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THOUGHTS ON CANADA'S "OLD" Horizon of opportunity in The Indo-Pacific Region

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The Honourable Mélanie Joly, the Minister of Foreign Affairs, launched Canada's new Indo-Pacific Strategy in Vancouver on 27 November 2022.¹ The Strategy is well-meaning, ambitious, aspirational, and forty years late! Trans-Pacific trade surpassed trans-Atlantic trade in 1983² and while there were a number of expressions of interest in the region's potential, for example, the establishment of the Asia Pacific Foundation of Canada in 1984³ and the hosting of the AsiaPacific Economic Cooperation meeting in 1997, the federal government failed to articulate an engagement strategy for what was, undoubtedly, the world's most dynamic economic region. Furthermore, at the very time that the People's Republic of China (PRC) was rising from the 10th to the second largest economy on earth, Ottawa's interest, in what was then called the "AsiaPacific", waned steadily.4 Thus, communities of Canadian scholars knowledgeable about Asia, saw their funding wither away while Ottawa

focused on the Wall Street recession of 2007-08 and the war in Afghanistan.

The arrest of Meng Wanzhou, the Chief Financial Officer of the Chinese communications giant, Huawei, at Vancouver Airport in December 2018, changed all that. The Americans had issued an arrest warrant for Meng, on the grounds that she had allegedly defrauded the Hong Kong Shanghai Bank Corporation, and the Canadian authorities executed the warrant. Shortly, thereafter, the Chinese government retaliated by imprisoning two Canadians, Michael Kovrig and Michael Spavor.⁵ This case galvanized Canadian public opinion and raised the longdelayed but inescapable question: "What was to be Canada's relationship with China-and by extension, the Indo-Pacific region-in the future?"

Canada was not alone in this reassessment. There were already a host of warning signs. President Xi Jinping had come to power in the PRC in 2012 and the Chinese Communist Party (CCP), traditionally opaque, brutal, and secretive, had become increasingly repressive at home and aggressive abroad. Indeed, Chinese coercion, arrogance, and threatening behaviour had triggered a worldwide pushback against the PRC. The American President, Donald Trump, had initiated punitive trade measures against China, NATO had begun to reassess

¹ Government of Canada, "Canada's Indo-Pacific Strategy", PDF Version, November 2022

² Reeves to Boutilier: Personal Communication, 19 January 2023

Peter Swartz, "The US Navy in the world (1981-1990) Centre for Naval Analysis, December 2011, 6

³ Asia Pacific Foundation of Canada website.

[&]quot;The Asia Pacific Foundation of Canada, created by an Act of Parliament in 1984, is an independent, not-for-profit think-tank on Canada's relations with Asia".

⁴ World Bank, "List of countries by largest historical GDP".

⁵ CBC News, "The Meng Wanzhou Huawei Saga: A Timeline", 25 September 2021.

its relationship with the PRC, and a number of European states had had the temerity, in Beijing's eyes, to publicly criticize aspects of Chinese foreign policy.⁶

All of this was part of a larger loss of innocence on the part of the western world. For decades, American policy makers and others had embraced the view that given the right support and opportunities—like membership in the World Trade Organization -the PRC would become more and more liberal in its outlook. By 2010 they had come to realize that this approach was bankrupt; that the CCP was becoming, if anything, more authoritarian and more hostile to western values and interests.7 It was not for nothing that the Oxford University political scientist, Stein Ringen, entitled his 2016 account of contemporary China, The Perfect Dictatorship.8

Canadians had already been alerted that there were disturbing dimensions to their relationship with the PRC. In 2010, Richard Fadden, the head of the Canadian Security and Intelligence Service (CSIS), had warned, in a guarded manner, that foreign states (a term which most people took to refer to Russia and China) were engaged in industrial espionage and efforts to influence Canadian

domestic politics. Regrettably, Fadden's wellintentioned warnings fell on stony ground and he was roundly criticized for raising such awkward matters.9 In 2019 (only a month after Madam Meng's arrest), the deeply experienced international journalist, Jonathan Manthorpe, published a detailed and damning analysis of the activities of the CCP's UnitedFront Work Department (UFWD) in Canada. This account entirely vindicated Fadden's earlier warning. Manthorpe's book, Claws of the Panda, enumerated the alarming degree to which the UFWD had penetrated Canadian society, intimidated members of the Chinese diaspora, living in Canada, and sought to shape Canadian debates and political campaigns.¹⁰

