achieving national interests across various domains in the current international environment. The federal government is currently known to be undertaking development of an Indo-Pacific strategy⁶, and we feel this work must be conscious of and informed by a number of trends in order to avoid the mistakes made in regards to the region in the recent past.

THE SWINGING PENDULUM OF CANADIAN INDO-PACIFIC INTEREST

Canadian engagement with what is now the Indo-Pacific has a checkered history featuring small periods of great activity but has never been a top tier priority, with fluctuations largely being a function of the availability of capacity rather than deliberate elevation as a high level interest (within these regions, what was known as the Asia-Pacific, specifically Northeast and Southeast Asia, was where Canada was most engaged, relatively speaking, than South Pacific or South Asia). The past number of decades have continued this cycle of boom and bust. The 1990s witnessed a period of multi-pronged and sustained engagements, including Canadian participation in the establishment of the ASEAN Regional Forum (AFR); the South China Sea Dialogues; a number of Track 1.5 and 2 processes; peacekeeping forces to the UN mission in East Timor; and active promotion of trade, specifically 'Team Canada' missions to China. These efforts began to erode, however, by the 2000s with Canada focused on North American economic integration via NAFTA, 9/11 and the resultant War on Terror, and the overall reduction in foreign engagements as a result of the 2008



⁵ Rory Medcalf. *Indo-Pacific Empire: China, America and the Contest for the World's Pivot Region* (Manchester: Manchester University Press, 2020).

⁶ Jeremy Nuttall. "As Relations with Beijing Sour, Canada Works on an Indo-Pacific Strategy. But No One Will Talk About it." *Toronto Star*, 03 September 2020, <https://www.thestar.com/news/canada/2020/09/03/as-relations-with-beijing-sour-canada-works-on-an-indo-pacific-strategy-but-no-one-will-talk-about-it.html>

recession. Trade promotion and pursuits, however, continued and in many ways became Canada's de facto regional policy.⁷

The pendulum has swung back towards augmented engagement in the 2010s with a particular focus on free trade deals (including with South Korea, the Trans-Pacific Partnership and now defunct talks with China); renewed diplomatic efforts to be included in the region's premiere forums; and increased military deployments, exercising with regional militaries and participating in international security missions. As well, relations with India began to improve during this time with a state visit by then Prime Minister Harper in 2012 and a reciprocal visit by Indian Prime Minister Narendra Modi in 2015, the first such visit to Canada for an Indian Prime Minister in over four decades.⁸ Prime Minister Harper, also, made a visit to China in 2009, somewhat thawing the distant approach he had adopted towards Beijing since coming into power in 2006. Canada has been active, to varying degrees, in contributing staff and operational assets towards international counter-piracy and counter-terrorism missions in the Red Sea, the Gulf of Aden, the Gulf of Oman and the Indian Ocean since 2001⁹; but these were framed and pursued within the context of the Global War on Terror more so than developing a strong and sustained regional presence, building strong connections and partnerships such as with India.

These regional moves have been welcomed by several observers. However, they also assert they must be informed and supported by a strategy which places them on a long-term footing to ensure committed participation in the world's most important geo-strategic region.¹⁰ Alongside attempts to further governmental, military and industry ties, people-to-people relations are increasingly becoming part of, and important to, Canadian-Asian relations including growing numbers of foreign exchange students and Canadians of Asian descent.¹¹ While awaiting a regional

⁷ Jeremy Kinsman. "Beyond Trade: Making Canada Matter in Asia," *Policy Options*, 01 September 2012, <https://policyoptions.irpp.org/magazines/canada-in-the-pacific-century/beyond-trade-making-canada-matter-in-asia/>; Jinelle Piereder, and Alex Brouse. "Gone AWOL? Canada's Multi-track Diplomacy and Presence in the Asia Pacific," *Canadian International Council*, 08 June 2018, <https://thecic.org/en/gone-awol/>

⁸ Canada-Indian relations were severely strained during the preceding decades by a number of issues including India's first nuclear test in 1974 (with accusations the fissile material for the bomb was illegally obtained from an imported Canadian nuclear reactor), the Air India Flight 182 terrorist bombing and the 1998 nuclear weapons tests by New Delhi. Budwar Prem. "India-Canada Relations: A Roller-Coaster Ride." *Indian Foreign Affairs Journal* 13.1 (2018): 2-10

⁹ "Operation Artemis." *Department of National Defence*, September 2020, <https://www.canada.ca/en/department-national-defence/services/operations/military-operations/current-operations/operation-artemis.html>

¹⁰ Simon Palamar and Eric Jardine. "Does Canada Need a New Asia Policy?" *Canadian Foreign Policy Journal* 18.3 (2012): 251-63; David S. McDonough. "Canada, Grand strategy and the Asia-Pacific: Past Lessons, Future Directions," *Canadian Foreign Policy Journal* (2013) 18:3, 273-286; Adam P. MacDonald, "Rough Waters Ahead? Setting a Course for Canada's Augmenting Military Relations and Operations in the Indo-Pacific Region," *On Track* 24, Summer 2019, <https://cdainstitute.ca/on-track-24-2019/>

¹¹ "International Students in Canada," *Canadian Bureau for International Education*, August 2018, <https://cbie.ca/wp-content/uploads/2018/09/International-Students-in-Canada-ENG.pdf>; "Immigration and

framework or strategy that has been not yet been developed, the current government has committed to becoming a ‘reliable security partner’ of the region in its 2017 defence strategy.

This revolving door of Asia-Indo Pacific focus has not been cost-free for Canada. Regional states, particularly smaller ones who have been instrumental in constructing new institutional forums since the 1990s, are weary of Canada’s capacity-based, not interest-based, approach to engagement. As a result, Canada is largely seen as a ‘fair-weather friend’ whose commitment to the region is tenuous, resulting in exclusion from full participation in numerous high level venues such as the East Asia Summit and the ASEAN Defence Ministers’ Meeting Plus.¹² Furthermore, the dissociation between Canada’s trade/investment pursuits and diplomatic/security ones runs counter to prevailing thought and practice in the region. This acts to undermine any attempt by Canada to be accepted as an ‘all-weather friend’ whose interest and participation is comprehensive and constant. Canada faces a choice about whether it will work to develop and institutionalize a coherent and credible approach to the region or simply leave it to the whims of when and whether it has excess capacity to do so away from its core regional priorities and pursuits anchored in and around the North Atlantic. Structural changes that are currently and will continue to impact Canadian foreign policy in general and its Indo-Pacific relations, specifically Sino-American rivalry, should be the strategic impetus for determining a long-term orientation towards the region.



A CHANGING WORLD

The world is undergoing a period of profound change characterized by the growing centrality of Asia in global politics and economics and the relative decline of Europe and North America, altering international balances and networks of power. Such change, unfolding over the past number of decades, has in part been anchored on stable relations between the United States, as the world’s sole remaining superpower, and China, specifically facilitated via the policy of engagement accelerating the integration of the latter into the global economy and liberal order developed and maintained by the former. Today that approach is collapsing, both due to the changing nature of China and the United States, their relationships to the international order and the burgeoning rivalry between them, in Asia and elsewhere. These trends create an environment of uncertainty in which Canada, and other states, must attempt to adapt to.

