

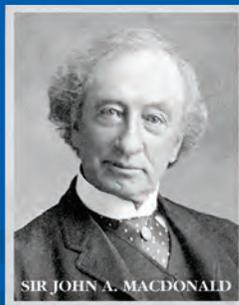
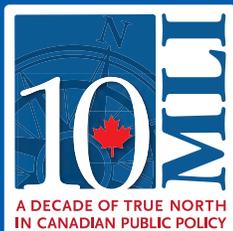
HARD CHOICES



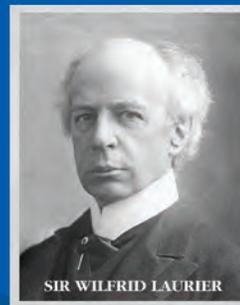
Why Canada needs
a cohesive, consistent
strategy towards
Communist China

Andrew Pickford
and Jeffrey F. Collins





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Foreword

by Charles Burton

This year marks the 50th anniversary of Canada's establishment of diplomatic relations with the People's Republic of China (PRC). It was a time of great optimism over Canada's emerging independent international identity in the wake of the exuberance following Canada's Centennial celebrations in 1967.

At the time, Pierre Elliott Trudeau and his cohort of Canadian nationalists saw relations with China as another means for Canada to break away from Canada's post-colonial dependence on England and assert itself against the ever strengthening economic and cultural domination of the United States. Canada's move to recognize China was all the more audacious as the US was still mired in a terrible war with Vietnam, in which American soldiers were being killed by Chinese supplied bullets and other weaponry.

Canada lobbied hard for the People's Republic of China to assume a permanent seat on the Security Council as a member of the United Nations over the objection of Washington. This was achieved the next year. Moreover, Trudeau expressed a great affection and respect for the governance of China by the Chinese Communist Party under Chairman Mao Zedong and Premier Zhou Enlai. China was still in the throes of its decade-long Cultural Revolution, rife with violent death, massive scale destruction of antiquities and pervasive violation of all forms of rights and freedoms, but Trudeau did not appear to notice.

Canada-China relations thrived until the horror of tanks crushing the bodies and aspirations for freedom and democracy at Tiananmen Square in 1989. For the 20th anniversary of Canada-China relations in October 1990, the Canadian government directed that there be "no celebratory activities." Now for the 50th anniversary, we are again faced with an anniversary for which there can be "no celebratory activities" – especially given China's coercive belligerence.

erent behaviour following the arrest of Huawei executive Meng Wanzhou by Canadian authorities.

As a consequence, we are presented with an opportunity to rethink our assumptions about how to realize Canadian interests in engagement with China, ideally in collaboration with our liberal democratic like-minded allies throughout the world.

In this new MLI report, “*Hard Choices: Canada’s Choices in the Post-COVID-19 Era*,” authors Andrew Pickford and Jeffrey F. Collins offer their insights on how Canada can better rethink our assumptions about the PRC and navigate this difficult relationship. Australia provides particularly useful lessons in that regard.

As the authors of the report note, “Australia responded with institutional and legal measures to shore up the country’s sovereignty and national security. The banning of PRC vendors in 5G projects and the creation of the Critical Infrastructure Centre stand out.”

In stark contrast, Canada has only “waffled and drifted” over the years, “despite not having a free trade agreement with the PRC and being far less reliant on Beijing for prosperity than Australia.”

The Government of Canada can no longer adopt foreign policies that are country agnostic with regard to a Chinese regime whose political, social and economic institutions are so incompatible with our own. Canada can and should look to Australia’s actions for inspiration in how to deal with the PRC under Xi Jinping.

As outlined so well in this paper, Canada must fully recognize the symbiotic relationship between PRC corporations and other “civil” agencies, the Chinese Communist Party, and the overall meticulously planned strategic agenda of Beijing to achieve global hegemony by 2050. We must recognize the hard reality of the situation rather than offering platitudes about how economic engagement might somehow change the nature of this despotic regime.

The urgent conclusion is that Canada needs to form a coherent policy and legislative response to this threat to Canada’s sovereignty, security and our rights and freedoms. The China challenge is here before us; we have little time for further dithering and delay.

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Executive Summary

The Trudeau government has proven particularly listless in its response to the PRC's mounting coercive and destabilizing activities. There has not been a foreign policy review since 2005 and Canada's last attempt at formulating a PRC strategy was in 1987. Meanwhile, the Chinese Communist Party (CCP) has placed costly import restrictions on key Canadian exports including canola, beef, and pork, and reduced the number of high-fee-paying PRC student visa holders.

Over successive decades, Canadian governments of all political stripes have viewed the PRC through narrow domestic political and commercial calculations. By 2019 the PRC had become Canada's second largest trading partner, but as the PRC's economic might and ambitions grew, so did the signs of pending trouble. In its goal to get a free trade agreement with Beijing, score political points at home, and contrast itself with its Conservative predecessor, the Trudeau government approved several high-technology domestic takeovers by Chinese firms even in the face of clear national security concerns.

Despite the steady decline in Canada-China bilateral relations in recent years, the absence of a clear, pan-Canadian approach to dealing with the PRC continues to foster a permissive domestic environment for Beijing to exploit. A better understanding of China's grand strategy would be an important first step in rectifying this critical shortcoming.

A significant aspect of the PRC's overall strategy is reflected in its ambitious plan to create a new global power structure by 2049 that envisages a PRC-led international system that puts Beijing at the centre of global decision-making. In the context of the PRC's grand strategy, Canada is viewed as an offshoot of the United States and a vulnerable entry point into North America. Because Canada is part of the Five Eyes intelligence sharing network, the PRC will enjoy several advantages if it can draw Ottawa into the PRC orbit.

This divide-and-rule approach would reduce a formidable alliance of democracies to individual nations each pursuing their own short-term national economic goals. It can be seen in the way the PRC has been leveraging significant

two-way trade volumes with Australia. Australia's interaction with the PRC can prove instructive; it is a similarly-sized nation yet it is dealing with much higher levels of two-way trade and economic integration than is Canada.

During the early 2000s, Australia's then Prime Minister John Howard created a framework that allowed for both the expansion of the Australia-PRC economic relationship and the continuance of Australia's military and strategic partnership with the United States. But the Australia-PRC relationship dynamic changed in 2013 when President Xi's assertive foreign policy began to clash with Australian priorities.

In 2016, Australia developed a cyber-security strategy and changed its legislation to give the government the authority to intervene in telecommunication networks to stop or forestall foreign interference. It also established the Critical Infrastructure Centre to identify key infrastructure assets where a foreign acquisition could pose risks to national security. In June 2018, foreign interference and influence bills were passed on a bipartisan basis, and in August 2018, PRC vendors were banned from involvement in 5G infrastructure rollout. This approach has only continued under current Prime Minister Scott Morrison.

