



True North in  
Canadian public policy

# Commentary

June 2016

## Canada and Korea: Strategic Partners, Shared Challenges

This Commentary is based on a talk given at the 5<sup>th</sup> Annual Canada-Korea Dialogue Series on the Hill in Ottawa, June 7, 2016\*

Brian Lee Crowley

I had the good fortune to be a guest of the South Korean government on an official visit last September. Among the many enduring impressions I took away from that visit was this: I had only to mention in passing that my late father served in the Korean War to have all the Koreans in earshot stop whatever they were doing and crowd around me to express their gratitude for what my father and Canada had helped to do for their country. For without the United Nations intervention, led by the US, there wouldn't be a South Korea today. The Korean War may be an almost forgotten conflict here at home, despite the blood and treasure we expended there, but I can assure you that it was never far from the minds of my Korean hosts.

And while I don't wish in any way to suggest that their gratitude was driven solely by current events, there can be little doubt that one of the reasons why the memory of the international community rallying

*The author of this document has worked independently and is solely responsible for the views presented here. The opinions are not necessarily those of the Macdonald-Laurier Institute, its Directors or Supporters.*

\* Jointly presented by the Canada Korea Society & Canada-Korea Inter-Parliamentary Friendship Group, Centre Block, Parliament Hill

to their cause is so poignant today is this: South Korea is in one of the most uncomfortable places in the world, at the intersection of two of the world's simmering conflicts that, unless well-managed, could easily spiral out of control. And because Korea is on the front lines of these struggles but is only a middle power, unable to resolve these conflicts alone, Korea is understandably looking to know who its friends are in its efforts to resolve these conflicts according to the rules of civilised behaviour.

Canada is one of the places Korea is looking for reassurance. Moreover, the reliability of middle-power allies like Canada has become an ever-more acute issue as the traditional superpower guarantor of the region's balance of power, the United States, gives ever-more equivocal signals about its willingness to confront bad behaviour in the interests of international peace and stability. I wish I could say I was more confident that the Koreans are encouraged by what they find when they cast an appraising glance at their Canadian friends.

---

## Korea is understandably looking to know who its friends are in its efforts to resolve these conflicts according to the rules of civilised behaviour.

The two conflicts I am referring to are, of course, North Korea's nuclear brinkmanship, itself merely the most extreme form of the provocation the North offers to the South and to the rest of the world on a continuing basis.

The second is the rise of China as an aggressive and assertive regional power and aspiring global superpower. China's revanchist and revisionist view of the world is perhaps best exemplified by its behaviour in the South China Sea, not next door to Korea, but vital to its interests nonetheless.

The South China Sea is not some obscure waterway. It is one of the most vital commercial arteries in the world. \$5-trillion worth of trade crosses it each year, meaning that it is both the on-ramp to the world's trading system for Asia's massive exports, but it is also the final leg of the journey for much of the oil and natural gas that powers the region's economy. As we know, China has unilaterally built islands on seven reefs or rock outcroppings and in spite of protestations of peaceful intent has clearly used these new islands for military purposes. The Chinese have also loudly proclaimed that they will not respect a forthcoming ruling by the Permanent Court of Arbitration brought by the Philippines and widely expected to find that China has no legal basis for its expansive territorial claims.

Closer to home, the Sino-Japanese dispute over the Senkaku Islands also appears to be part of a long-game Chinese "area denial" strategy to make it as difficult as possible for the US navy to operate in the East and South China Seas, with all that implies in terms of the freedom of the seas and the respect of the rule of law. Nor is this aggressive unilateralism limited to the seas. Recently China unilaterally expanded its air defence identification zone far beyond its borders, prompting protests by both Korea and Japan, and a Korean expansion of its own ADIZ.

Like Canada, Korea feels on the horns of a dilemma regarding China. On the one hand, closer economic ties with China have undoubtedly powered Korea's rise as an economic power. On the other hand, Korea, like virtually all the other countries on China's periphery, looks to the US to counterbalance Chinese power.