Ethnocultural Diversity in Canada,” *Statistics Canada*, 2011, <https://www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-010-x/99-010-x2011001-eng.cfm>

¹² James Manicom, “Canada Must Prove it’s Not a Fair Weather Friend to Asia,” *Centre for International Governance Innovation*, 07 January 2014, <https://www.cigionline.org/articles/canada-must-prove-its-not-fair-weather-friend-asia>

These developments challenge foundational assumptions about the global balance of power, the nature of the international system and the post-World War II liberal order, leading to calls by many observers for a review of Canadian foreign policy in its entirety.¹³ Re-examination depends on assessments on the nature of the international environment and its future trajectory, which informs how states go about prioritizing and securing their interests within it. Canada faces several uncertainties in this regard:

- 1) *Whether the United States maintains its global leader and Western hegemonic role and remains a committed allied and benevolent continental security partner to Canada.* Many Western and Asian states share similar concerns as the United States over the intentions and growing power of China, but are weary about



America's commitment to the current order and the end-state (if there is one) envisioned regarding their burgeoning strategic rivalry with China, which has become a bipartisan matter and is expected to become a major, if not the, national security focus moving forward; what role(s), asks and conditions Washington sees for its allies in responding to a more assertive China in this remains unclear.¹⁴ Furthermore, despite Donald Trump's loss in the November 2020 election, the damage done to global partnerships, institutions and Canada-US relations has been profound and will require intense commitment from both sides to rehabilitate, and even if successful may give Ottawa pause to reconsider its relationship moving forward.¹⁵ The central question is what type of international actor is the United States expected to be - alienated and retrenching hegemon, return to defender

¹³ Justin Massie, "The End of Illusions: Towards an Independent Foreign Policy in a Disorderly World," *Network for Strategic Analysis*, 14 August 2020, <https://ras-nsa.ca/publication/the-end-of-illusions-towards-an-independent-foreign-policy-in-a-disorderly-world/>; John Ibbitson, "Canadian Gothic: A Bleak World Has Left Our Foreign Policy Out of Step With the Times," *The Globe and Mail*, 17 July 2020, <https://www.theglobeandmail.com/opinion/article-canadian-gothic-a-bleak-world-has-left-our-foreign-policy-out-of-step/>; Roland Paris, "Navigating the New World Disorder Canada's Post-Pandemic Foreign Policy," *Public Policy Forum*, 16 July 2020, <https://ppforum.ca/publications/navigating-the-new-world-disorder/>

¹⁴ Daniel W. Drezner. "Meet the New Bipartisan Consensus on China, Just as Wrong as the Old Bipartisan Consensus on China," *The Washington Post*, 28 April 2020, <https://www.washingtonpost.com/outlook/2020/04/28/meet-new-bipartisan-consensus-china-just-wrong-old-bipartisan-consensus-china/>; Lindsey Ford, "Refocusing the China Debate: American Allies and the Question of US-China Decoupling," *The Brookings Institute*, 07 February 2020, <https://www.brookings.edu/blog/order-from-chaos/2020/02/07/refocusing-the-china-debate-american-allies-and-the-question-of-us-china-decoupling/>

¹⁵ Wilfred Greaves. "Democracy, Donald Trump and the Canada-US Security Community," *Canadian Journal of Political Science*, 12 August 2020, <https://doi.org/10.1017/S0008423920000542>; Philippe Lagassé and Srdjan Vucetic, "Coronavirus Shows Why Canada Must Reduce its Dependence on The U.S." *The Conversation*, 4 May 2020, <https://theconversation.com/coronavirus-shows-why-canada-must-reduce-its-dependence-on-the-u-s-136357>

of the liberal order, assertive re-negotiator of international order and its hegemonic relations, to name a few- over the next several decades.

- 2) *Engagement has failed to turn China into a more status-quo, liberal power but what type of challenge do they present?* Furthering trade and investment with China assumes a central position in Canadian regional pursuits and its overall economic diversification efforts, but given the increasingly bellicose nature of China - towards Canada and the international order more broadly - is a fundamental rethink in relations necessary? Canadians are increasingly concerned about China and there appears to be a decisive political shift away from returning to the status-quo in relations, but what new type of relationship to pursue remains unclear.¹⁶ Crucial in answering this is determining what type of challenge(s) China presents to Canada and the current international order Ottawa supports. Is China mostly a geo-economic concern (e.g. intellectual property theft, privacy violations of Canadian citizens and state-backed companies altering market dynamics to the disadvantage of Canadian companies and citizens); a geopolitical one (employing its growing economic and military power to alter states' political and strategic alignments towards them, including the weaponization of trade sanctions to pressure others to conform to their political interests such as non-critique of their 'domestic' affairs such as the political status of Hong Kong and the Uighurs in Xinjiang); and/or a systemic/hegemonic threat (determined to introduce a new global order pillared on norms, rules, institutions and relations of their own making which others must operate within)? Such a determination will help inform but not dictate what strategies to adopt to counteract these, which must take into other considerations including working with other partners.¹⁷
- 3) *Interest and ability of 'like-minded' powers to work together in a more concerted way as liberal order providers/managers.* Can and should Canada lead and join efforts to strengthen relations with other secondary powers broadly supportive of the current international order to insulate themselves, and the order, away from the excesses of potential American unilateralist actions at their expense and Chinese (and Russian) attempts to wedge apart their solidarity to further their own strategic projects? What is the feasibility of building such political, economic and military networks around the American hegemonic system? Some potential avenues for the building of this system may include the expansion of the Five Eyes alliance to include key European and Asian powers (e.g. Germany, Japan), expansion of the G7, or the "D10" concept of an alliance of liberal democracies recently floated by the United Kingdom. All of these potential approaches

¹⁶ "Canadian Opinions of China Reach New Low," *Angus Reid Institute*, 13 May 2020, <http://angusreid.org/covid19-china/> ; Jeremy Paltiel. "Facing China: Canada Between Fear and Hope." *International Journal* 73.3 (2018): 343-63.

¹⁷ Jeremy Paltiel and Stephen N. Smith. "China's Foreign Policy Drivers Under Xi Jinping: Where Does Canada Fit in?" *The Canadian International Council*, Fall 2020, <https://thecic.org/en/author/jeremy-paltiel-and-stephen-n-smith/>

face the key question of what role the US will play, given its increasingly unreliable nature as a system order guarantor. Building around the US, through them or taking a layered approach to diffuse reliance on any grouping or relationship are all potentially feasible but would require a high degree of consensus between involved nations.