Australia has paid a price: As the country has defended and defined its national interest, it has seen a direct impact on its trade with the PRC. Indeed, the PRC has increasingly turned to trade as its weapon of choice, particularly when it wishes to retaliate to foreign actions it dislikes. Countries openly criticizing PRC actions or policy can now expect economic consequences. The PRC has used such actions widely – the mirrored experience of Australia and Canada attest to this.

The differences between the Australian and Canadian responses to PRC belligerence could not be starker. Australia has put in place institutional and legal measures to shore up the country's sovereignty and national security. Canada, despite being far less reliant on Beijing than Australia, has waffled and drifted. Unlike Australia, Canada has made no firm decisions about PRC involvement in 5G or the country's technology and resource sectors. Fortunately, Canada can use Australia's actions as a framework for this country to reconsider its relations with the PRC. Australia's firm stance has shown Beijing that it cannot paralyze foreign policy-making in Canberra like it can in Ottawa.

Canada's political leaders must now make some hard choices with the national interest in mind. Canada's two main political parties need to work together to build a consensus on Canada's policy towards the PRC. Canada should immediately ban Huawei from 5G infrastructure and re-evaluate the "One China Policy," while delinking discussions about the release of Michael Kovrig and Michael Spavor from all other PRC interactions.

Over the long-term, Canada should use the Five Eyes finance ministers' meetings to devise a common approach to trade boycotts and threats, create new defence capabilities, review and update foreign investment rules and regulations, and build an alternative funding stream for universities so they are not quite so reliant on PRC-funded international students, among other measures.

Canada's relationship with the PRC is at a crucial juncture. The actions that Canada's decision-makers take now will determine the nation's economic and strategic future for decades. The events of the past several years highlight the importance of Canada having a cohesive, consistent PRC strategy.

Sommaire

Le gouvernement Trudeau s'est montré particulièrement hésitant à riposter à l'escalade d'actions coercitives et déstabilisantes de la part de la République populaire de Chine – RPC (ou PRC). Aucun examen de la politique étrangère n'a été réalisé depuis 2005, et la dernière tentative d'élaboration, par le Canada, d'une stratégie pour la RPC remonte à 1987. Entre-temps, le Parti communiste chinois a imposé de coûteuses restrictions aux importations en provenance du Canada – notamment pour le canola, le bœuf et le porc – et réduit le nombre des très lucratifs visas étudiants chinois.

Depuis des décennies, les gouvernements canadiens de toutes les allégeances s'intéressent à la RPC sous l'angle des étroits calculs politiques et commerciaux nationaux. En 2019, la RPC s'était hissée au rang de deuxième partenaire commercial du Canada. Cependant, à mesure que sa puissance économique et ses ambitions ont augmenté, les signes de problèmes imminents en ont fait autant. À l'affût d'un accord de libre-échange avec Pékin, par calcul politique interne et pour se distancier de son prédécesseur conservateur, le gouvernement Trudeau a approuvé plusieurs acquisitions chinoises dans les technologies de pointe, au mépris des inquiétudes pour la sécurité nationale.

Malgré le déclin constant des relations bilatérales Canada-Chine ces dernières années, l'absence d'approche pancanadienne – une approche claire – vis-à-vis de la RPC continue de favoriser un contexte intérieur susceptible d'être exploité par Pékin. Améliorer la compréhension de la « grande stratégie » de la Chine serait un premier geste important pour remédier à cette situation critique.

Un aspect capital de la stratégie globale de la RPC transparaît dans son plan ambitieux de créer d'ici 2049 une nouvelle structure de pouvoir mondial soutenue par un système international dirigé par la RPC et adossé aux décisions de Pékin. Dans le cadre de la grande stratégie de la RPC, le Canada est con-

sidéré comme une annexe des États-Unis et un maillon faible pour pénétrer en Amérique du Nord. Le fait que le Canada adhère au réseau « Five Eyes » d'échange de renseignements peut procurer plusieurs avantages à la RPC si cette dernière réussit à attirer Ottawa dans son orbite.

Cette politique du « diviser pour régner » réduirait la formidable alliance des démocraties à une collection de nations individuelles, chacune mobilisée autour de ses propres objectifs économiques nationaux à court terme. La manière dont la RPC a tiré parti de ses importants volumes d'échanges bilatéraux avec l'Australie le montre bien. Les rapports entre les deux pays peuvent servir d'enseignement; la taille de l'Australie se compare à celle du Canada, mais son commerce bilatéral et son niveau d'intégration économique avec la Chine lui sont bien supérieurs.

Au début des années 2000, le premier ministre australien du temps, John Howard, a créé un cadre qui permettait à la fois l'expansion des relations économiques avec la RPC et la poursuite du partenariat militaire et stratégique avec les États-Unis. Or, la dynamique Australie-RPC a changé en 2013, quand la politique étrangère affirmée du président Xi est entrée en conflit avec les priorités australiennes.

En 2016, l'Australie a élaboré une stratégie de cybersécurité et modifié ses lois afin de donner au gouvernement l'autorité d'intervenir dans les réseaux de télécommunication pour stopper ou prévenir les interférences étrangères. Elle a également mis en place le « Centre des infrastructures essentielles », qui définit les principaux actifs susceptibles de poser des risques pour la sécurité nationale en passant aux mains d'intérêts étrangers. En juin 2018, des projets de loi sur l'ingérence et l'influence étrangères ont été adoptés sur une base bipartisanne et, en août 2018, les fournisseurs chinois se sont vu exclure du déploiement du 5G. L'actuel premier ministre Scott Morrison a maintenu cette approche.

L'Australie a payé un prix pour avoir défendu et défini son intérêt national : en portant un préjudice à son commerce avec la RPC. En effet, la RPC se tourne de plus en plus vers cette arme de choix, tout particulièrement lorsqu'elle souhaite riposter aux actions étrangères qu'elle désapprouve. Les pays qui critiquent ouvertement les actions ou la politique de la RPC peuvent désormais s'attendre à des conséquences économiques. La RPC y a largement recours – l'expérience de l'Australie et du Canada en témoigne.

Les différences entre les réactions australiennes et canadiennes devant l'attitude belliqueuse de la RPC ne pourraient pas être plus marquées. L'Australie a instauré des mesures institutionnelles et juridiques pour préserver sa souveraineté et sa sécurité nationale. Le Canada, bien qu'il dépende beaucoup moins de Pékin, demeure évasif. Contrairement à l'Australie, il n'a pris aucune décision ferme à propos du rôle de la RPC dans le 5G ou les secteurs des

technologies et des ressources du pays. Il est heureux que le Canada puisse s'inspirer des actions de l'Australie pour recadrer ses relations avec la RPC. La position ferme de l'Australie a montré à Pékin qu'il ne peut pas paralyser l'élaboration de la politique étrangère à Canberra comme il peut le faire à Ottawa.