But despite the rhetoric of the pivot to Asia, the current US administration has actually been preoccupied elsewhere, most notably in the Middle East and Iran, and NATO's eastern flank vis a vis Russia. At the same time the world's assessment of American resolve to protect and defend the postwar world order is that it is at a postwar low ebb. The result has been a realisation that American guarantees are not worth what they once were and this has unleashed a flurry of military preparations worldwide, including a projected increase in military spending by the littoral countries in the South China Sea region alone of \$100-billion a year by 2020.

And in Korea's immediate neighbourhood I would argue that Japan's moves to reinterpret the self-defence provisions of its postwar pacifist constitution are driven to a large extent by Japan's dwindling confidence that it can rely on American leadership and resolve if push comes to shove in a conflict with China.

A President Trump, if he follows through on threats to make allies pay much more toward their own defence, is liable to push countries in the region toward even greater efforts to increase their military capabilities, just as it will push them to even greater awareness of the need for military co-operation across the region, ranging from India all the way to Japan. Ironically, for countries that want peace, the waning confidence in a resolute Western-led multilateralism will cause many more resources to be devoted to military preparedness in the region and a heightened risk of confrontation, a lesson Canada might want to ponder.

Of course it is precisely this kind of multilateralism that China wants to discourage, because it understands the strategic advantage it draws from dealing with its neighbours in a one-on-one way, since its power always greatly exceeds that of any of its neighbours individually. We thus find ourselves in a position where those countries that prize democracy, the rule of law, the western military alliance, and freedom of the seas will increasingly find it indispensable to work together.

That was the implicit logic of the Trans-Pacific Partnership, which sought to cement liberal trade norms in the Pacific through the collaboration of like-minded countries before China became so powerful that it could dictate its own terms unilaterally. South Korea's belated embrace of the principle of TPP membership shows that even such a savvy regional player can sometimes miss the larger unspoken imperatives driving multilateral action. Canada should do all it can, first to secure its own TPP commitment, and second to welcome in other like-minded countries such as Korea, the Philippines and Taiwan.

Such collaboration, moreover, will become ever more important as the threat of bad Chinese behaviour increases. All of this applies just as much to countries, like Canada, with interests in the region even if it is not our immediate neighbourhood. Only concerted international action will have even a chance of easing China toward acceptance of international norms and away from seeking its goals through intimidation and bullying.

While we may not be there yet, I have to say that the time will come when Canada too will have to choose whether it will risk good economic relations with Beijing as the price of membership in an international coalition that demands that China behave in a civilised way. So far Canada has largely kept its head down and murmured that it hopes the parties will resolve these disputes peacefully, crossing our fingers that others will do the heavy lifting and we can benefit from their efforts. I think this does Canada little credit and in any case will not solve the problem.

China is quite brilliant at exploiting frictions and conflicts between western allied countries. It, for example, exploits shared anti-Japanese sentiment with the Koreans and tries wherever possible to promote bilateral free trade with individual alliance countries to maximise Beijing's bargaining power.

---

## China is quite brilliant at exploiting frictions and conflicts between western allied countries.

Of particular relevance here is the way Beijing has played the North Korean card in its relationship with the South. In a precursor to the nuclear deal with Iran, President Clinton negotiated a nuclear pact with North Korea now largely forgotten. But it is instructive to recall what he said at the time: "This is a good deal for the United States. North Korea will freeze and then dismantle its nuclear programme. The entire world will be safer as we slow the spread of nuclear weapons. The United States and international organisations will carefully monitor North Korea to ensure it keeps its commitments."

Now of course North Korea regularly detonates nuclear weapons whenever the regime cannot resolve its problems through increased repression of its own population. And the North is openly seeking both the ICBM and submarine technology to project its nuclear threats far beyond its immediate neighbourhood. It now seems likely that the North could direct a nuclear missile to the North American west coast, which is why ballistic missile defence is now seen primarily in terms of the protection it can offer against rogue regimes rather than against a first strike by, say, Russia.