- 4) *The future of the liberal political economy underpinning Canada's (and the West's in general) with the absence of geopolitical issues in determining economic policy in the post-Cold War Era.* Globalization has in large measure been promoted not only as enhancing prosperity but also improving security, based on the assumption interdependence will further entrench the current order by protecting against any resumption of great power rivalry and war. However, there are growing concerns about whether such openness has made states too vulnerable to coercive practices – evidence in new concepts such as ‘asymmetrical’ and ‘weaponized’ interdependence - and pressure of opponents and adversaries within many aspects of their domestic realms. Should Canada consider a larger state role in the economy, specifically stricter regulations and controlling foreign involvement in a seemingly ever-growing number of ‘national security’ sectors, including telecommunications, critical infrastructure and resources? Should there be incentivization/pressuring of industry - an enormous and costly undertaking - to guide reconstruction of supply chains, at home and/or abroad, towards more trusted partners regardless of market mechanisms and the enormous financial cost of doing so?

Despite the merits of, and growing need, for a foreign policy review, the likelihood of a comprehensive one occurring in the near future is low given the government's attention to addressing immediate and multifaceted aspects of the current pandemic, including expected major domestic reforms which will consume the majority of their focus and resources.¹⁸ Canada, however, must think and plan now for the long-term about the post-pandemic world which is not only shaped by public health matters but altering geopolitical and economic trajectories which appear to be accelerating within the current crisis.¹⁹ Many of the structural changes, strategic rivalry and environmental uncertainties mentioned stem from and flow through the Indo-Pacific region. Any consideration for how to navigate through these in general, therefore, depends on determining the future of Canadian relations with the region in particular. Leaving aside articulation of a grand strategy until a general foreign policy review is conducted, Canada should still undertake an options analysis of their engagement with this region to bring a clarity of purpose and coherence. Four are presented here which are not meant to represent an exhaustive list of possibilities nor be entirely mutually exclusive but assist in conceptualizing higher-level principles

¹⁸ “Costing of Canada's COVID-19 Economic Response Plan,” *Parliamentary Budget Officer*, <https://www.pbo-dpb.gc.ca/en/covid-19>

¹⁹ Richard Haas, “The Pandemic Will Accelerate History Rather Than Reshape It: Not Every Crisis Is a Turning Point,” *Foreign Affairs*, 07 April 2020, <https://www.foreignaffairs.com/articles/united-states/2020-04-07/pandemic-will-accelerate-history-rather-reshape-it>

and logics informing and tying together pursuits and activities across various domains and relations.

MINIMAL ENGAGEMENT

A Minimal Engagement orientation is premised on the Indo-Pacific region remaining a second-tier issue within Canadian foreign policy. Some would argue Minimal Engagement is the current baseline strategy for the region, as evidenced by its scant mention in government policies and positions.²⁰ Serious consideration must be given to adopting an orientation where Canada normalizes a low-level, low-commitment engagement approach not out of habit but in order to support a number of interests. This is not a call for complete retrenchment, as regional interaction would continue along a number of fronts (particularly within new trade frameworks like CPTPP) but rather avoiding over-committing to a region where Canada's focus and presence has been wildly inconsistent. This is particularly so as the Indo-Pacific region is undergoing fundamental change geopolitically in terms of regional actors increasingly debating and discussing how to construct new regional ordering principles, institutions and relations to ensure stability throughout. China promotes the Belt and Road Initiative as a defacto organizing principle of regional integration whereas Japan, India and the United States emphasize a 'Free and Open Indo-Pacific' - a 'rules-based' order where openness of maritime commons, respecting state sovereignty and great power restraint from imposing a hierarchical order are seen as critical in ensuring a stable multi-polar, poly-centric region where layers of 'many belts and many roads' preclude the ability of one power to dominate the region. Others, such as some ASEAN states, support the notion of the Indo-Pacific region but are uncertain of the merits and purposes of a 'Free and Open' one. Specifically, concerns the FOIP is largely anti-China by design – and thus potentially more a source of tension than cooperation- and undermines the centrality and autonomy of ASEAN as a regional player given the architects of this concept are major powers outside of Southeast Asia.²¹ Canada must decide if and how it wants to participate in such processes. There are some arguments to avoid doing so.

Firstly, Canadian trade and security interests remain heavily anchored in North America and the North Atlantic, thus consuming the majority of foreign focus and resources. Attempts at trade diversification, currently and in the past, have never truly pulled Canada away from dependence on an integrating North American economy, particularly with the United States. Furthermore, the conduct of most security operations and practices remain largely within the US and NATO. It remains questionable if Canada could simply layer on top of this intensely tethered

²⁰ For example, then-Foreign Minister Chrystia Freeland's 2017 capstone speech 'Canada's Foreign Policy Priorities' in the House of Commons mentioned Asia just three times while China is only mentioned once. Europe, on the other hand, is mentioned nine times.

²¹ Tomotaka Shoji, "ASEAN's Ambivalence toward the Vision of a "Free and Open Indo-Pacific" Mixture of Anxiety and Expectation." *The Sasakawa Peace Foundation*, 18 September 2018, <https://www.spf.org/iina/en/articles/shoji-southeastasia-foips.html>

Western network of connections another web of interactions with the Indo-Pacific region, or if a decisive shift in political, economic and security priorities from one to the other would be necessary. A number of recent developments, including an increasingly accessible Arctic region, increased tensions between Russia and NATO, the 'America First' strategy of the Trump Administration defined by trade protectionism and questioning of alliance commitments and domestic and continental challenges associated with the COVID19 pandemic have re-centred Canada's energies towards these traditional areas and relationships. Even though the upcoming Biden administration is likely to restore alliance commitments and work on healing these relationships, given polarized and divided nature of US political context, Canada may be looking to lessen security dependence on US. Furthermore, Biden's domestic policy is likely to focus on a 'Made in America' economic approach requiring Canada to continue to focus and negotiate entry into these plans. Is it possible and practical for Canada to pursue deeper engagement with the Indo-Pacific region at the same time as shoring up the 'home base' experiencing such pressures and tensions not seen in recent history?



Secondly, Minimal Engagement would avoid entanglement in emerging areas of tensions between China and the US, including in issues such as the South China Sea and Taiwan. Canadian military assets would still deploy to the region, but perhaps with qualifications about their operating areas and commitments to specific missions and duties. Avoidance of these areas and issues would obviate the need for Canada to develop positions on a number of legal/security matters, including Freedom of Navigation Operations, which could have ramifications in the Arctic.²² Canada could, though, offer to help cover security provision in other regions like the Arctic and Europe to ease any American pressure for assistance and commitment in the Indo-Pacific region. Furthermore, Canada, wary of reliance on China (and others) for certain products and services, may decide to focus on re-shoring certain supply chains at home or within existing trade relationships rather than expanding or configuring them through trade networks in the Indo-Pacific and elsewhere.