The federal government, faced with this mounting array of evidence regarding the CCP's true nature, was finally moved to action. However, the gestation process for the Indo-Pacific Strategy was attenuated and uncertain, to say the least. Delay followed delay and there was a lack of transparency about what was happening and who had been selected to draft the Strategy. Eventually, in June 2022, Global Affairs Canada (GAC) announced the composition of the Indo-Pacific Advisory Committee. There were to

⁶ Alan Dupont, "Gloves off in US pushback against China", <u>The Australian</u>, 2 June 2018. John Pomfret, "As China-US feud enters uncharted territory, Beijing can only blame itself", <u>Washington</u> <u>Post</u>, 26 September 2018.

⁷ James Fallows, "China's Great Leap Backwards", <u>The Atlantic</u>, December 2016, 1-23.

⁸ Stein Ringen, <u>The Perfect Dictatorship: China in the 21st Century</u> (Hong Kong: Hong Kong University Press, 2016).

⁹ CTV News, "Chinese Canadians Demand Explanation from CSIS Head", 2 July 2010.

¹⁰ Jonathan Manthorpe, <u>Claws of the Panda: Beijing's Campaign of Influence and Intimidation in</u> <u>Canada</u> (Toronto, Cormorant Books, 2019).

be three co-chairs, eleven committee members, and three advisors to the cochairs.¹¹

There is a powerful missionary dynamic underlying Canadian foreign policy and this is clearly reflected in the selection of the committee members and the indigenous and feminist dimensions of the Strategy. A review of the participant's resumes suggests that four members were selected on the basis of their backgrounds in gender studies and women's empowerment. None of these individuals appears to have demonstrable Asian experience or regional expertise. The advisors to the co-chairs had established reputations relative to Asia, but seven members appear to have had little or no Asian experience. Unfortunately, the senior Department of Defence representative appears to have had no experience in Asia, save for a posting in Kandahar.¹²

I can only imagine that there was a full-scale theological debate at the beginning of the committee's deliberations as to what constituted the "Indo-Pacific". The term is often attributed to the late Shinzo Abe, the Japanese prime minister, but the term began to appear in the literature some years before his usage in 2007. Policy analysts argued that the two great oceans—Indian and Pacific were inextricably linked by commercial sea lanes (roughly 90,000 ships a year pass through the narrow, connecting Strait of Malacca), regional naval operations, and great power ambitions.¹³ Whatever the case, the term "Indo-Pacific" has now gained widespread currency particularly in view of the steady incorporation of India into regional groupings and global trade flows. However, that still leaves some perplexing questions. If India is included, so far so good, but where does one draw the westernmost frontier of the Indo-Pacific? I think that the committee decided, quite rightly, to terminate the Indo-Pacific at the Khyber Pass.Unfortunately, that leaves Afghanistan out of the picture. I say "unfortunately" because Afghan women and girls, who are subject to the most egregious and brutal treatment at the hands of Taliban, lie beyond the feminist and empowering scope of the Strategy.¹⁴

Similarly, we could query the absence of South American states, like Chile and Peru, that have growing ties with Asia. Australia and New Zealand are referred to, in passing, particularly with regard to their indigenous communities, but otherwise are absent from the discussion. On the one hand, one could argue that the forty nations covered in the report are quite enough. On the other hand, the Australian cities of Sydney, Melbourne, and Perth are among the greatest recipients of Canadian foreign direct investment, a critical element in the overall Indo-Pacific trade landscape. Still further, since there is a strong defence and security dimension to the Strategy, Canada should position itself as a future member of AUKUS, the Australian-United Kingdom-United States defence

¹¹ Global Affairs Canada, "Minister Joly announces new Indo-Pacific advisory committee", 9 June 2022.