Les décideurs canadiens doivent maintenant faire des choix difficiles en gardant à l'esprit l'intérêt national. Les deux principaux partis politiques du Canada doivent parvenir à un consensus en ce qui a trait à la politique canadienne vis-à-vis de la RPC. Le Canada devrait immédiatement exclure Huawei du 5G et réévaluer la « Politique d'une Chine unique », tout en séparant ses discussions sur la libération de Michael Kovrig et Michael Spavor du reste de ses interactions avec la RPC.

À plus long terme, le Canada devrait profiter de la réunion des ministres de la Défense des pays membres du « Five Eyes » pour concevoir une approche commune en matière de boycottage et de menace commerciale, de nouvelle capacité de défense, d'examen et de refonte de la réglementation sur les investissements étrangers et de fonds de remplacement pour réduire la dépendance des universités à l'égard des étudiants internationaux financés par la RPC, entre autres mesures.

Les relations du Canada avec la RPC traversent actuellement un moment particulièrement difficile. Les mesures prises par nos décideurs détermineront notre avenir économique et stratégique pendant des décennies. Les événements des dernières années montrent l'importance de disposer d'une stratégie cohérente et structurée pour la RPC.

Introduction

The economic and geopolitical fallout from the COVID-19 virus has made clear the tensions between the US-led “rules-based order” and the People’s Republic of China’s (PRC’s) preference for a new set of “Sino-centric” global norms. The virus, which originated in Wuhan and then spread to the rest of the world, has acted as a catalyst for larger geopolitical shifts. It has accelerated existing pressure points and laid bare the PRC’s global ambitions; the PRC has begun to unveil how it will treat countries that it perceives as weak. Language of collaboration and respect has been replaced by unfiltered public statements that the rest of the world must conform to Beijing’s will. Threats and intimidation by the PRC to similar-sized middle-powers, including Australia and the Netherlands, will force Canada to clarify its ambiguous approach towards the Middle Kingdom. The lack of a clear China policy by the Trudeau government is, in effect, Canada’s approach to the PRC. The luxury of deferring hard choices has now passed.

By surveying the landscape of the post-COVID era, this paper will outline the choices that Canada will need to make before it is dragged into a series of ongoing bilateral crises like the 2018 arrest in Canada of Huawei’s CFO, Meng Wanzhou, and the subsequent arrest in China of Michael Kovrig and Michael Spavor. Some segments of Canada’s business community will resist these choices, including some prominent chief executives and Bay Street firms, and parts of the federal bureaucracy, academia, and the political class who favour continued engagement with the PRC and passive participation in multilateral forums. The paper will argue that geography, power politics, and the brutal realities of a competitive, Indo-Pacific dynamism are forcing Canada to deal with the world as it is, not as it wishes it should be.

Context and Background

Canada’s National Interest

Contrary to the national myth, Canada’s motivation in joining the US-led-

postwar rules-based order after the Second World War was hardly altruistic. Shaped by their experiences with conflict and instability in the first half of the 20th century, Canadian leaders in the 1940s and 1950s calculated that the country's defence and economic interests were best secured within the US-led international order.¹ This largely bipartisan view not only proved durable but incredibly beneficial to the well-being of Canada's citizens. From the North Atlantic Treaty Organization (NATO) and North American Aerospace Defence Command (NORAD) to the 1965 Auto Pact and the 1994 North American Free Trade Agreement (NAFTA), being a member of a US-led order gave Canada what then Minister of Foreign Affairs Chrystia Freeland described in 2017 as "the longest period of peace and prosperity in our history" (Freeland 2017).

Yet despite enduring for eight decades, the foundations underpinning this calculus are fracturing. Beset by military, economic, and political fallout stemming from misadventures in the Middle East and the 2008-2009 global financial crisis, the COVID-19 pandemic is only the latest if not the most severe event in the last 20 years to illustrate the relative decline of the US. Consumed by domestic populist pressures and divided institutions, the US continues to turn inward and away from the international order it helped create. *Pax Americana* is under increasing challenge from China in this new geopolitical era. This does not necessarily mean that the US is retreating from the global system. Indeed, under President Donald Trump, the US has halted the Obama-era pullback from East Asia and has adopted a more assertive position in the South China Sea. While the relative decline of the US does not itself mean that the PRC will rise or become a natural successor, it will introduce instability – and competition – into the global system. Caught in the middle are lesser Western powers like Canada and Australia.

For Canadian decision-makers, the signs of this new emerging geopolitical reality began at least a decade ago when then Canadian Security Intelligence Service (CSIS) director Richard Fadden warned of PRC operatives targeting provincial and municipal politicians for influence (CBC News 2010). Four years later came cyber-attacks on the federal government and the detention for two years of a Canadian teaching couple in the PRC on espionage charges. Since December 2018, Ottawa has remained gripped in negotiating the release of Canadians Michael Kovrig and Michael Spavor who were arrested on espionage-related charges shortly after the detention of Chinese telecom giant Huawei executive Meng Wanzhou in Vancouver on an US extradition request. Clouding that issue is Huawei itself; the company is seeking a role in Canada's 5G internet infrastructure despite being banned from doing so by three of the other Five Eyes intelligence allies, Australia, the US, the UK, and after having encountered security restrictions in New Zealand (Ayson 2020).

In contrast to wider Canadian public opinion, which is alert to the threats the PRC poses, the Trudeau government has been proceeding on a listless

path in responding to the PRC's mounting coercive and destabilizing activities. This listlessness is itself a decision. There has not been a foreign policy review since 2005 and Canada's last attempt at a PRC strategy was in 1987. Meanwhile, the Chinese Communist Party (CCP) has placed costly import restrictions on key Canadian exports including canola, beef, and pork, and reduced the number of high-fee-paying PRC student visa holders (Table 1) (Todd 2020, Banerjee 2020). Further, the PRC critically hampered early Canadian efforts to respond to the COVID-19 pandemic, not only by downplaying the scale of the problem in its own territory but by clandestinely buying at least 100 tonnes of personal protective equipment in Canada before the virus made its full impact felt in North America (Cooper 2020a, Fife and Chase 2020). This undermining of Canada's COVID-19 response continues; in August, PRC Customs blocked the export of vaccine material developed by a joint government initiative funded by both countries (Cooper 2020b).