Thirdly, amidst this period of enhanced strategic rivalry and increasing willingness of powers like China and the United States to employ a range of coercive methods to ensure compliance, Canada may decide a more modest, less ambitious foreign policy focus is required. Such an approach links the two reservations listed above - shoring up the North America/North Atlantic base while avoiding strategic entanglements in Asia - with a closer to home approach,

²² Adam P. MacDonald, "Canada's Emerging Freedom of Navigation Conundrum," *The Hill Times*, 27 May 2019, <https://www.hilltimes.com/2019/05/27/canadas-emerging-freedom-of-navigation-conundrum/200949>

possibly including developing greater economic and security autonomy away from an unpredictable United States. Such a position has recently been adopted by Australia, increasing their defensive self-sufficiency but narrowing geographical focus towards Southeast Asia and the South Pacific to prepare for an environment of increased Chinese assertiveness and uncertain American commitment to being the region's security provider.²³ During such periods of structural change, 'middle powers' like Canada and Australia may realize they need to be more committed at home than developing new and extensive overseas engagements.²⁴

There are, however, several limitations involved in such an orientation being adopted. It remains questionable whether Canada can adopt a 'light' approach to the region and still expect to benefit from trade/investment opportunities and diplomatic interactions. Minimal Engagement would not result in Canada being a 'fair weather friend' but more of an acquaintance, which changes the expectations of both the region and Canada towards one another. Such an approach, therefore, would permanently relegate Canada to the sidelines of the most important regions of the world, which is and will continue to impact other regions and international issues. Minimal Engagement, also, will not prevent Canada from having to address security strategies pertaining to the Indo-Pacific region as a number of allies and NATO writ large increasingly focus, study and develop approaches for engaging with regional powers and prepare for/adjust to China as a global power.²⁵ Finally, as Canada begins to navigate a world of structural change and great power competition placing large strains on the current international order, working with other secondary powers broadly supportive of the status-quo will be critical. Many of these powers are not just in Europe but Asia as well, including Japan, South Korea, India, Indonesia and Australia. These powers are becoming increasingly powerful not just as regional actors but global participants (such as in forums like the G20) and thus a Minimal Engagement approach may stymie furthering relations with these states.

US-ALIGNED CONFRONTATION

A Confrontation orientation would elevate the Indo-Pacific region as a high priority in Canadian foreign policy, assessing the structural changes - namely the rise of China - within the region as having clear, direct and long-lasting ramifications to Canadian prosperity and security. Under this orientation, China is treated as a systemic rival whose ambitions and practices are designed to bring about a different regional and international order contrary to current liberal

²³ Euan Graham, "Australia's Serious Strategic Update," The International Institute for Strategic Studies, 03 July 2002, <https://www.iiss.org/blogs/analysis/2020/07/apacific-australia-defence-update>

²⁴ Peter Layton. "Is this the Kindleberger Moment?" *The Interpreter*, 28 April 2020, <https://www.lowyinstitute.org/the-interpreter/kindleberger-moment>

²⁵ "NATO Sets its Sights on China," *The Economist*, 09 June 2020, <https://www.economist.com/international/2020/06/08/nato-sets-its-sights-on-china>; Ian Brzezinski, "NATO's role in a transatlantic strategy on China," *Atlantic Council*, 01 June 2020, <https://www.atlanticcouncil.org/blogs/new-atlanticist/natos-role-in-a-transatlantic-strategy-on-china/>

principles, practices and institutions. As a result, Canada would deepen regional alignment with the United States, as our closest ally and regional security provider, to help prevent Chinese regional hegemony, thereby eliminating a possible springboard for Beijing to fulfil more global hegemonic ambitions.²⁶ Such an approach would mark a radical departure from the Canadian regional status-quo which has remained largely silent of the international security concerns about China, emphasizing instead a trade-based engagement approach. The simultaneous and ongoing deterioration of relations with several states, including Canada, due to China's omnidirectional assertive actions gives further evidence they are a revisionist power who will simply not just play by the existing rules but intends to impose new ones to make more pliant regional and international realities to their interests and preferences²⁷; China appears more interested in attempting to restructure the post-pandemic world order in line with its own hegemonic aims than actually combatting it effectively.²⁸



Whether Canada would be so forthcoming in this characterization of China is uncertain, but a confrontation orientation would be evident in a number of large-scale changes in regional engagement. First, Canada would look to reroute supply chains to bypass China, insulating itself from coercive exploitation, including working with other 'like-minded' partners to create new ones - a significantly costly move to incentivize businesses to relocate elsewhere.²⁹ Second, Canada would be an active participant in regional institution building which heavily restricts Chinese ability to manipulate, creating layers of structures and relations with the goal of alleviating states' reliance on Chinese investment and market access. Third, Canada would augment its military engagements with regional partners, particularly those affected and concerned by increased Chinese military power and presence. Examples could include more formal linkages with the Quad, stationing naval assets as part of the US Seventh Fleet in Japan, and operating in coalition contexts in regional hotspots like the South China Sea. Canada, as well, could collaboratively work with regional partners in arms sales and procurement projects, including weapons systems and

²⁶ Hal Brands, "China Has Two Paths to Global Domination," *Foreign Policy*, 22 May 2020, <https://foreignpolicy.com/2020/05/22/china-superpower-two-paths-global-domination-cold-war/>

²⁷ Steven Erlanger, "Global Backlash Builds Over China Over Coronavirus," *The New York Times*, 03 May 2020, <https://www.nytimes.com/2020/05/03/world/europe/backlash-china-coronavirus.html>

²⁸ Bruno Maçães, "China Wants to Use the Coronavirus to Take Over the World," *National Review*, 03 April 2020, <https://www.nationalreview.com/2020/04/coronavirus-pandemic-china-seeks-increase-geopolitical-power/>

²⁹ Shruti Srivastava and Isabel Reynolds, "Japan, India and Australia Eye 'Supply Chain Pact' to counter China," *The Japan Times*, 23 August 2020, <https://www.japantimes.co.jp/news/2020/08/23/business/economy-business/japan-india-australia-supply-chain-china/>

platforms effective in operating in an Anti-Access/Area Denial environment like missile defence, unmanned vehicles and submarines.

A US-Aligned Confrontation orientation entrenches a balancing approach to the region for Canada, specifically in counteracting China's ability to alter economic and security networks decisively in their favor. Such an orientation may be welcomed by some in the region who are increasingly reconfiguring their military and national security strategies to protect themselves against Chinese bellicosity, such as Australia and Japan, including working together in more formalized ways with respect to military training and operations and supply-chain re-routing.³⁰ Despite concerns about American regional commitment, the central security structure remains the hub and spoke defence relationship which runs through and is backed up by American power, and thus any confrontation orientation would largely run through and support these existing networks. Other approaches and networks, such as the Quad, are forming between Asian states but they are currently aimed at augmenting this core rather than replacing it. Asian states may be acting to create such networks as a security hedge for the long-term, but the US, even under the Trump administration, showed little signs of military retrenchment from Asia.

