



True North in
Canadian public policy

Straight Talk

August 2018

Straight Talk with Richard Fadden

Cyber warfare, disinformation campaigns, election meddling. Canada and its allies are facing new threats from foreign actors. Are we prepared? For this edition of the Macdonald-Laurier Institute's Straight Talk, we spoke with former National Security Advisor Richard Fadden about the foreign threats to Canada's democracy and what we can do about them. This publication is based on a transcript of a recent episode of MLI's *Pod Bless Canada* Podcast.



Richard B. Fadden was the National Security Advisor to the Prime Minister from January 19, 2015 to March 31, 2016. Previously he was the Deputy Minister of National Defence starting in May 2013, and he served as the director of the Canadian Security Intelligence Service from 2009 until 2013. He is a senior fellow at the Graduate School of Public and International Affairs at the University of Ottawa, and is a member of MLI's Advisory Council. He is an Officer of the Order of Canada.

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MLI: We'd like to start talking about what you see in this age of disruption, particularly when it comes to foreign disruptions to Canadian democracy. You've been very active in the national media and the international debate on the kinds of threats that Canadians can expect to contend with. Please give us a high-level view on what you think are the biggest things that Canadians should be concerned about.

Richard Fadden: That's a very good question. But let me start by reminding everyone that this isn't new. All of this disruption is taking on a new twist because of the World Wide Web and new technologies. But, you know, if you do a Google search on political disruptions you'll find a long list going back two centuries of countries trying to interfere in the electoral processes and the political processes of other countries. Some will be surprised to learn that the premier country doing the interfering is the United States. It interfered a lot in the past.

So, my point is, this isn't new and we need to stop getting all that excited because the foreign interference isn't new; it's the methodology that's new.

Today there are a few ways that foreign interference is taking place. One is indirect: countries talk to their former citizens who are now in Canada through social or cultural groups. Sometimes the foreign governments give the ex-pats money; sometimes they don't. But the governments use those connections to get people here to think in a particular way. One or two countries in particular provide a fair bit of funding to the ethnic press.

The second way that foreign interference takes place is through misinformation. Perhaps you remember the various investigations in the United States which revealed that an organization – I think it was out of St. Petersburg, Russia – was broadcasting on the Internet a variety of issues, commentaries, and whatnot about the United States, giving the impression that the broadcast was originating in the United States from an NGO (non-governmental organization).

I don't think Canada in any shape, way, or fashion is immune from this type of interference. This is just one way of doing it. Part of the difficulty that Canada and other democracies face is attribution. If a country is prepared to spend a lot of time, money and effort, most national security agencies can eventually get very close to the entity that's broadcasting. You can't always do that because those doing the interfering use techniques such as cut-outs. As well you know, the web is as complicated as it possibly can be. The idea here is that foreign governments are simply broadcasting false information that causes people to think in a different way.

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The third way that foreign interference takes place is through actual interference with the electoral process. Specifically, political parties and the electoral officers in various countries play with the information that's in their databases. They add new information and subtract old information. I don't think we've seen any clear evidence of that happening in this country. But added to that is financing, and there are clear examples in Europe of Russia, for example, financing some parties.

When you put all those elements into a stew, it's potentially quite toxic, and I think we're being very naïve if we ignore this entirely. I know that the government of Canada has undertaken a number of steps to deal with this problem. The downside is that while we can probably protect our formal electoral process, and while every now and then we can catch people actively interfering through the ethnic press, the Internet is not controllable by any one country.

In particular, if our adversaries are sophisticated in this respect, as many of them are, how are we going to control this? We're basically dealing with the provision of false information to be used in political or electoral processes and I don't think we've entirely worked out how to deal with it. The United States has become more preoccupied with this than we have, and they haven't come up with a solution either. Yes, we can narrow the band of possible interference, or disruption as you call it, but I don't think we can eliminate it.

MLI: Do you have a sense as to whether Canadian society fully appreciates the threat that we are facing here? What you've described goes into everybody's pockets through their phones, and into their homes and their laptops as direct news that could seem credible. Do Canadians fully appreciate the depth of how foreign actors are trying to disrupt their understanding of truth?