CANADIAN PUBLIC OPINION ON CHINA

A May 2020 poll by the non-profit Angus Reid Institute noted the following Canadian public opinion views on the PRC:

"...just 14 percent of adults in this country now say they have a positive opinion of China, a level half as high as it was six months ago (29 percent)."

"Just 11 percent of Canadians say Canada should focus its trade efforts on China, down from 40 percent in 2015. Further, four-in-five say Canada should bar Huawei from taking part in the building of new 5G infrastructure in this country." (Angus Reid Institute 2020)

While some in Ottawa may fervently hope for a turnover in the White House to reset the balance in great power relations, this option will not allow Canada to continue on as before, either. There is no indication that the tensions between the US and the PRC will dissipate should a new US administration take office in January 2021. For Canada's two main political parties, Liberal and Conservative, it is now time to think about the national interest, and time to make a series of hard but necessary immediate and long-term decisions to ensure the country is best prepared to guarantee the security and well-being of its citizens.

Canada and China

The Trudeau government is certainly not the first in Canadian history to have such an "astrategic" approach to dealing with the PRC.² Over successive decades, governments of all party stripes have viewed the PRC through narrow domestic political and commercial calculations. They were buoyed in this approach by a small but influential circle of business and political elite from business associations like the Canada China Business Council. The June 2020 letter to Prime Minister Trudeau by 19 former establishment luminaries

(including a retired Supreme Court judge) calling for a prisoner swap over Michael Kovrig and Michael Spavor is only the latest example of this thinking (Tasker and MacDonald 2020).

Canada's geostrategic realities can account for much of this myopia. Lacking historical grievances with Beijing and being secure atop the North American continent in an alliance with the United States has given Ottawa's decision-makers the luxury to pursue purely commercial ties with the CCP regime with seemingly little consideration of the security risks. They are not alone in this regard; Presidents Richard Nixon through George W. Bush set the tone by cozying up to Beijing, initially to deepen the Sino-Soviet split of the 1960s and 1970s, and later to bring the PRC into the US-led international order. The PRC's ascent to the World Trade Organization (WTO) in 2001 represented the high watermark of this decades-old bipartisan US goal (Tooze 2020).

Official Ottawa openly endorsed the US efforts, partly out of economic self-interest but also due to the longstanding Pearsonian belief that Canada, as a non-imperial middle power and co-creator of the post-1945 international order, was uniquely positioned to help peacefully transition the PRC out of isolation (Paltiel 2018). This deluded view was summed up well in Canada's 1995 foreign policy review: "Our goal is to open that country [China] to the values Canadians espouse even as it opens up to the world economy" (Canada, Department of Foreign Affairs and International Trade 1995).

The first Canadian commercial foray into China came in the form of wheat sales under Prime Minister John Diefenbaker in the 1960s. These successful ventures were followed by the establishment of formal diplomatic ties by Pierre Trudeau in 1970 (and with it, the severing of diplomatic recognition of Taiwan under the "One China" policy). Brian Mulroney expanded Canada's diplomatic presence with a new consulate in Shanghai in 1986 and placed greater emphasis on increasing two-way trade; despite a chill in bilateral relations, not even the 1989 Tiananmen Square massacre derailed this focus (Evans 2014, 39-21). Canada's approach was not unique among Western democracies. Throughout the 1990s, strong growth rates and the emergence of a consensus on change through engagement were widely shared in most political capitals.

By 1992, Canadian-PRC ministerial-level trade relations returned to pre-1989 highs and two-way trade continued to grow (Evans 2014, 41). Two decades later the PRC had become Canada's second largest trading partner (although dwarfed by the US). Canadian goods exports alone increased twelvefold between 1990 and 2019 (Table 2). The apex of positive bilateral relations arguably came in the 1990s under Prime Minister Jean Chrétien, whose high profile "Team Canada" trade missions led to then PRC Premier Zhu Rongji claiming Canada as "China's best friend in the whole world" during a 1998 visit (Potter with Adams (eds.) 2011).

TABLE 1: PRC TRADE ACTIONS AGAINST CANADA

Export Item	Size of Canadian Export Segment to PRC	PRC Actions or Threats
Canola Seed	PRC is the destination for 40 percent of all Canadian canola exports (Gu and Patton 2020).	In March 2019, PRC blocked canola seed shipments from key Canadian suppliers (Johnson and Gu 2020).
Meat	Second largest and fifth largest export markets for pork and beef.	Import ban between June and November 2019. Meat industry lost \$300 to \$500 million (Connolly 2019).
Seafood	Second largest export market for Canadian live lobster. In 2019 over \$500 million in lobster products were exported to PRC.	In June 2020, certain Canadian seafood products (e.g., lobster) became subject to random tests for COVID-19, after an outbreak in a Beijing food market was attributed to a cutting board used for Atlantic salmon (Vedelago and Millar 2020).
Timber	Second largest buyer of fir and spruce logs.	In June 2020, PRC Customs claimed it had found beetles in Canadian logs (Skerritt and Bolongaro 2020).
Education	Second largest source of foreign students in Canada (150,000 in 2019).	The number of PRC student visa applicants to Canada dropped 44 percent in the first four months of 2020. The overall decline in all foreign students is 31 percent (Todd 2020).

TABLE 2: CANADIAN MERCHANDISE EXPORTS TO THE PRC VS THE US (\$BILLION)

	1990	1995	2000	2005	2010	2015	2019
PRC	\$ 1,706	\$ 3,465	\$ 3,698	\$ 7,214	\$ 13,232	\$ 20,180	\$ 23,270
US	\$ 111,556	\$ 207,753	\$ 359,289	\$ 365,741	\$ 298,649	\$ 402,171	\$ 447,113
Overall	\$ 148,979	\$ 262,267	\$ 413,215	\$ 436,351	\$ 398,857	\$ 524,066	\$ 593,171

Source: Data collated by authors from *Canada, Innovation, Science and Economic Development (2020)*.

As the economic might and ambitions of the PRC grew so did the signs of pending trouble. Unfortunately, for Canadians, lessons were either not learned or were not taken up by incoming governments. For example, as the Huawei case makes clear, the power and influence of PRC companies, state-owned or quasi-private, constitutes a key challenge to Canadian sovereignty. Both the Paul Martin and Stephen Harper governments struggled with attempts by PRC state-owned companies to buy Canadian mining and oil giants, Noranda and Nexen Energy, respectively, in 2005 and 2012 (Chin 2018). The Harper government in particular initially sought to call out the PRC over its human rights issues (Harper refused to attend the Beijing 2008 Summer Olympics) but later recanted in the face of business pressure, electoral calculations, and a need to boost foreign investment in energy projects (Laghi 2006).