There would be significant risks and costs, however, of such an orientation being adopted. Most significantly would be a complete fundamental transformation of relations with China and whether Canada is willing to bear the expected backlash from Beijing with the more direct imposition of security issues as a defining feature of any new relationship; a test case of such changes is currently ongoing in Australia³¹. Overlaying, also, of Cold War strategies of containment in the present day context obscures the fact that China is already an integrated power in the world's most important political and economic networks and thus far different strategies are needed to compete against Beijing. Despite moves by some states to lessen their dependence on critical supply chains from China, this does not mean they are seeking a full-scale decoupling. This is evidenced by the recent signing of the Regional Comprehensive Economic Partnership, by some measures the largest trade deal in history (despite India pulling out and the US being a non-participant), demonstrating China's continued inclusion in regional trade rules writing and organization. As well, it is unclear if Canada is ready to fully commit to defending allies and sea lanes in Asia as they are in Europe, where Canada regularly deploys military forces due to a deeply held governmental and societal acceptance of the need to support allies there. Furthermore, a

³⁰ Patrick Gerard Buchan and Benjamin Rimland, "Defining the Diamond: The Past, Present, and Future of the Quadrilateral Security Dialogue," *The Center for Strategic and International Studies*, 16 March 2020, <https://www.csis.org/analysis/defining-diamond-past-present-and-future-quadrilateral-security-dialogue>

³¹ Natasha Kassam, "Great Expectations: The Unravelling of the Australia-China Relationship," *The Brookings Institute*, 20 July 2020, <https://www.brookings.edu/articles/great-expectations-the-unraveling-of-the-australia-china-relationship/>; Su-Lin Tan, "Why Has the China-Australia Deteriorated into What are Some Calling 'Trade War 2.0'?", *The South China Morning Post*, 01 July 2020, <https://www.scmp.com/economy/china-economy/article/3091182/why-has-china-australia-relationship-deteriorated-what-some>

‘Anyone But China’ approach - rerouting economic supply chains away from and mobilizing and preparing military forces towards countering China - would encounter a number of obstacles, including whether there exist available and compatible trade partners to replace Chinese markets/investment and the degree to which Canada is willing to strengthen relations with countries given common apprehensions about China to the detriment of other concerns or considerations, including Russia, Vietnam and India. Common strategic concerns among a number of states will not necessarily result in strategic harmony between them on how to approach the issue nor resolve or marginalize other divisive matters in these relationships.

Another risk is the loss of autonomy as an independent actor, depending on how close Canada aligns its regional approach with the United States. Too close ties may result in Canada being seen as simply an appendage of American power, which China already views Canada as, and thus excluding other possible roles, inhibiting certain relations and de facto adopting American positions on security issues with implications for the Indo-Pacific region and beyond. As well, real trepidations exist as to the future of the United States’ regional role and presence, oscillating between abandonment and imposition of a China containment policy.³² With respect to the latter, there are concerns aggressive American moves towards economic decoupling, pushing allies to deny Chinese companies access into their critical infrastructures, and an increasingly military-centric view of great power competition informing regional policies threatens to fracture the region into spheres of influence based on these exclusionary pressures which many in the region do not want, especially within Southeast Asia. Many Asian states are looking to avoid exclusively choosing between the US and China, and instead ensure an inclusive regional order is developed that is minimally acceptable to both, meaning re-adjustment of roles and expectations of each, as well as ensuring their autonomy to the furthest extent possible.³³ Aligning too closely with the United States to balance China, therefore, risks undermining Canada’s room for maneuver and relationship building in the region, especially with non-US allies.

REGIONAL INVOLVEMENT

A Regional Involvement orientation most closely resembles Canada’s approach to the region over the past several years, including a renewed determination to seek and gain acceptance into a plethora of multilateral institutions though the success and level of commitment can be

³² Nyshka Chandran, “US Efforts to Woo Back Asia-Pacific Countries, But These Efforts Aren’t Yet Paying Off,” *CNBC News*, 09 January 2019, <https://www.cnbc.com/2019/01/09/us-efforts-to-woo-back-asia-pacific-have-yet-to-take-effect.html>; Charles McDermid, “Southeast Asia Has Major Doubts About US Reliability in the Region, but Still Wary of China: Survey,” *South China Morning Post*, 07 January 2019, <https://www.scmp.com/news/asia/southeast-asia/article/2180924/southeast-asia-has-major-doubts-about-us-reliability-region>

³³ Lee Hsien Loong, “The Endangered Asian Century America, China, and the Perils of Confrontation,” *Foreign Affairs*, July/August 2020, <https://www.foreignaffairs.com/articles/asia/2020-06-04/lee-hsien-loong-endangered-asian-century>

questioned. Engagement that is both broad in scope and deep in terms of participation would assist in ensuring Canada is accepted as an ‘All-Weather Friend’ with the elevation of Indo-Pacific relations as a top tier interest and priority. While relations with China and the United States are vital and would be maintained, including continuing to work within China-based institutions like the Asia Infrastructure Investment Bank, the emphasis would be more on other regional partners, forums and institutions.

In contrast to the logics of the avoidance approach of Minimal Engagement and the Anyone But China approach anchoring Confrontation, Regional Involvement is focused on playing an active role in regional ordering which is not based on a specific configuration/end-state but ensuring a number of principles inform this process. This includes maintaining an open region for trade and investment, inclusiveness in security, political and economic institutions, and preserving the autonomy and role of smaller powers, specifically within ASEAN. In this way, Canada can signal and play a more nuanced role and not be seen as simply an American lackey but an autonomous actor focused on helping create a stable region where great powers did not exclusively dictate the terms of regional ordering. The overall goal would be to support regional institution-building that is not anti-China in focus but rather constructs a regional order that is minimally acceptable to both the US and China, thereby helping to ensure China’s peaceful rise as a



responsible stakeholder in the regional order and that the United States maintains its key role as a regional security provider. This orientation is based on assumption that the region is moving towards multi-polarity and the best way to marginalize (not eliminate) strategic tensions and rivalries is to build layers of complex and overlapping political, economic and security networks and relations which preclude the ability of any power to construct a unilateral hegemony, insulate against attempts at hard decoupling, and prevent pressures towards exclusionary-based alignments towards either China or the United States.

Priorities would include gaining acceptance into all major Asia/Indo-Pacific forums and use of military, specifically naval, assets as an instrument of ‘maritime diplomacy’ to signal commitment to and facilitating relations with a number of Asian states.³⁴ The focus is on demonstrating Canada as a committed partner by being present and active in a secondary/supportive role rather than developing and acting on a rolodex of specific policy positions on regional ordering and security relations which risks alienating partners and boxing in

³⁴ James Manicom, “Canada’s Return to East Asia: Re-Engagement Through Maritime Diplomacy,” *Centre for International Governance Innovation*, Policy Brief No. 25, July 2013.

Canada's room for political maneuver given its limited presence, power and influence regionally.³⁵ This does not mean Canada should remain agnostic about such matters, but voice its views from a position of interests and values it wants to further more than an upfront articulation of a comprehensive set of policies on regional issues, specifically in relation to regional flash points. Regional Involvement aims to create, strengthen, and further relations not just with regional states' leaderships, militaries and businesses, but people-to-people relations as well. As a result, Canada would invest in facilitating multi-level relations, including resumption of Track 1.5/2 forums, educational and scientific programs and partnerships and support other government pursuits like sister-cities.³⁶ Such efforts require upfront costs and credible commitments to ensure their institutionalization as sturdy and long-term engagements, enhancing social, cultural and educational relations with a dynamic and fast changing region which is poised to become the geo-strategic and economic centre of a global system this century.