Margaret McCuaig-Johnson, "Canada Joins the Indo-Pacific Strategy Club", The Diplomat, 29 November 2022.

¹² Global Affairs Canada, 9 June 2022.

¹³ Mercy Kuo, "The Origins of 'Indo-Pacific' as a Geopolitical Construct", <u>The Diplomat</u>, 25 January 2018.

¹⁴ Anon., "The Taliban and Afghan Women", Feminist Majority Foundation website, 2023.

arrangement that has far more to do with trilateral defence cooperation than the provision of nuclear powered (but not nuclear armed) submarines to the Royal Australian Navy (RAN).¹⁵

Trade looms large in the Strategy which is hardly surprising. It is an activity indeed, a wide array of activities-that is of vital interest to governments, municipalities, companies and citizens. There is, nevertheless, a profound irony that underlies the emphasis on trade. As the Strategy makes clear, seventeen years from now the Indo-Pacific is scheduled to represent 50 percent of the world's GDP. It is a commonplace to say this now, but what we have been witnessing over the past four decades is the global centre of economic gravity migrating from the Euro-Atlantic to the Indo-Pacific. The overall trade "pie" has grown colossally during that period but Canada's share of the pie has, for the most part, not kept pace with that expansion.¹⁶ Like many others, Canadians were suitably impressed by the explosive growth of the Chinese market but Canadian merchandise exports to the PRC amount to only 4 percent (while imports run at 12 percent). As the Strategy notes: "...the rise of the Indo-Pacific can create extraordinary local benefits, as well as increase prosperity and drive economic growth across Canada (p.4)" True, but past performance suggests that this is going to be an uphill struggle.

Early in the Strategy the authors list five "interconnected strategic objectives", (though some might argue that they were more pathways to objectives whose degree of achievement needs to measureable) namely, promote peace, expand trade, connect people, build a green future, and become "an active and engaged partner in the Indo-Pacific (p.8)". All well and good: these are certainly commendable aims. However, I would suggest that the fifth objective should come first; that the great and enduring failure of Canada over the years is to have been perceived as endlessly unengaged.¹⁷ Now, one could argue that if Canada attends to the first four objectives, the fifth objective will be achieved as a matter of course. However, my experience over decades in the region is that my interlocutors constantly complained about Canadians who turned up episodically and then were nowhere to be seen! This is a critical perceptual deficit that has to be addressed whether the critique is justified or not. Certainly, the Strategy goes on to make specific recommendations that call for an increased presence, but staving power is going to be essential if Canada hopes to persuade its Asian partners that it is serious about engagement. One of the vital keys to long term success will be bi-partisan buy-in by all of the parties in parliament. Anything less, and the Strategy will end up falling victim to the vagaries of electoral politics.

¹⁵ Government of Canada, "CPTPP Partner: Australia", 30 November 2022. This broadsheet states that Australia is " by far the largest destination in Asia Pacific [of Canadian direct Investment abroad; \$26.5 billion in 2016].

¹⁶ Reeves to Boutilier: Personal Communication, 13 January 2023.

¹⁷ Leonard Edwards and Peter Jennings, <u>Facing West, Facing North: Canada and Australia in East Asia</u>, (Canberra and Waterloo, Australian Strategic Policy Institute and the Centre for International Governance Innovation, 2014), 50.

The Association of Southeast Asian Nations or ASEAN is identified in the Strategy as a key focus for Canadian attention. ASEAN, as most Canadians know, is a ten-nation association founded in 1967 (and expanded later to its current membership) positioned on the boundary between the Indian and Pacific Oceans. It encompasses a bewildering variety of states (huge, like the vast archipelagic state of Indonesia, and tiny, like the dynamic and wealthy city-state of Singapore), religions, economies, and cultures. What ASEAN offers up is an opportunity for Canadian trade diversification. That said, there is a worrisome phenomenon taking shape within the ranks of ASEAN that seems certain to qualify the effectiveness of the association as a regional organization. China has reduced two of the member states, Laos and Cambodia, to the status of vassals. Since ASEAN functions on the basis of consensus, it seems highly unlikely that the association will be able to function effectively if any issue inimical to Beijing's interests comes before the body for a vote. Thus, a degree of operational paralysis appears to be in the offing, although it is difficult to divine exactly what the long-term impact will be on the association.18