PRC's Grand Strategy

The issue is not that the PRC pursues its national interest and creates wedges and confusion in Canadian policy-making. The PRC will naturally act in its own national interest, and Canada should also. From a distance, it seems remarkable that a country that relied on the PRC for less than four percent its total exports in 2019 and is separated from it by an ocean could have its foreign policy paralyzed. In comparison, the US receives around three quarters of Canada's exports. Canada's weak and passive relationship with China is even more surprising considering that the largest economy and military on Earth is both Canada's ally and next-door neighbour (Canada, Global Affairs 2019).

The PRC's success in distorting and confusing Canadian decision-making can be partly attributed to the clear and methodical way the PRC constructs and implements its grand strategy. While some Western analysts and apologists for the CCP-led regime attribute a divine and omnipotent capacity to the PRC's strategic planning, it is far from infallible.³ Nonetheless, with a Confucian heritage and a Soviet-influenced five-year-planning mindset, the PRC government is much clearer about how it organizes its society and allocates its resources than is Canada.

Most commentary on the PRC's grand strategy relates to its "Made in China 2025" industrial policy and its international infrastructure and logistics efforts, now branded under the "Belt and Road Initiative." These policies attract substantial attention from the business community as they direct significant capital to a range of ventures and contrast with the less interventionist approaches of most Western governments.

The more significant aspect of PRC global engagement and grand strategy is reflected in its ambitious plan to create a new global power structure by 2049, coinciding with the 100th anniversary of the victory of the CCP on the mainland in the Chinese civil war. This 2049 ambition envisages a PRC-led international system that puts Beijing at the centre of global decision-making.⁴

Beyond its economic and industries policies, the PRC has adopted what two People's Liberation Army officers refer to as "total war."⁵ This does not imply a hot war or military conflict, but rather the mass mobilization of China's society and resources to achieve a strategic outcome. It envisages using a range of tools and techniques that may appear unsavoury or undesirable in post-modern statecraft. However, the PRC is working to its own timetable and what it views as important to achieve these objectives and outcomes.

In the context of the PRC's grand strategy, Canada is viewed as an offshoot of the United States and a vulnerable entry point into North America. Because Canada is part of the Five Eyes intelligence sharing network, the PRC will enjoy several advantages if it can draw Ottawa into the PRC orbit. This divide-and-rule approach would reduce a formidable alliance of democracies to individual nations each pursuing their own short-term national economic goals. This approach can be seen in the way the PRC has been leveraging significant two-way trade volumes with Australia.

Over the past decade, President Xi has accelerated the PRC's trend of becoming more assertive and aggressive in implementing its grand strategy. This has been the case with Canada where Ottawa has often looked at the interaction with China through the prism of historical bilateral relations with other Western nations rather than a derivative of the PRC's own strategy.

President Xi and Assertive Leadership

While the PRC has been quietly implementing its grand strategy over the past few decades, it has muted its more aggressive ambitions and aims to redefine global norms. This has largely been driven by China's focus on economic and commercial engagement that was the hallmark of PRC global interactions until the mid-2010s. While President Xi Jinping is more aggressive and assertive than his predecessors, China's underlying grand strategy remains the same.

China-watchers analyzing President Xi are divided on the reasons behind his assertiveness. Some consider it to stem from his internal strength and command of the CCP. Others explain it as coming from his weakness and competing power centres. While President Xi does not face an electorate, he must deal with various internal constituencies including the powerful People's Liberation Army, as well as citizens currently experiencing a slowing economy. Our analysis leans towards the latter rationale. President Xi is facing internal restraints, pressure points, and fissures, and external relations often echo these concerns. Understood this way, the weakness of the PRC leadership, alongside internal economic, social, and environmental challenges, has resulted in an aggressive PRC administration that is fighting for its own survival and legitimacy.

Canada must contend with both a very different global environment than it

is familiar with and a PRC (and associated CCP leadership) that will respond to different drivers and imperatives. Australia's interaction with the PRC can prove instructive; it is a similarly-sized nation yet it is dealing with much higher levels of two-way trade and economic integration.

Australian Experience

Like Canada, Australia's early interaction with the PRC in the 1970s was driven by a prime minister who ideologically sympathized with the CCP. The modern bilateral relationship between Australia and the PRC, formed after the Cold War and the Sino-Soviet split, was an early beneficiary of the Deng-era reforms. Bilateral trade and commercial interaction accelerated throughout the 2000s. Australia's exports, once revolving around iron-ore and agriculture, rapidly expanded to include large quantities of coal, LNG, gold, and services such as tourism and education. By the end of 2007, the PRC overtook Japan to become Australia's largest trading partner (Australia, Department of Foreign Affairs and Trade 2020). In 2009, the PRC became Australia's largest export market and has remained so ever since (Australia, Department of Foreign Affairs and Trade 2010). An overview of Australia-PRC trade (in exports) from 2018-2019 can be found in Table 3.

During the early 2000s, when Australian-PRC economic codependence was exponentially increasing, Australia's then Prime Minister John Howard acted to preserve the Australia-US alliance. Howard created a framework that allowed for both the expansion of the PRC economic relationship and the continuance of Australia's US military and strategic partnership. This framework faced a litmus test in late 2011 when Australia and the US announced the deployment and rotation of US Marines through the northern port city of Darwin. After minor diplomatic protests from Beijing, Australian-PRC trade quickly rebounded. The framework had held up.

As Xi Jinping assumed the PRC presidency in 2013, the Australia-PRC relationship dynamic changed. Xi's assertive foreign policy began to clash with Australian interests and priorities. Reconciling what Australian strategic analyst Hugh White described as the "China Choice" (choosing either the PRC or the US as a partner) was no longer an academic question.

Australia's PRC approach hardened under then Prime Minister Malcom Turnbull in the late 2010s. That this occurred is somewhat remarkable. Turnbull himself was not part of the conservative establishment and was disliked by the "China hawks." A former investment banker, he could have easily followed the path of accommodating PRC expansion. Despite comments in his memoir that he had a consistent and long-running position on the PRC, his stance underwent a substantive change once he received top-level security briefings. Such briefings saw Turnbull realize the extent to which the PRC's penetration of Australia's political, business, and community elite had begun

TABLE 3: AUSTRALIA-PRC TRADE (EXPORT) STATISTICS, 2018-2019

	Revenue (AUD \$m)	Revenue (CAD \$m)	Percent of total
Goods			
Iron ores & concentrates	63,120	59,333	46.9
Natural gas	16,636	15,638	12.4
Coal	14,117	13,270	10.5
Gold	5,072	4,768	3.8
Other	35,751	33,606	26.5
<i>Total</i>	<i>134,696</i>	<i>126,614</i>	<i>100</i>
Services			
Education-related travel	12,095	11,369	65.4
Personal travel excluding education	4,253	3,998	23.0
Other	2,133	2,005	11.5
<i>Total</i>	<i>18,481</i>	<i>17,372</i>	<i>100</i>

*AUD:CAD conversion 1:0.94 as of July 2, 2020.