At first glance Regional Involvement seems the obvious orientation to pursue, locking-in Canadian participation in the region through multiple streams of effort, focusing on secondary and smaller powers who have been the institutional innovators over the past number of decades, and avoiding being stuck between China and the US in their burgeoning rivalry thus ensuring a degree of autonomy. Whether, however, Canada can be both deeply engaged in the region and in general remain agnostic about the specific order constructed is questionable. In particular, a number of states are increasingly proposing their visions for a 'Free and Open Indo-Pacific' (FOIP) region.³⁷ This term layers a normative framework (Free and Open) to an existing move towards acceptance of a new extra-regional system (Indo-Pacific) given the increasing connections, flows and inter-linked balances of power between these two maritime-regional complexes. FOIP is not solely an American concept, but rather is part of a growing debate between a few Asian powers who use the same term but have different conceptions of it, including India and Japan. Others remain skeptical of the benefit of the FOIP ordering vision (such as many states within ASEAN), while China is outright hostile, interpreting it as laying the foundations of a containment strategy against them.³⁸ With so many powers engaged in the FOIP discussion, can Canada afford to remain ambivalent or will it face increasing pressure to articulate its own specific interpretation of the region and what its major defining political characteristics are? Doing the latter may set up a move towards confrontation with China and its vision of regional order increasingly anchored in the Belt and

³⁵ Patrick James. "Grand, Bland, or Somewhat Planned? Toward a Canadian Strategy for the Indo-Pacific Region," *Canadian Defence & Foreign Affairs Institute*, August 2014.

³⁶ "Pandemic Highlights Potential of 'Sister Cities', *Asia-Pacific Foundation of Canada*, <https://www.asiapacific.ca/asia-watch/pandemic-highlights-potential-sister-cities>

³⁷ Richard Javad Heydarian, "Trump and the Struggle For the Indo-Pacific: Rhizomatic Powers Politics and Competing Visions for XXI Century Regional Security Architecture," *On Track*, Summer 2019, <https://cdainstitute.ca/on-track-2019-5/>

³⁸ Jeff Smith, "Unpacking the Free and Open Indo-Pacific," *War on the Rocks*, March 14, 2018, <https://warontherocks.com/2018/03/unpacking-the-free-and-open-indo-pacific> ; Mark J. Valencia, "What Does a 'Free and Open Indo-Pacific' Actually Mean?" *The Diplomat*, 30 March 2018, <https://thediplomat.com/2018/03/what-does-a-free-and-open-indo-pacific-actually-mean/>

Road Initiative, though not necessarily aligned with the United States as Canada could gravitate towards an alternative FOIP vision advocated. Furthermore, commenting on the specifics of regional order legitimates reciprocal behavior for external actors in other regions like the Arctic where various visions and normative structures of order are gradually emerging.³⁹

Another concern is whether Canada is able and willing to deploy the resources, focus and energies required to become a constant and deeply involved regional participant. This will most likely have to involve a seismic transformation in economic, foreign and military priorities and lines of efforts.⁴⁰ As well, is it feasible and effective to become more engaged and involved towards multiple partners at multiple levels? It is easy to critique that Canada should further efforts with this or that country, or forum, or institution given its 'strategic' importance, but if everyone/thing is important, then nothing is. Perhaps a more effective approach would be more surgical towards a select few partnerships with critical players, ensuring investment of costs and efforts produce tangible benefits for Canada, both in the region and beyond.

SELECTIVE MINILATERALISM

In a Selective Minilateralism orientation Canada would focus on building strong relationships with specific secondary powers which are not just critical actors in the region but also at the international level. Such relationships would help to both reorient/diversify each other's trade and investment away from China and to build an active political and security network based on concerns about the United States' commitment to its security alliances and international order maintenance in general. Building such strategic partnerships serve a duality function of anchoring Canadian regional involvement as well as assist in policy and position coordination at international levels to counteract/withstand the most negative excesses of the strategic rivalry between China and the United States which is becoming manifest in multiple domains and regions.

Many secondary powers are worried about China's revisionist actions and intentions, yet at the same time they also share important misgivings about the direction American strategy is moving in countering Beijing, which under the Trump administration had become increasingly erratic, transactional, and unilateral in nature. For example, there has been a lack of meaningful consultation; pressure to conform to Washington's preferences regardless of their own concerns

³⁹ For example: Marc Lanteigne. "'Have You Entered the Storehouses of the Snow?' China as a Norm Entrepreneur in the Arctic." *Polar Record* 53.2 (2017): 117-30.

⁴⁰ With respect to the challenges of changing military priorities see: Adam P. MacDonald, "A Canadian Naval Turn to East Asia in the Making? Interests, Expectations and Challenges." *Canadian Foreign Policy Journal: The Canada-US Defence Relationship* 20.3 (2014): 334-47; David McDonough, "Canada and the Limits of Maritime Diplomacy," *The Strategist*, 26 June 2013, <https://www.aspistrategist.org.au/canada-and-the-limits-of-maritime-diplomacy/>

and interests; and the absence of constructing or participating in meaningful alternatives, specifically economically and technologically, to Chinese grand projects like the Belt and Road Initiative.⁴¹ Many US allies and partners were concerned that the United States under the Trump administration was no longer a constructive power; that is, it is no longer focused on building, maintaining and ultimately defending an international order that enjoys widespread support among secondary powers. Instead, they feared the US was now fixated solely on confronting (and even containing) China, threatening to collapse all of Washington's foreign policy towards this one objective, even at the expense of order maintenance.⁴² This new grand strategy has been manifest in the abdication of global leadership in addressing a number of pressing non-traditional security challenges such as infectious diseases and climate change, to say nothing about its heavy-handed and highly transactional approach to its many allies. Given the recent victory of Joe Biden, it may be tempting to assume that these issues will quickly go away under a "return to normal" in the new administration. However, Biden's approach to China remains unclear, and lacking in specifics. He has not specifically promised, for instance, to revive US participation in the CPTPP or create new alliance frameworks in Asia to counter China. Certainly, a Biden administration is likely to be more accommodating and less rhetorically abusive to regional allies but it is likely that those allies will continue to coordinate efforts amongst themselves as they no longer wish to rely solely on the US, given their desires for more power and agency in line with their rising economic status and defence capabilities.

There are a number of potential candidates for Canada to seek out strategic partnerships including other American allies (such as Japan, South Korea, and Australia) and larger regional powers who are expecting to become major ones in the future (such as India and possibly Indonesia). Taiwan is an interesting potential partner in this respect as well, but for obvious reasons is a complex case which we comment on in the conclusion. Selective Minilateralism is not necessarily about building a 'third block' to counter China and the United States, but given the erratic and coercive behaviour of the latter there is a growing urge for secondary powers to work more directly and in concert with one another on a number of issues to either develop offshoots if traditional US led institutions and networks collapse and/or to push back against American unilateralism in the hopes of assisting a course correction in Washington's strategic thinking.