Richard Fadden: I don't think everybody does. I believe there's a growing awareness in Canada of the risks of cyber propaganda (for lack of a better way of putting it), because that's what it is. But generally speaking, I think most Canadians go about their work, and unless their bank account is interfered with, unless their identity is stolen, or unless something occurs that pretty directly affects them, they don't really worry about this sort of threat.

Am I suggesting that all Canadians are naïve? No, I'm not. But people are busy, people are preoccupied, and there's all sort of evidence that people are increasingly reinforcing their own views by going to one source of news. I think that's one of the worst things anyone can do, because if you keep doing that over a long period of time, you lose track of what might or might not be true or false. The government has just announced a new cyber policy. That's good news because it's going to mean more cooperation with the private sector, which has been lacking in this country. In my view, a whole bunch more information, more talk about this, including this conversation, is helpful.

MLI: So, to ordinary Canadians living their lives today, who would you say are the most responsible for foreign interference? Which countries would you say are perhaps the most responsible for trying to affect mainstream opinion about a major global event? Can you think of a few?

Richard Fadden: There are two principle ones, and it will be no surprise to you or anyone else that they are Russia and China. They are what I would call "revisionist states."

“Unless it affects individuals or a family or a group or a company, people just don't worry about the activities of other states”

MLI: Couldn't we all just get along? Couldn't we just have a great partnership with the Russians and the Chinese somehow?

Richard Fadden: Because they're revisionist states, no. And by revisionist I mean they are profoundly unhappy with the way the world is organized today. They don't like their place in it, and they want things to change. Neither is going to go to war over this, but both of them are going to do everything they practically can in order to move the file as they see it. They go about their efforts very systematically. They're quite sophisticated.

And again, going back to my earlier comment, unless it affects individuals or a family or a group or a company, people just don't worry about the activities of other states. One of the big issues is that generally speaking, Canadians don't feel threatened, so we don't talk about national security issues unless something catastrophic

occurs. We've been blessed. We haven't had a catastrophic event for some time now. There are people who are aware of this, but I would argue that the majority of Canadians are preoccupied with other things.

MLI: Where do you see sources of real debate and honest facts being deliberated in Canada? Is it a piecemeal thing that individual citizens must take on, on their own, to try and confront the validity of the sources of information? Or is it something that should be managed and supported by the government, some sort of place or repository where at least the most extreme fake news is described as fake news for what it is?

Richard Fadden: Well, to begin with, all Canadians have a basic responsibility to make sure that what we're relying on to guide our thinking is real. But there's a limit to what the average person can do. People can't spend hours and hours checking various sources of news. But I think it is possible for a single individual instead of just looking at one source, to look at two or three. There's no harm in doing that.

As to your question about whether government should be involved, I really hesitate because I think governments would rapidly be accused (whether they intended it or not), of spinning things, or taking things from their perspective. I think it would be better to have organizations like the Macdonald-Laurier Institute, other think tanks in universities, either alone or together, do the work – or create another NGO.

I think there are such organizations in the United States. I don't think there are in Canada. And they would pick up the worst and most egregious cases. My gut instinct tells me that this would not be a good thing to ask governments to do.

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MLI: Could you deconstruct for us how to think about the cyber threat?

Richard Fadden: It has three or four main components. Let me start with the one which I think will have the least impact on Canadians on a day-to-day basis, and that's cyber war. Now, we already have very clear evidence that Russia in a couple of instances, Ukraine being one, has used its offensive cyber capacity to not only pass on information that's incorrect, but disrupt the countries it was concerned with. It closed down critical infrastructure, and closed down communications devices. At what point does doing that in a cyber way become an act of war? Because if you're kinetically closing down a country's communications capacity through the use of force, that would be clearly an act of war.