Source: <https://www.dfat.gov.au/sites/default/files/chin-cef.pdf>.

to undermine Australian interests and independence. Akin to the PRC approach to Canada, the PRC had leveraged its trade and commercial interests in an attempt to create a wedge between Australian and US policy.

Under Turnbull's leadership, several important changes occurred. In 2016, Australia developed a cyber-security strategy and changed its telecommunication legislation, which gave the government the authority to intervene in telecommunication networks to stop or forestall foreign interference. After it rejected a bid by PRC's State Grid to buy the electricity transmission utility Ausgrid, and following the earlier PRC acquisition of the Darwin Port, Australia established the Critical Infrastructure Centre to identify key infrastructure assets where a foreign acquisition could pose risks to national security. In June 2018, foreign interference and influence bills were passed on a bipartisan basis, and in August 2018, PRC vendors were banned from involve-

ment in 5G infrastructure rollout. During this period there was significant push-back from PRC firms and diplomats, as well as from PRC-dependent Australian businesses and the various United Front-backed groups. Bipartisanship was difficult to maintain, and there was a marked increase in implied and direct threats linking political decisions to trade.

By 2020, Prime Minister Scott Morrison had to contend with a deteriorating PRC relationship, further complicated by COVID-19. Morrison pursued an even firmer stance in responding to PRC actions not in line with Australian national interests. After Morrison called for an investigation into the origin of COVID-19 and actions by the World Health Organization (WHO), the PRC threatened consumer boycotts and punishment. Similarly, Australia's June 2020 announcement that the government was planning for the Foreign Investment Review Board to approve all investments in a "sensitive national security business" regardless of the value of the deal elicited a similarly vocal PRC response.

Furthermore, in an unusual and hastily convened press conference on June 19, 2020, Prime Minister Morrison publicly indicated that Australia was under sustained cyber attack from a "sophisticated state-based cyber actor." While not named, this statement was clearly directed at the PRC. The attendance at the press conference of the defence minister, Senator Lynda Reynolds, highlighted the seriousness of this claim and sent a clear message to Beijing. As Australia has defended and defined its national interest there has been a direct impact on trade with the PRC, as demonstrated in Table 4.

The PRC has increasingly turned to trade as its weapon of choice, particularly when it wishes to retaliate to foreign actions it dislikes. Countries openly criticizing PRC actions or policy can now expect economic consequences. This was not the case until recent times under Xi Jinping. Such actions have been widely used – the mirrored experience of Australia and Canada attest to this. Given that Australia is the PRC's sixth highest source of imports, it appears no trade relationship will be spared from such punishment.

The moves by Morrison and his predecessors have had a short-term impact on Australian trade and specific sectors of the economy. The actions are generally

A HARDENED PRC APPROACH

In his memoir, *A Bigger Picture*, former Australian Prime Minister Malcolm Turnbull notes:

"However, what's become increasingly apparent over the last decade is the industrial scale, scope and effectiveness of Chinese intelligence gathering and in particular cyberespionage. They do more of it than anyone else, by far, and apply more resources to it than anyone else. They target commercial secrets, especially in technology, even where they have no connection with national security." (Turnbull 2020)

TABLE 4: PRC TRADE ACTIONS AGAINST AUSTRALIA

Export Item	PRC Market	PRC actions or threats
Barley	Australia's largest market (Sullivan 2020a)	In May 2020, PRC placed anti-dumping and anti-subsidy tariffs of 73.6 percent and 6.9 percent respectively on Australian barley (Conifer 2020).
Beef	Australia's largest market (Fernando 2020)	The PRC's ambassador to Australia warned of consumer boycotts out of a sense of nationalism. In May 2020, four Australian abattoirs were suspended by China over "labelling and health certificate" requirements (Foley and Bagshaw 2020). On July 2, 2020, the PRC placed an additional 7.2 percent tariff on Australian beef products for a six-month period (Sullivan 2020b).
Coal	\$14-billion market	In May 2020, the PRC government issued a directive to five major state-owned utilities to avoid Australian products. Exports to the PRC fell by 25 percent.
Education	Australia's largest market (Statista 2019)	On June 9, 2020, the PRC Education Bureau warned students against returning to Australia in July, arguing it is unsafe due to "racist incidents" (Birtles 2020).
Iron Ore	Australia's largest market (Fernando 2020)	In May 2020, the <i>Global Times</i> stated the barley tariffs did not "necessarily represent the PRC's economic punishment for Australia." It proclaimed that the PRC is Australia's only iron ore export choice, and that Australia is not the PRC's only option (<i>Global Times</i> 2020b).
Natural Gas	Australia's second largest market	On May 26, 2020, <i>Global Times</i> indicated that Australia's liquified natural gas exports to China are at a "crossroad." It stated that this was due to other "trade tensions" (<i>Global Times</i> 2020c).
Tourism	Australia's largest market (Tourism Australia 2020)	On June 6, 2020, PRC Ministry of Culture and Tourism issued a travel warning against visiting Australia. The advisory cited a "significant increase" in racist attacks on Chinese people but did not provide any evidence. The ministry instructed Chinese nationals not to travel to Australia (Birtles 2020).
Wine	Australia's largest market (Wine Australia 2020)	On August 31, 2020, the PRC Ministry for Commerce launched an anti-subsidy investigation into Australia's wine industry. The announcement was made two weeks after the ministry declared an anti-dumping inquiry into Australia's wine exports (Korporaal and Han 2020).

bipartisan even if there is some partisanship on the margins at points in the electoral cycle. As of mid-2020, the extent of the PRC's push-back against and punishment of Australia is unclear.

The differences between the Australian and Canadian responses to PRC belligerence could not be starker. During similar periods in which PRC economic and diplomatic aggression proliferated, Australia responded with institutional and legal measures to shore up the country's sovereignty and national security. The banning of PRC vendors in 5G projects and the creation of the Critical Infrastructure Centre stand out. Canada, despite not having a free trade agreement with the PRC and being far less reliant on Beijing for prosperity than Australia, has waffled and drifted. Although the Trudeau government has belatedly ended formal Free Trade Agreement (FTA) talks with China, Canada has made no firm decisions about PRC involvement in 5G or the country's technology and resource sectors.