The point in the context of the current discussion, however, is the extent to which the North's destabilising behaviour is made possible by Beijing's continued patronage of Pyongyang. I do not doubt that Beijing is embarrassed by the asinine antics of Kim Jong Un and his acolytes, but in my estimation that embarrassment is a small price to pay in exchange for maintaining the bargaining chip of reunification available in case Beijing wants to drive another wedge between the countries on its periphery. Otherwise these countries might, with American backing, resist China's efforts to become the dominant power, not through a peaceful rise and the reasoned pursuit of its interests within the law, but through pressure and intimidation.

Of course my own view, for what it is worth, is that the situation in the North is very unstable and it would not take much to tip it into total dysfunction and failure, regardless of the wishes of the regime's

patron in Beijing. The thought of a chaos-racked North Korea with a nuclear arsenal up for grabs is the stuff of nightmares.

There is, however, an unfortunate assumption on the part of many, including here in Canada, that in such a scenario South Korea would simply step in. But one of the things I discovered on my recent trip to Korea was that there are deep divisions within their society over the extent to which they must “own” the North Korean problem. These divisions moreover are intergenerational, with the young deeply sceptical, so as the population ages the resistance to being saddled with North Korea is likely to grow. Because of such wishful thinking I believe that the world community is singularly ill-prepared to manage the transition to something new and more positive in the North, and I believe that Canada should begin now to consider how these new facts on the ground ought to influence our own thinking before things start to move quickly.

---

The thought of a chaos-racked North Korea with a nuclear arsenal up for grabs is the stuff of nightmares.

In summary, then, I think that the new government’s entirely laudable desire to be on good terms with every nation in the world has not yet been tested by confrontation with any of the major powers who don’t care a fig for the good opinion of Canada or the “world community.” The time will come when we will have to choose sides, not because we want to, but because circumstances will make studied neutrality and good will not merely irrelevant but actively destructive because they will give comfort to regimes whose values are inimical to our own. South Korea lives in a neighbourhood where such illusions can only sparingly be indulged because the price is too high.

South Korea and Canada, as middle powers with a wide range of shared interests, values and relationships, are the kind of countries of which much may be expected in the next few years. Korea is farther along than Canada in coming to terms with what this might mean. We could do worse than to look at Korea as an example of building closer economic ties with China without compromising on core interests. And we should never be so dazzled by China’s commercial potential that we forget that to counterbalance Chinese power we will want lots of like-minded friends. If we neglect those friends until we really need them, it may be too late.

Kamsahamnida – Thank you.

*Brian Lee Crowley is Managing Director of the Macdonald-Laurier Institute*





True North in  
Canadian public policy

# MACDONALD-LAURIER INSTITUTE

## Critically Acclaimed, Award-Winning Institute

**The Macdonald-Laurier Institute fills a gap in Canada's democratic infrastructure by focusing our work on the full range of issues that fall under Ottawa's jurisdiction.**

- The Macdonald-Laurier Institute fills a gap in Canada's democratic infrastructure by focusing our work on the full range of issues that fall under Ottawa's jurisdiction.
- One of the top three new think tanks in the world according to the University of Pennsylvania.
- Cited by five present and former Canadian Prime Ministers, as well as by David Cameron, the British Prime Minister.
- First book, *The Canadian Century: Moving out of America's Shadow*, won the Sir Antony Fisher International Memorial Award in 2011.
- *Hill Times* says Brian Lee Crowley is one of the 100 most influential people in Ottawa.
- The *Wall Street Journal*, the *Economist*, the *Globe and Mail*, the *National Post* and many other leading national and international publications have quoted the Institute's work.



"The study by Brian Lee Crowley and Ken Coates is a 'home run'. The analysis by Douglas Bland will make many uncomfortable but it is a wake up call that must be read."

FORMER CANADIAN PRIME MINISTER PAUL MARTIN ON MLI'S PROJECT ON ABORIGINAL PEOPLE AND THE NATURAL RESOURCE ECONOMY.