I don't think, generally speaking, the militaries and ministries of defence and the justice ministries in the West have worked their way through what this is. But cyber war really affects our soldiers whenever they're dispatched overseas. And there's a subcomponent of that, which is just simply misinformation in a military context, which is quite worrisome. There's a bill before Parliament providing the military and CSE [Communications Security Establishment] with the capacity to launch offensive operations to protect our forces. So, that's cyber war.

The next big component is cybercrime. It is a significant issue. A couple of years ago, the United Nations estimated that globally over a trillion dollars a year in intellectual property is stolen by states, by criminal groups, by NGOs.

I suspect it's more now. And that's just intellectual property theft. Added to that is ransom ware (of the sort that threatens: “If you don't pay me; I don't release your computer”) and identity theft, largely

operated through cyber. There is a whole variety of uses of cyber capacity to commit crimes – a long list of discrete activities. And I don't think we think of them as quite as serious as a physical crime like assault and battery. We think ransom ware occurs to other people. People get upset about it when it affects them. And ransom ware is something that's spreading, as is identity theft, and as is accessing other people's bank accounts. When you keep adding on each of these discrete activities, you can see we have a significant problem with cybercrime. Public Safety Minister Ralph Goodale recently made an announcement on cyber policies; he is placing a fair bit of emphasis on this problem.

The third category, and we've talked a bit about it already, is something I call cyber propaganda. There's probably a more elegant way of putting it, but it is the use of cyber tools, the use of the Internet, to propagate views in a way that is not immediately obvious to the receiver.

To give you an example: if a diplomat in Canada advocates the views of his country to you or me up front, there's no problem, that's their job. But if that embassy is operating a cyber site, an Internet site, that is something else. That embassy is operating underneath the radar and is trying to change our perspectives on things political, social, or economic. To my mind, that's cyber propaganda. It's interference in our sovereignty. It's an abuse of hospitality, and at one level or other, it could become a cybercrime. In this environment of fake news, nobody quite knows where they're coming from or where they're going, so this becomes quite a serious problem.

In the last category, I would put (for lack of a better way of describing it) cyber trouble. In this category are people in civil society, groups like Anonymous, criminal organizations generally, all of whom are trying to be disruptive and using the Internet and cyber tools to do it. These groups are doing things that have been happening for the last century, but they're doing it from the comfort of their den or their living room. And they're doing it quite effectively. Again, it's the sort of thing that doesn't register with people unless they have been affected directly.

“The point I'm trying to make is that all of us are potential entry points for some of this trouble.”

Going back to an earlier part of our conversation, one of the things that worries me a little bit about Canada is that there is no general acceptance that this is an ongoing thing. I remember reading a year or so ago in a short article in the *New York Times* about a foreign country using a mom-and-pop metal sheeting firm in a southern state. That country got into the firm's server and used it to get into an agency of the United States government. It was a mom-and-pop sheet metal firm in the southern part of the United States – it never occurred to them in their wildest dreams, according to this article, that they could be affected this way.

The point I'm trying to make is that all of us are potential entry points for some of this trouble. And when we're using the World Wide Web, we're not as good about using the basic protections as we should be. A year or so ago, Gartner, the world-famous IT [information technology] assessment agency, said that 80 percent of the protection that people can deploy against cyber attacks are basic things that you and I can do: changing passwords; turning off your computer. There are many things we can do, but most of us don't do it.

MLI: The definition of national security itself has been changing. How should Western governments conceive of national security? It can't necessarily be the responsibility of any one ministry. It's not

like foreign affairs, or defence, or immigration. It's all-encompassing. So how should bureaucracies and governments respond to the threats that you've painted in your rather frightening portrait?

Richard Fadden: Major international issues increasingly are being run by heads of state and heads of government. I happened to be Canada's national security advisor for a brief period. All the countries in the Western alliance have somebody in a similar role. The main job, aside from keeping your boss informed, is to make sure that the five or six or seven departments involved in security are actually talking to one another.

We're taking as holistic a view as we possibly can of how to protect Canadian sovereignty and Canadian interests. I think we did quite well in Afghanistan, for example, when we were there, because we had foreign affairs, the military, and the police, all understanding that a purely kinetic victory would get us nowhere.