Fortunately, Canada can use Australia's actions as a framework for this country to reconsider its relations with the PRC. When former Prime Minister Turnbull started to harden Australia's position towards the PRC, the PRC-focused business community and its lobbyists responded with numerous protests. Threats and trade punishment followed, yet they signalled that Australia would follow its national interest, which could differ from Beijing's. Australia's firm stance has also meant that Beijing understands that it cannot paralyze foreign policy-making in Canberra like it can in Ottawa. Given the internal difficulties in the PRC, China is likely to increase its pressure on Ottawa. Our analysis indicates that China's international aggression is accelerating and must be considered as Canada formulates a clear policy towards the PRC.

Acceleration of Trends

The COVID-19 pandemic is accelerating and magnifying the unravelling of the US-led post-war international order. The pandemic is exacerbating a major rupture in both Canadian foreign and economic policy and requires planning and foresight to deal with structural changes that will happen in the next one to two years as opposed to 10 or 15.

Canada must make a series of decisions about its approach to foreign relations and the PRC. The areas where decisions are needed include:

- **Protectionist Resurgence.** The economic shock stemming from the pandemic illustrates both how dependent Canada is on its trading partners and, simultaneously, how vulnerable. Early in the pandemic, Ottawa joined a zero-sum race against the rest of the world in securing critical medical supplies. The PRC was both a source of much needed personal

protective equipment (PPE) and an initial cause of the depletion of Canada's existing stocks. Product quality and supply chain sourcing concerns remain (Leo 2020). Less extreme but no less worrisome was the US's attempt to prevent the export of three million masks to Ontario in April.

Although effective quarantine controls prevented a surge in demand for such supplies, the race to secure them led to a general public conversation about the strategy of adopting outwardly protectionist industrial policies.⁶ The rise of "vaccine nationalism" where countries like China and the US sign agreements with manufacturers giving them priority access to supplies (Kamradt-Scott 2020), is part of this trend and will likely accelerate as a viable and tested option emerges. An economic recession places even greater emphasis on "protecting jobs" at home and raises the question of how reliant Canada should be on key critical goods.

- **Aggressive Industrial Policy.** The PRC's stated industrial policy, branded as "Made in China 2025," seeks to transform its domestic manufacturing industry into a high-tech value sector. The policy is designed to achieve independence from foreign powers (Fang and Walsh 2018). The PRC requires foreign companies operating in China to undertake joint ventures with local entities and subsequently to share its intellectual property (IP) with the local company, leaving the partnership compromised. This broad access to high quality foreign IP is one of the many PRC strategies, including cyber-theft and commercial spying, that aggressively targets IP (Office of the United States Trade Representative 2018).

China's internal problems stemming from economic decline and civil unrest have been accelerated by COVID-19. This has led to an increase in the speed, brazenness, and desire of Chinese IP gathering and theft, illustrated most recently by China's alleged spying on US COVID-19 vaccine research (BBC 2020). China's actions have raised questions about the future of Canadian-PRC joint ventures and also have general implications for Canadian universities and high-tech firms. Canadian governments and businesses will now be forced to deal with such activities in a more cohesive, formal manner.

- **Internal Challenges within the PRC.** Faltering food production, declining economic growth, flooding, and civil unrest related to Hong Kong's status and the persecution of Uyghurs are but some of the pressures the CCP faces. COVID-related disruptions such as lockdowns, supply chain problems, and dramatic contractions in global demand have exacerbated these pressures. Accordingly, Xi has felt the need to act faster and with more force. The PRC will seek to create external enemies and demonize resistant internal groups in an effort to suppress internal opposition and unify the nation. The recent Hong Kong surveillance laws and increasingly confrontational trade policies are evidence of this acceleration. It is

possible that the number of Chinese and Hong Kong refugees arriving in Canada could increase, leading to increased asylum requests.

- **Comfortable Multilateralism.** Canada has relied on a comfortable multilateralism since 1945: it participates in institutions it helped create, with values and interests that largely mirror its own, and at varying degrees of commitment with little in the way of consequences. This order, anchored by international treaties and institutions making up the United Nations including its ancillaries (Bretton Woods institutions, WTO) and regional security bodies like NATO, have brought prosperity and security to Canadian interests. This era has come to an end.
- **Compromised International Organizations.** The mounting controversy over Chinese influence in the WHO during the pandemic has illustrated the degree to which the leadership of the CCP has co-opted some of these institutions. In other cases, President Xi's CCP government has created parallel bodies of its own (e.g., the Asian Infrastructure Investment Bank) to counter US and Western predominance (Lee and Sullivan 2019).
- **Conflicted Institutions.** The experiences of Australian universities, political parties, and businesses relying on PRC money has shaken public confidence and thrown some of these organizations into disrepute in that country. Canada is a late comer to this type of CCP influence but activities in recent years, like those documented by journalist Jonathan Manthorpe in his 2019 bestseller, *Claws of the Panda*, illustrate that Canada is not immune. Examples include municipal and provincial politicians targeted in "soft power" influence campaigns (e.g., free trips), pro-PRC funded Confucius Institutes based at 10 Canadian universities, colleges, and boards of education, and Prime Minister Trudeau's attendance at "cash for access" parties hosted by Chinese billionaires, some of whom are closely tied to the CCP regime (Manthorpe 2019, Blackwell 2020, Fife and Chase 2016).
- **Trump Aberration?** Although the Trump presidency gets blamed for not only retreating from international fora but also outright undermining them, the trend of relative US decline and return to isolationism began under Trump's predecessors who either believed the PRC would emerge a benign power that would buy into the US-led order or were distracted by Middle East adventures and economic problems at home. The COVID-19 pandemic has heightened the political, social, and economic divides in the US; this will be at best a distraction and (likely) at worse, an all-consuming task for whomever takes power in January 2021.

Hard Choices and Bipartisan Consensus

Canada's foreign policy establishment is often slow to act and tends to operate by seeking overriding consensus – a consensus that often overlaps with central Canada's political and business elites, the so-called “Laurentian elites.” We are unlikely to be able to convince that audience of the merits of crafting a clearer PRC policy. However, we hope they start to consider the long-term interests of Canada in their deliberations. In this modest paper, we aim to inform the members of each of Canada's federal political parties as they start to map out their policies for the post-Trudeau era. The choices Canada's political leaders must make are, by their nature, hard choices. They are based on this country's need to develop bipartisan agreement on Canada-PRC relations for the national interest. The choices are driven by four overriding principles:

First, focus on the PRC government, not the Chinese people. A key consideration for elected leaders is that the Canada-PRC relationship be based on securing and promoting Canada's national interest. This is so that the relationship is aimed at the Chinese Communist Party and the government it leads, and not people of Chinese descent or PRC citizens. Advocating Canada's national interest and upholding democratic norms is not racist (a common refrain from PRC officials) (Gillies 2019). Just as our politicians agreed upon a “Team Canada” approach for negotiating NAFTA 2.0, it is time they create a “Team Canada” group for interacting with the Middle Kingdom.