Readers of the Strategy will hardly be surprised that the Arctic figures in Canada's vision of the Indo-Pacific. As the authors put it politely, "...Canada is conscious that powers in the Indo-Pacific region are looking to the Arctic as a region of opportunity (p.24)". This veiled reference to the PRC, which sees itself by some tortured logic as a "near Arctic nation", leads to the Strategy's assertion that "Canada will advance its standing as an Arctic power and uphold Arctic sovereignty (p.24)". Sadly, the situation would be funny if it were not so serious. In August 2007, Prime Minister Stephen Harper announced that, among other things, Canada would construct an austere refueling base at Nanisivik in northwestern Baffin Island for the use of Royal Canadian Navy (RCN) vessels operating in the eastern Arctic. That facility is now scheduled to be completed in 2025, eighteen years after Harper's undertaking.¹⁹ If this is the pace at which the federal government acts, it is extraordinarily difficult to imagine any foreign nations perceiving Canada as a genuine and dedicated "Arctic power"20.

The Royal Canadian Navy also features in another one of the Strategy's recommendations, namely that three RCN frigates should be deployed annually to the Indo-Pacific region. The workhorses of the fleet are the twelve Halifax-class frigates. On the one hand, these frigates are superb vessels. They can host a diplomatic reception in a foreign port in support of Canada's foreign policy objectives and a moment later, metaphorically speaking, they can set off to sea to enforce United Nations' sanctions or to

¹⁸ Umair Jamal, "Could ASEAN expel Cambodia and Laos over their allegiance to China?", <u>ASEAN Today</u>, 17 November 2020.

¹⁹ CBC News, "Arctic naval refueling station set to open in 2014, 9 years behind schedule", 19 January 2023.

²⁰ Adam Zivo, "Canada's broken tanks evince an unserious security partner", <u>Washington Examiner</u>, 23 January 2023.

engage in hostilities. No other weapon system in the Canadian arsenal has this nuanced versatility. On the other hand, these ships are getting old. They were conceived in the 1970s, built in the 1980s, and delivered in the 1990s. The last of them, HMCS Ottawa, arrived in Esquimalt, British Columbia, in 1996. Now, these ships were designed to have 25-year shelf lives. That means that even the newest vessel is already 27 years old. The oldest is about 33 years old. They have steamed millions of miles, their replacements are a decade or decades away, and the one-inthree rule applies regardless of their futures.²¹ At its simplest, that rule tells us that if we have six ships, only two are likely to be available to deploy overseas. The others will be in work periods or training cycles. This means that it will be a significant challenge for the RCN to meet the Strategy's recommendation to have three ships operational each year in the Indo-Pacific region. One has also to remember that distances in the Pacific are huge. The distance from Esquimalt to Pearl Harbor in Hawaii is the distance across the Atlantic and if one wanted to continue to Sydney, Australia, you would need to cross two more "Atlantics". That said, the Indo-Pacific is the quintessential maritime arena where ships--

and submarines—are the coin of the realm and maritime contestation is the order of the day. Accordingly, RCN warships will, by definition, continue to be vital players in this arena.

One of the areas touched on in the Strategy calls on Canada to be a "... responsible and reliable energy security partner (p.18)" in the Indo-Pacific region. Ironically, less than two months after the Indo-Pacific Strategy was launched, Japanese Prime Minister, Fumio Kishida, arrived in Ottawa hoping to gain access to desperately needed supplies of Canadian liquified natural gas (LNG). Japanese imports of Russian LNG had been endangered as a result of Russo-Japanese tensions over Russia's aggression in Ukraine. The development of pipe lines and port facilities for LNG exports from Canada's West Coast have been delayed for years as a consequence of protests by environmentalists and First Nations negotiations. The first shipments to Asia are not likely to occur until 2025. Thus, at the very time that Asian environmentalists are campaigning for more LNG as a replacement for coal (the PRC, for example, operates over 1,100 coal-fired plants), since it results in fewer greenhouse gas emissions,22 Prime Minister Kishida had

 ²¹ Andrew Coyne, "Canada's F-35 jet procurement isn't even our most embarrassing debacle", <u>The Globe and Mail</u>, 14 January 2023.

