

## GLOBAL

# Canada's China-U.S. conundrum

By DAVID CARMENT AND RICHARD NIMIJEAN FEBRUARY 24, 2020

Though we must not have illusions about Canada's relative lack of power in this triadic relationship, there is an alternative way of thinking about this situation, as our European allies are quickly learning. It's okay to say no to both the U.S. and to China and be true to ourselves in the process.



In a multi-polar world, smaller, less powerful countries like Canada can gain leverage by playing off one power against another rather than being at the mercy of their whims. In this case, Canada could use the prospect of extraditing Meng Wanzhou, and banning Huawei to see if China offers better terms than existing agreements with the U.S., write David Carment and Richard Nimijejan. Ms. Meng is pictured right, on Oct. 2, 2014, with Andrey Kostin, left, and Vladimir Putin, at the Russia Calling Investment Forum in Moscow, Russia. *Photograph courtesy of Commons Wikimedia*

There is one basic truism in this era of geopolitical competition: the strong do as they will and the weak do as they must. Growing tensions between the U.S. and China have placed Canada in a difficult spot.

China and the U.S.'s intense rivalry forces them to focus on weaker states. Rather than making direct hits on their adversary, these rivals increase economic pressure on the allies of their main opponent to shift their partnership priorities. Canada is the weaker player caught up in this conflict and has not only taken hits from both sides; it is increasingly pressured to render short-term choices without due attention given to national interests.

For example, adhering to the American extradition request of Meng Wanzhou resulted in the detention of the “two Michaels”: Michael Kovrig and Michael Spavor—and the retrial of Robert Schellenberg, resulting in a death sentence. This shows how weaker countries can bear the brunt of powerful nations promoting their interests on a global scale while avoiding costly and potentially destructive direct confrontation.

Canada's ability to pursue its interests are constrained by this great power rivalry. On the one hand, Canada has pursued greater investment from China, but China does not appreciate holdups of foreign investment over national security concerns. The Trudeau government's overtures for a free trade deal were rebuffed. Strategically, China outright rejected the progressive trade agenda, central to Prime Minister Justin Trudeau's political image. Even as China faced a crisis in its pork industry, Canadian pork imports were targeted.

On the other hand, Canada has been squeezed by the U.S. Notably, the USMCA makes it difficult for partner countries to pursue free trade discussions with “non-market countries,” i.e. China. The extradition request, followed by U.S. President Donald Trump's declaration that Meng could be released if China acceded to other demands, shows how little leverage Canada wields in the Canada-U.S. relationship. Hope that the Trump administration would push hard for the release of the two Michaels has evaporated.

This is perplexing for the Liberals, given that they continued the tradition of pursuing short-sighted trade deals that produced immediate returns, especially for resource exports, over the development of longer-term strategies that allow the economy to adapt to an increasingly decarbonized economy. Canada wanted more deals and less friction with both countries yet still finds itself at the mercy of both.

Meanwhile, Canadian public opinion towards China is hardening. The new parliamentary committee on China is more an outlet for political partisanship than it is a forum for deep thinking about Canada's long-term geopolitical strategy.

So what is the Trudeau government doing? Instead of insightful statecraft, Trudeau is attempting to deny the advantage of the more powerful, determined, and capable China and the U.S. by following public opinion. That is because most Canadians believe that Canada's actions in defence of Meng's detention are consistent with the rule of law and an expression of the importance Canada places on a rules-based system and national sovereignty. While Canadians wish for the two Michaels' speedy release, they support the Liberals' refusal to compromise in order to secure their release. In fact, the Liberals have publicly rejected proposals for the release of the two Michaels that involve Meng Wanzhou.

While politically popular, this approach frustrates those who want a broader and more coherent long-term strategy for dealing with the complexity of relations between China and the U.S. We ask if such approaches are the right ones. Indeed, there are good reasons to question the entire premise underlying the Liberals' short-sightedness.

First, in acceding to the U.S. extradition request, Canada has tacitly approved of unilateral American sanctions on Iran that were not upheld or endorsed by the UN Security Council or by any formal agreement between the U.S. and its allies, including Canada. This position seems at odds with Trudeau's quest to win a seat on the UN Security Council because of a belief in the importance of multilateralism and respect for the rule of law.

Second, Canada's [international human rights commitments](#) require it to “respect and ensure the human rights of all individuals within its territory and subject to its jurisdiction, without discrimination of any kind.” So why have the Liberals refused to consider a prisoner swap involving the two Michaels, as former Chrétien adviser [Eddie Goldenberg](#) suggested? After all, even hardliner Benjamin Netanyahu of Israel, a staunch Canadian ally, [completed a prisoner swap](#) because of a strong national belief in solidarity over the state's geopolitical interests.

In fact, backroom manoeuvres involving hostages and prisoners are not without precedent. Canadian embassy staff in Tehran rescued U.S. hostages in Iran through bold moves that circumvented Iranian sovereignty. Canada has in the past, according to [one former diplomat](#), paid ransom for kidnapped Canadians, saving lives. [According to allies](#), despite official government denials, a significant ransom secured the release of Canadian diplomats Robert Fowler and Louis Guay when they were taken hostage in the Maghreb by forces sympathetic to al-Qaeda.

Under this current government, standing up for Canadian values has become a substitute for a projection of strength, statecraft, and diplomacy. The government is taking a popular position: resist Chinese pressure, even if the two Michaels must pay the price.

This sounds principled, but what about the commitment to protect and promote the human rights of all Canadians at home and abroad? Is standing up for our principles while two innocents suffer and a third might be put to death really the core of Canada's values?

The conundrum extends beyond the two Michaels. The upcoming decision on 5G is a politically loaded process more than one based on security needs. On the one hand, much of the world is unconvinced by U.S. claims that Huawei technology poses a major security risk. The U.K. is ambivalent, while Germany and France remain open. Huawei is competitive in Finland, the home of Nokia. On the other, countries that have imposed an outright ban, like Japan and Australia, are dependent on U.S. security. Recently, the Canadian military has come out in opposition, ensuring a big political fight but also raising questions about who is running the show in Ottawa.

In a multi-polar world, smaller, less powerful countries like Canada can gain leverage by playing off one power against another rather than being at the mercy of their whims. In this case, Canada could use the prospect of extraditing Meng and banning Huawei to see if China offers better terms than existing agreements with the U.S. As well, Canada can use the spectre of increasing Chinese influence to try to improve existing agreements with the U.S. Though we must not have illusions about Canada's relative lack of power in this triadic relationship, there is an alternative way of thinking about this situation, as our European allies are quickly learning. It's okay to say no to both the U.S. and to China and be true to ourselves in the process.

*David Carment is editor of the Canadian Foreign Policy Journal and a fellow at the Canadian Global Affairs Institute. Richard Nimijean is a member of the School of Indigenous and Canadian Studies at Carleton University.*

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