Second, prioritize national interests, not narrow business interests. Unlike countries such as Australia, Canada does not rely heavily on the PRC for trade. In addition, Canada's geographical position bordering its ally, the United States, gives the country some degree of security and bargaining power. For these reasons, pursuing a trade agreement with the PRC over narrow, sectional interests, and in the process distancing the country from the US, does not seem to be a sensible course of action. The PRC does not respect sycophants.

Third, build a new bipartisan consensus. Canada's position on PRC should be clarified and adopted by the two major political parties. While the pressure is on the Liberal government, it is up to the Conservative party to avoid easy political wins, and instead help ratchet up tougher relations with the PRC, not politicize them. Taking this position will require the shadow cabinet to listen to the clear thinkers and national security advisors rather than the media advisors and pollsters. Elections are always competitive, but they need not be contested by sacrificing sound foreign policy in exchange for votes.

Fourth, formulate and define a new China strategy. Core to all these principles is having a formalized Canadian position on interaction with the PRC. The strategy needs to be bipartisan and could feature a special joint Parliamentary committee, a House of Commons committee like the existing Canada-China Relations Committee, or an independent committee of Parliamentarians based on the existing 11-member National Security and Intelligence Committee of Parliamentarians (NSICOP).⁷

Based on these four over-riding principles, we recommend the following policy actions:

Immediate

- Canada's two main political parties should work together at the national level to build a consensus on Canada's policy towards the PRC. While differences may remain on technical matters, the two parties should attempt to remove partisan politics from matters relating to the national interest.
- Immediately ban Huawei from 5G infrastructure to align with the Five Eyes partners. The government must end the confusion and stop abdicating decision-making to send China and the world clear signal about its relationship with PRC. Like the United Kingdom, plan a considered and staged transition process.
- Re-evaluate the "One China Policy" so that the diplomatic stance developed in response to Cold War priorities be reconsidered in light of the respective actions of the PRC and Republic of China (Taiwan) in response to the global COVID-19 pandemic. This re-evaluation could involve deepening trade ties with Taiwan through a bilateral free trade agreement or a multilateral agreement trade agreement championed by Canada involving like-minded democracies.
- Delink the discussion of the release of Michael Kovrig and Michael Spavor from all other PRC interactions. By formally ending free trade agreements with China and thereby reducing the risk of PRC trade boycotts, Ottawa would begin to take the lead in its interactions with Beijing rather than respond as if every interaction is a crisis.
- Commence a review of multilateral organizations, as Australia has done, and consider defunding them or insisting on reforms if they have been corrupted or captured by the PRC.
- Prepare a formal response to deal with any attacks on Canada's economic or political interests ("grey zone" attacks), especially those against its public institutions.

- Build on the work of the 16-country Inter-Parliamentary Alliance on China to coordinate actions that confront the PRC, including at the UN, through international economic and financial institutions, and in other multilateral fora (Dewan 2020). Such actions could involve additional support for revamped democracy promotion efforts, including through a specialized agency (Axworthy 2020, Saunders 2017).
- Formulate and articulate a policy for Canadian provinces and municipalities that interact with the PRC to avoid a scenario such as Victoria, Australia, signing up to the Belt and Road Initiative, or Nova Scotia enabling Beijing to drive a wedge in Canadian domestic affairs by granting high-level diplomatic access in exchange for not raising the PRC's human rights issues.

Long-term

- Use the Five Eyes finance ministers' meetings to devise a common approach to trade boycotts and threats that will insulate each country from the impact of such actions. The approach may include bilateral swaps of market access to neutralize PRC's purchasing power.
- Create new defence capabilities, which can be stationed and deployed in the Indo-Pacific and work with a future "Quad" (an informal defence arrangement made up of the United States, India, Australia, and Japan) and other like-minded democracies.
- Undertake a widespread review of, and update, foreign investment rules and regulations; the review must clearly define the sectors that are off limits to state-owned and state-influenced or controlled firms.
- Determine the sensitive sectors, beyond 5G, that will be available only to close partners, and work with other Five Eyes partners to create vibrant commercial production supply chains for these sectors and for strategic commodities and critical minerals more generally.
- Build an alternative funding stream for universities and other civic institutions to prepare them for an eventual restriction on PRC international students and ban soft PRC support for organizations such as the Confucius centres.

Conclusion

Canada's relationship with the PRC is at a crucial juncture. The actions that Canada's decision-makers take now will determine the nation's economic and strategic future for decades. Canada cannot afford to defer these decisions. If Canada does not act now, China will. PRC actions will be on PRC terms and Canada cannot afford to have its future dictated by the PRC. The events of the past several years highlight the importance of Canada having a cohesive, consistent PRC strategy.

The ever-possible prospect of a federal election presents both the Liberals and Conservatives with an opportunity to create a new PRC strategy. Whether it is the current occupant or his successor, the prime minister must realize the present opportunity to take the necessary actions to protect Canadians, their livelihoods, and the national interest. Even without an election, Canada needs firm and clear action now. The country cannot wait. And it is entirely possible that Trudeau would be re-elected even if we did have an election now. He needs to step up and take responsible steps to protect the country.

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Endnotes

- 1 Ottawa has also made an unstated, strategic calculation. Given its relatively late urbanization and limited industrialization, a peaceful, US-led global system would allow Canada to grow, develop, and deploy greater resources to its favoured social welfare programs. While cloaked in noble terms, this was a rational pursuit of self-interested national policy.
- 2 According to Cottey (2019), an “astrategic” approach usually arises when an international actor does not face significant or immediate external threats and its decision-making is driven by the logic of internal processes and legacy arrangements. See also Nossal 2016.
- 3 In Australia, a number of China analysts, centred around Australian National University or connected with trade or business groups, will frame PRC decision-making in glowing terms. They will often attribute a long-game or multi-level considerations to setbacks or apparent defeats. Their analysis may be subtly influenced by lucrative research scholarships or direct business interests.
- 4 The PRC’s 2049 grand strategy is outlined in Copley 2020. This is also covered in Pillsbury 2016.
- 5 For a full description of the PRC approach to “total war” and implications for the US and its allies, see Copley 2020.
- 6 An example of this thinking is found in Public Policy Forum 2020. For a response, see Coyne.
- 7 For more information on NSICOP, see Carvin 2019.



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