At the beginning of the time in Afghanistan, all of the allies were going in and hitting really hard, removing the Taliban from a particular area. But as soon as the military left, the Taliban came back again. So, we had to establish police and the rule of law. People had to have jobs. In Afghanistan, for a while, when we started paying lower-level Taliban supporters, they abandoned the Taliban, which suggests to me that economics, diplomacy, and the military all need to be rolled in together.

“There's no way you can silo all of these various sub-components of government and expect to make progress.”

If you're a head of a government or state – which I most certainly am not – you can't help but think about using every tool available when you're protecting your nation's interest. Sometimes you'll push diplomacy more than the military option; sometimes you'll push something else. But today in particular, I think there's no way you can silo all of these various sub-components of government and expect to make progress.

We don't talk about these issues enough in Canada. I was asked by a parliamentary committee a couple of years ago whether I would favour a National Security Advisor's Act in order to provide the National Security Advisor to the Prime Minister (NSA) with the authority to direct departments and agencies. I said no, because in our parliamentary democracy, ministers are accountable for what their departments and agencies do. I cannot imagine some poor deputy minister somewhere being told one thing by the NSA and something else by his minister. It just doesn't work in our system. But talking about how these things happen is important.

I never thought when I was NSA or when my predecessors were NSA that we lacked the capacity to coordinate, because we were acting on behalf of our boss, the prime minister. But in the end, we're a democracy. The prime minister and ministers have to be accountable and have to have the authority to act. That doesn't prevent a series of bureaucratic devices (and I mean bureaucratic in the best sense of the word), from being used to force people in all of these departments and agencies to work together towards a common goal, which is advancing Canada's national security.

MLI: Thank you for taking the time to give us this great, holistic and high-level view on what you think are some of the biggest national security threats facing Canadians.



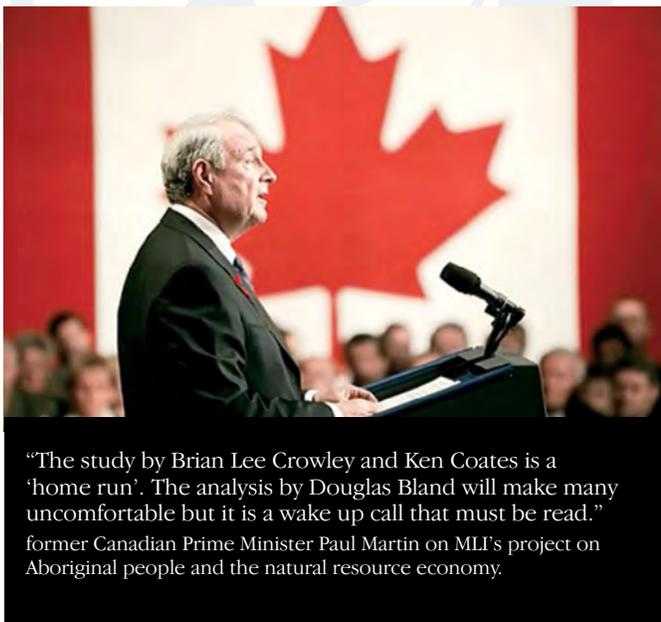
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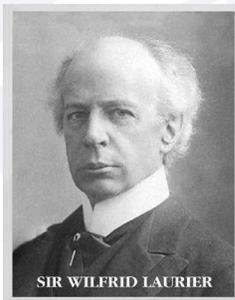
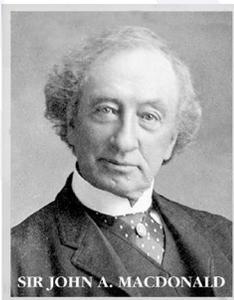
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THE RIGHT HONOURABLE STEPHEN HARPER

The Macdonald-Laurier Institute is an important source of fact and opinion for so many, including me. Everything they tackle is accomplished in great depth and furthers the public policy debate in Canada. Happy Anniversary, this is but the beginning.

THE RIGHT HONOURABLE PAUL MARTIN

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