Lee Berthiaume, "Indo-Pacific Strategy adds more Pressures to Navy Amid Ship, Sailor Shortages", <u>Global News</u>, 28 November 2022.

²² Anon., Statista, "Energy and Environment", July 2022.

China had 1,118 coal-fired plants in 2022. The United States had 225.

Reuters Staff, "Q+A, How do Emissions from LNG and Coal Compare?", 10 May 2014.

[&]quot;Burning LNG in power plants produces roughly 40% fewer greenhouse gas emissions compared with black coal".

Paul Homewood, "China is building 43 new coal-fired power plants", <u>Time</u>, 24 August 2021.

[&]quot;China is leading the world in new coal powered plants, building more than three times as much new Coal power capacity as all other countries in the world combined in 2020"

to endure a lecture from Prime Minister Trudeau on the virtues of decarbonization; hardly an example of Canada being a "reliable energy security partner". While decarbonization is certainly an admirable and worthwhile goal, oil and LNG will be part of the global energy mix for some time to come, whether we like it or not, and currently Canada appears to be dithering rather than acting decisively!²³

Two other supremely important areas flagged by the Strategy relate to climate change and the relentless loss of biodiversity. The news is grim on both fronts. Increasingly, a 1.5 degree centigrade rise in overall global temperatures is seen to be not only unachievable but even delusionary.24 When we look at the loss rates for biodiversity the situation could only be described as nearly catastrophic. Two examples will suffice. Ninety-seven percent of tigers have disappeared worldwide. They are largely the victims of poachers eager to feed an insatiable "medicinal" market, primarily in China. The same can be said for African rhinos; down from several hundred thousand in the 19th century to less than 30,000 today; their horns bound for Vietnam and China.²⁵ China is also the major culprit—on a country-wide basis when it comes to greenhouse gas emissions. Canadians are urged to engage China in a

clear-eyed fashion when it comes to slowing climate change since a global solution to this existential problem can only be achieved with China's concurrence. The PRC's reputation for riding roughshod over international laws and norms makes this task particularly challenging,²⁶ but if Canada is going to build "resilient" (a term that the authors insist on using incessantly) communities, then it must be willing to treat with Beijing.

Human rights is a theme that runs throughout the Strategy. Certainly, when we examine the region and review the treatment of the Tibetans, the Rohingyas, and the Uyghurs, (to name but a few of the ethnic groups who have been victims of human rights abuses across the region) the need for greater attention—and action—on the human rights front is inescapable. The Strategy takes as its point of departure, the federal government's Feminist International Assistance Policy from 2017.²⁷ The policy is a reflection of the Liberal's ideological commitment to a feminist foreign policy and, once again, the rationale is entirely justified. The problem, axiomatically, is how to advance this agenda in the face of deeply conservative, patriarchal societies where religious beliefs have been edited in such a way as to discriminate against women and girls. China, of course, will be a particular

²³ Michael Higgins, "With 'True Friends' Like Canada, Japan doesn't need Enemies", <u>National Post</u>, 17 January 2023.

Kucharski to Boutilier: Personal Communication: 13 January 2023.

²⁴ Anon., "Goodbye 1.5C", <u>The Economist</u>, 5 November 2022, 11

²⁵ Bryan Christie, "<u>Deadly</u> Trade", <u>National Geographic</u>, vol. 230, no.4, October 2016, 64.

²⁶ Duanjie Chen, "Moving Beyond Rhetoric: Understanding the Practical Consequences of a Canada-China Free Trade Agreement", MacDonald-Laurier Institute, March 2019, 4.