⁴¹ Michael H. Fuchs, "How to Lose Friends and Strain Alliances: Washington's Partners Aren't Buying Its China Policy," *Foreign Affairs*, 12 March 2020, <https://www.foreignaffairs.com/articles/china/2020-03-12/how-lose-friends-and-strain-alliances>

⁴² Adam P. MacDonald and Carter Vance, "Disengage or Confront? Canada Faces Strategic Choice in its Relationship with China," *The Hill Times*, 08 July 2020, <https://www.hilltimes.com/2020/06/08/disengage-or-confront-canada-faces-strategic-choice-in-its-relationship-with-china/251903>

Furthermore, Selective Minilateralism could be a catalyst to further relations between allies in Europe and Asia, adding the latter into existing Western dominated organizations and/or creating entirely new ones. Examples would include expanding the G7, inviting Japan in the Five Eyes, and exploring the practicability of the UK's advocacy of a D-10. Such an approach may help synthesize Canada's strong European and North Atlantic relations with wanting to build and entrench ones with several emerging Asian powers across political, economic and security domains. Alongside working within such forums, however, Canada needs to invest heavily in direct relationships with Asian states, tethering together regional pursuits with international ones. One obvious candidate is Japan, a democracy and American ally, which Canada already enjoys strong relations with. Exploring ways to further trade relations, including natural resource exports, and possibly stationing military assets in Japan, especially given Canada's ongoing commitment to North Korean maritime sanctions monitoring, would assist in furthering these relations and elevate to a higher level priority in Canadian foreign policy in general.⁴³

Canada, though, needs to determine the number and intensity of such partnerships it can realistically pursue. As well, the current movement for greater relations between the spokes of American hegemony is largely driven by centrifugal forces - concern around Chinese coercion and American hegemonic alienation - and not necessary by centripetal forces of attraction due to complimentary economic, political and strategic end-states and objectives. Therefore, the degree to which these can be developed and institutionalized in a deep and meaningful way requires overcoming obstacles and challenges in these relationships, and ultimately whether common strategic concern *against* something - aggressive great powers and their rivalry with each other - can lead to a common strategic purpose *for* something - agreeing to build new relations and networks. India is an interesting case in this respect for while they have slowly begun to further political and security relations with other Asian powers concerned about China (and American commitment to the region in the long term) such as Japan and Australia, it remains doubtful they would agree to deep involvement in an alternative security order premised on defence commitments to others. Nevertheless, India's change in posture from non-alignment to strategic autonomy does signal an enhanced willingness to coordinate with other powers in the region, and the United States, across several domains. This includes limited defence agreements with respect to training, logistics and information sharing as a broadly aligned effort to preclude the possibility of Chinese hegemony, but with India retaining significant decision-making powers on how to do pursue this on its own terms with limit hard commitment with others. Canada has a long and complicated relationship with India which continues to this day.⁴⁴ Common concern about China

⁴³ Robert Cutler, "Canadian Energy Leadership in the Indo-Pacific Region," *On Track*, Summer 2019, <https://cdainstitute.ca/on-track-2019-1/>; Adam P. MacDonald, "Rough Waters Ahead? Setting a Course for Canada's Augmenting Military Relations and Operations in the Indo-Pacific Region," *On Track*, Summer 2019, <https://cdainstitute.ca/on-track-24-2019/>

⁴⁴ Ketan Mehta, "India and Canada Relations: The Long Road to Recovery", ORF Occasional Paper No. 217, October 2019, Observer Research Foundation.

is a force of strategic gravitation between Ottawa and New Delhi, at least in the sense of not wanting a region/world under Chinese hegemony. Canada should make efforts to reduce conflicts in this relationship to develop a stronger partnership - not just geopolitically but economically to diversify its trade and investment in the region - but must realize many of these issues of tension are decades long and require good faith and common cause, not just strategic necessity, for them to be properly managed and possibly overcome.



As well, it remains highly uncertain if a group of secondary powers, geographically dispersed with varying levels of economic linkages between them, can uphold the current international order in the absence of the United States' leadership. American hegemony, specifically within the North Atlantic and its alliances in Asia, is pillared not just on their preponderance of capabilities but as well the political, economic and military networks they have built by positioning themselves in central nodes of these systems making others dependent on them. Attempting to re-wire these networks around the United States (and away from China) by secondary powers would require not just massive resource investments but highly coherent and coordinated organization and the adoption of a leadership mindset none currently possess, including Canada. Furthermore, it is unclear if these efforts were more a strategy of just 'holding our collective breaths' until Trump was defeated in the November election (with the assumption the United States will 'return to normal' in terms of its foreign outlook and behavior under a Biden Administration) or if this is a genuine long-term attempt to build alternative sub-groupings to hedge against an unpredictable United States and blunt the emergence of Chinese hegemony. Central to this discussion has to be determining whether the maintenance of the liberal order is not only possible but desirable in the current environment. Even if there are serious doubts about the future of the liberal order, moves towards building such a bloc may be necessary to prepare to work together in a more multi-polar world where changes in international and regional ordering are not just inevitable but perhaps radically different than currently constituted.

CONCLUSION

In mapping out these four potential future orientations for Canada's Indo-Pacific policy, we do not seek to be prescriptive. Each of the orientations has some aspects that may be appealing and others that would prove more challenging depending on the values and sought outcomes that policymakers bring to the table. Certain aspects of particular strategies are also not mutually exclusive. For example, Canada could both pursue increased involvement in Asian regional forums and expanded bilateral relationships with particular states in the region (though this would involve an even larger commitment of resources to these activities). Rather than affirmatively stating that Canada should choose a particular future direction in Indo-Pacific policy, the intent of this paper

has been to illuminate some key choices facing policymakers in the coming years and what key considerations those choices should turn on.

Until quite recently trade has been the drawing force towards greater Canadian engagement with the Indo-Pacific. Relationships even with key regional allies have been seen in terms of markets and goods first and foremost, with other considerations at best a distant second. As this paper and the analysis of many others have drawn out, though, Asia is not a region ‘over there’ that can be thought of in such transactional terms. Rather, it is a central element in the global system which will increasingly impact Canada. The growing number and connections within and between Canada’s diverse Asian diaspora communities will also be a domestic pull towards the region. In orienting our policies towards the region, Canadian policymakers must consider strategic and geopolitical elements, rather than searching for easy economic wins. It was previously argued, most particularly in the “end of history” moment following the conclusion of the Cold War, that increased trade and globalization would in and of itself lead to a strengthening of global order principles within a liberal direction. If this was ever true, it no longer is, and Canadian policy must reflect this new reality.