## Ideas Change the World

Independent and non-partisan, the Macdonald-Laurier Institute is increasingly recognized as the thought leader on national issues in Canada, prodding governments, opinion leaders and the general public to accept nothing but the very best public policy solutions for the challenges Canada faces.



CBC news



# ABOUT THE MACDONALD-LAURIER INSTITUTE

## What Do We Do?

**When you change how people think, you change what they want and how they act.** That is why thought leadership is essential in every field. At MLI, we strip away the complexity that makes policy issues unintelligible and present them in a way that leads to action, to better quality policy decisions, to more effective government, and to a more focused pursuit of the national interest of all Canadians. MLI is the only non-partisan, independent national public policy think tank based in Ottawa that focuses on the full range of issues that fall under the jurisdiction of the federal government.

## What Is in a Name?

**The Macdonald-Laurier Institute exists not merely to burnish the splendid legacy of two towering figures in Canadian history – Sir John A. Macdonald and Sir Wilfrid Laurier – but to renew that legacy.** A Tory and a Grit, an English speaker and a French speaker – these two men represent the very best of Canada's fine political tradition. As prime minister, each championed the values that led to Canada assuming her place as one of the world's leading democracies.

We will continue to vigorously uphold these values, the cornerstones of our nation.



## Working for a Better Canada

**Good policy doesn't just happen; it requires good ideas, hard work, and being in the right place at the right time.** In other words, it requires MLI. We pride ourselves on independence, and accept no funding from the government for our research. If you value our work and if you believe in the possibility of a better Canada, consider making a tax-deductible donation. The Macdonald-Laurier Institute is a registered charity.

## Our Issues

**The Institute undertakes an impressive programme of thought leadership on public policy. Some of the issues we have tackled recently include:**

- Getting the most out of our petroleum resources;
- Ensuring students have the skills employers need;
- Aboriginal people and the management of our natural resources;
- Controlling government debt at all levels;
- The vulnerability of Canada's critical infrastructure;
- Ottawa's regulation of foreign investment; and
- How to fix Canadian health care.



True North in  
Canadian public policy

**CONTACT US:** Macdonald-Laurier Institute  
8 York Street, Suite 200  
Ottawa, Ontario, Canada K1N 5S6

**TELEPHONE:** (613) 482-8327

**WEBSITE:** [www.MacdonaldLaurier.ca](http://www.MacdonaldLaurier.ca)

**CONNECT  
WITH US:**



Scan this QR code to  
get your copy of our  
iphone app or to visit  
our mobile website



@MLInstitute



[www.facebook.com/  
MacdonaldLaurierInstitute](http://www.facebook.com/MacdonaldLaurierInstitute)



[www.youtube.com/  
MLInstitute](http://www.youtube.com/MLInstitute)

## What people are saying about the Macdonald- Laurier Institute

*In five short years, the institute has established itself as a steady source of high-quality research and thoughtful policy analysis here in our nation's capital. Inspired by Canada's deep-rooted intellectual tradition of ordered liberty – as exemplified by Macdonald and Laurier – the institute is making unique contributions to federal public policy and discourse. Please accept my best wishes for a memorable anniversary celebration and continued success.*

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

*In its mere five years of existence, the Macdonald-Laurier Institute, under the erudite Brian Lee Crowley's vibrant leadership, has, through its various publications and public events, forged a reputation for brilliance and originality in areas of vital concern to Canadians: from all aspects of the economy to health care reform, aboriginal affairs, justice, and national security.*

BARBARA KAY, NATIONAL POST COLUMNIST

*Intelligent and informed debate contributes to a stronger, healthier and more competitive Canadian society. In five short years the Macdonald-Laurier Institute has emerged as a significant and respected voice in the shaping of public policy. On a wide range of issues important to our country's future, Brian Lee Crowley and his team are making a difference.*

JOHN MANLEY, CEO COUNCIL