Editorial, "China Interprets International Law to Suit its Convenience", <u>The Asahi Shimbun</u>, 20 June 2016.

²⁷ Government of Canada, "Canada's Feminist International Assistance Policy" 2017 (modified 24 August 2021).

challenge. For all its power, the CCP is deeply insecure. It is xenophobic and sees sinister foreign forces at work striving to undermine Chinese society where women face a variety of iniquitous social pressures antithetical to their wellbeing. How, then, will an increased Canadian presence in the region ameliorate the condition of these women?²⁸

Collaboration and cooperation among indigenous peoples in the region are called for although they constitute a microscopic fraction of one percent of the roughly five billion people encompassed by the Strategy.²⁹ While Australians and New Zealanders are largely missing in action, it is reassuring that, unlike so many regional reports, the Indo-Pacific Strategy recognizes the importance of Pacific Islanders who occupy a vast and increasingly vulnerable and contested geostrategic space. The Chinese are attempting to project their influence throughout Melanesia and western Polynesia and this development has given rise to alarm in Canberra, Wellington, and Washington.³⁰ Canada, as something of a neutral party, has a role to play in this arena and modest allocations of targeted aid will make a demonstrable difference in Oceania. That brings us, in fact, to the Strategy's budget; several billion over five years. This strikes me as far too little for such a vast and ambitious undertaking. The likely lack of bi-partisan subscription to the

Strategy is another source of anxiety. Will the next government continue the Strategy with the same degree of energy and commitment or will the regional programme fall victim to party politics?

The sub-title of the Indo-Pacific Strategy is "A New Horizon of Opportunity". I would suggest that, at its best, this is a new version of an "Old Horizon of Opportunity". The writing has been on the wall for decades, but successive governments and the Ottawa bureaucratic community failed almost completely to recognize the truly historic proportions of the economic and geo-strategic shift occurring before their eyes. This blindness was a result of a self-satisfied parochialism; a condition of relative comfort in Canada's relationship with the United States as well as a reassuring cultural legacy from the Atlanticist world. There was no NATO in Asia, the distances in the region were daunting, the languages were unfamiliar, the customs seemed impenetrable, and the cultures were exotic at best and confusing at worst. Far better, it seemed, subconsciously at least, to carry on with business as usual.

Perhaps Trump and Xi did us a favour; the former by virtue of his heavyhanded reaction to the PRC and the latter by virtue of his unbridled arrogance. The Meng affair and the appalling treatment of the "Two Michaels" tore the veil from our eyes,

²⁸ Anon., "Gender Discrimination in China", The Ohio State University, 27 March 2021. Joanna Chiu, China Unbound, (Toronto, House of Anansi Press Inc., 2021), 40.

²⁹ The overall figures are misleading. On page 2 of the "Strategy", reference is made to "over four billion people",

but elsewhere on the same page reference is made to the 40 countries of the Indo-Pacific encompassing "65 percent of [the] world's population" which is roughly 5.2 billion people. The indigenous population of the four nations listed is approximately 3,900,000.

 ³⁰ David Wroe, "China eyes Vanuatu military base in plan with global ramifications", <u>Sydney Morning Herald</u>,
9 April 2018.

revealing how complacent, naïve, and indifferent we had been in the face of new realities. Finally, four decades late, we were stirred to action. The result is commendable in its own valedictory way. Ottawa, a capital strangely averse to trying to come to terms with national priorities, rose to the occasion.³¹ The product is to be applauded even if many of the goals are largely predicated on wishful thinking. The time has come for the hard work now; committing real resources, staying the course, exercising patience, advancing values in a nuanced and empathetic way, showing up, and persuading future governments to embrace the Strategy's goals. All of these things will be difficult. In fact, they will probably be very difficult. Ottawa has a long history of glib announcements; rhetoric, sadly devoid of reality. Let us hope that this groundbreaking exercise shatters that mould.

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³¹ Zachary Paikin, "The 'Freeland Doctrine' and Canada's Indo-Pacific Strategy: Between Isolation and Confusion", Network for Strategic Analysis, 2 January 2023, 1,4.