This changing international order is likely to be defined by increasing conflict between the United States and China, whose already tense relationship has been further undermined by the fallout from COVID-19. As a country caught in the middle of this geopolitical rivalry, but whose key economic and security relationship has been with one side for most of its modern history Canada faces unique challenges in navigating the new terrain. Extreme scenarios, such as Canada breaking with the United States entirely and becoming oriented towards China in its geopolitical outlook, can be ruled out but beyond this the future of these relationships is highly unclear. Canada-China relations were fraught even before the current pandemic, and arguably have been off-track since the breakdown of free trade talks in the summer of 2018 and the ongoing arbitrary detention of the two Michaels. Meanwhile, the United States has shown it can be an increasingly erratic and unreliable economic and security partner. Though some of this relationship strain was doubtless due to the unique nature of the Trump administration, certain patterns of behaviour are likely to persist even in the presence of new political leadership and American political polarization will remain a defining force in the country’s domestic politics which will impact its foreign policy.

With US-China rivalry shaping global affairs as a system level force, a key question for nations interested in pursuing a continuation of rules-based global order is how to effectively wed regional approaches to global vision. Some may say that different regional strategies need not necessarily cohere together at a higher level, that interests and relationships can be dealt with in a focused and localized way. Though this may hold true for other regions and may have been true of Asia in the past when it was not as central to global power dynamics, it is now not a fully tenable position. Simply put, relationships within Asia now exist in a feedback loop to wider global strategic orientations such that they cannot be cleanly separated from each other. This means that

efforts both need to be made to address Asia as one addresses the world at large and to incorporate regional actors into wider strategic dialogues and thinking.

Finally, Canada faces difficult choices in terms of promoting values and interests within Asia, especially if it wishes to build more substantive ties with both regional forums and individual states. Put simply, Canada is unlikely to be welcomed with open arms as a trusted partner if it pushes what it believes to be best in terms of human rights, democracy promotion and the like, if this is in conflict with the values and interests of local actors. This is not to say that policy should reflect an indifference to these concerns (such as the situations of the Rohingya in Myanmar or Uighyrs in China), but that Canada will need to be strategic and judicious about how, when and with whom these concerns are shared. We should also not fall into the trap of assuming all regional actors share the same underlying values and concerns even as they may align with Canada on some key issues. Policymakers must be honest and clear-eyed about how much of a divergence from our values and norms will be tolerated in the interest of accomplishing other objectives in partnership with regional nations. Conversely, there are instances where closer alignment on a values basis may be obvious or desirable but may lessen the ability to achieve other regional goals.

Relations with Taiwan are an example of this, as a nation which Canada does share much in common with values wise but must nevertheless tread cautiously on increased ties due to the wider geopolitical context. All four of the orientations presented above would have effects on Canada's relationship with Taiwan and acting on and within the bounds of Ottawa's One China Policy. Minimal Engagement and US-Aligned Confrontation would most likely have the largest effects on the military and security realms, the former motivating extreme caution in sailing Canadian naval forces in proximity to Taiwan (specifically through the Taiwan straits) whereas the latter could lead to discussions of how to develop security relations with Taiwan, possibly in some form of trilateral exercise with the US. It is important to realize, however, that the US prefers security matters with Taiwan remain a strictly bilateral issue between these two as Washington maintains its dual-deterrence approach in China-Taiwan (detering the former from using force to reclaim the latter, and deterring the latter from declaring de jure independence).

Canadian efforts towards furthering relations with Taiwan would most likely be better served by non-military means. Specifically, a Regional Involvement and/or Selective Minilateralism approach could see Canada try to find common purpose with other regional states to explore ways to further include Taiwan in political and economic forums, not as an aggressive act towards China's but in recognition of the positive contributions the island-nation could make in these. Canada's support of international efforts to get Taiwan Observer Status in the WHO, particularly given its successful COVID approach, is in line with this sentiment. These efforts do not conflict with Canada's (not China's) One China Policy and Ottawa should not be afraid to further these initiatives when it makes sense to do so. While a more fleshed out set of recommendations would require an entirely other paper, the key issue of importance here is

whether Canada decides to pursue its Taiwan engagements bilaterally or is active in seeking more common positions with other states, like Japan, on these matters, or a mixture of both depending on the circumstance.

To briefly conclude, when discussing likelihood that any of the strategic orientations above discussed can provide sufficient guidance through the thorny geopolitical questions that confront Canada's relationship with Asia, there is no silver bullet. Each approach contains attendant costs and tradeoffs, as well as assumptions about the wider geopolitical environment and its future in a highly uncertain context. If there is a dividing line in approach, it is both at the level of ambition and at the level of overall goal. The choice for Canada in the Indo-Pacific region is fundamentally between supporting the building of a new regional order which is in some degree of accordance with our interests and is acceptable to other stakeholders or simply to focus on how best to secure our interests within the current one, despite confronting intense instability therein.

(See Table One below)

Table One: Canada's Indo-Pacific Orientations

Orientation	Purpose	Environmental Assumptions	Impact on Canadian Foreign Policy	Feasibility	Alignment with regional priorities
Minimal Engagement	<i>Avoid</i> conflict and confrontation with the US and China; focus on priority regions facing major challenges	China-US rivalry pronounced and anchored in Indo-Pacific, specifically East Asia; will continue to intensify over time	Lessening of regional commitments; 'acquaintance' status in region; focus on 'home' front, not expand foreign engagements	Sidelined in critical region undesirable; in the short term possible but likely to be pulled in by events eventually	Minimal, other than in that it ostensibly balances between US and China by not actively siding with one; will not be accepted by region as a credible partner
US-Aligned Confrontation	<i>Confront</i> China through working with US and her allies to prevent Chinese regional and global hegemonic pursuits	China: a revisionist, systemic power; US maintains role as regional and global security provider	Align more tightly with the US; limiting policy autonomy and independent role; radical change in China relations	Uncertain commitment to defend allies & interests in Asia like in Europe; Cold War approach to China doubtful	Aligns with some regional actors, but not most. Would likely be seen as aggressively favoring American interests, not the region's
Regional Involvement	<i>Assist</i> in regional order building to secure smaller regional states' autonomy and limit effects of China-US rivalry	Multiple and overlapping institutions and networks key in limiting detrimental effects of China-US rivalry	Substantial elevation of and shift in approach towards Asia as top geopolitical priority; becoming 'all-weather friend'	Re-prioritization of region doubtful given domestic/core region focus in COVID world; ability to avoid regional order debates	Aligns with the priorities of most regional actors who want to build an inclusive yet polycentric regional order where they have high degree of autonomy
Selective Minilateralism	<i>Build</i> strategic partnerships with key regional actors broadly supportive of international order given Chinese bellicosity and American unpredictability	European and Asian secondary powers desire to build networks to insulate against China-US rivalry at regional and international levels	Linking European and Asian allies together; "agree to disagree" on certain policy areas in terms of choice of allies; less reliance on US; more coordination against China	Large psychological, resource and organizational capacities needed; unclear if order can be maintained by such a configuration	Aligns with priorities of most regional actors, balances between the US and China, and seeks to integrate larger regional powers into the global order in substantive way; smaller regional powers may feel overlooked though