

Why Does Canada Need an Indo-Pacific Strategy as Part of Its Foreign Policy?

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From North Korea's nuclear and missile program to China's expansive claims in the South China Sea (SCS) and East China Sea (ECS), to brawls in the Himalayan plateau and threats to unify Taiwan by force, the Indo-Pacific region is home to a cauldron of geopolitical challenges and rapid transformation.

Many Canadians see the plethora of problems in the Indo-Pacific region through the NIMBY lens—*Not in My Back Yard* so it is not our problem. In reality though, what happens in the Indo-Pacific matters for Canada. This is especially the case if China is successful in creating and shaping “an ideological environment conducive to its rise and counter Western values.”¹ If successful, Canada will be less secure, less prosperous, and more vulnerable to a might-is-right approach to regional and international affairs.

North Korea and Weapons of Mass Destruction Proliferation

Take for example nuclear and missile development in North Korea. While not targeted at Canada, the flight paths of missiles aimed at the United States fly over Canadian territory. Intercepting the intercontinental ballistic missiles or an accident over Canadian airspace could lead to collateral damage on Canadian territory. Significantly, North Korea's missiles not only target the United States, Canada's biggest and most important trading partner, but also like-minded allies like Japan.

North Korean missile and nuclear weapon development is also problematic because of the proliferation risk to both state and nonstate actors. In fact, Pyongyang has previously attempted to earn hard currency by selling nuclear technologies to Syria and Libya and possibly other nonstate actors in the Middle East.²

Canada has a vested interest in defending our allies in the region and preventing proliferation. Since October 2017, Canada has engaged in maritime surveillance operations as part of Operation NEON to enforce UN-mandated sanctions on North Korea.³ Ottawa also spearheaded middle-power diplomacy, such as the January 2018 Vancouver foreign ministers' meeting on security and stability on the Korean Peninsula.⁴

South China Sea, Trade, and Sovereignty

According to the United Nations Conference on Trade and Development (UNCTAD),⁵ an estimated 60 percent of maritime trade travels through the SCS with an estimated value of at least USD 5.3 trillion dollars.⁶ Hand in hand with large volumes of trade, more than 30 percent of global maritime crude oil moves through the SCS a year.⁷ Canada's trade value through the SCS was USD 21.8 billion in 2016—or 2.76 percent of all goods.⁸

The SCS is the most important sea line of communication (SLOC), serving the most dynamic economies in the world. This critical role in the regional and global economy is currently at risk, as Beijing has labeled the SCS part of China's core interests, claiming this expansive body of water as part of China's sovereign territory.⁹ Brunei, Indonesia, Malaysia, the Philippines, Taiwan, and Vietnam contest Beijing's claims. Moreover, Canada, the United States, Japan, and other countries consider the SCS as international waters and subject to international law. With China's building and militarization of artificial islands in the SCS¹⁰ and Beijing's growing track record of gray-zone operations against other claimants in the SCS,¹¹ the chances for an accidental escalation into a regionalized or larger-scale kinetic conflict increases day-by-day.

As Japan, China, South Korea, Taiwan, and Southeast Asia are all destinations for Canada agriculture products and natural resources, what happens in the SCS matters and Canada has a deeply vested interest in guaranteeing that it is governed by in a common set of rules. This determination to realize and re-enforce a rules-based order in the SCS and broader Indo-Pacific region ensures that a transparent set of rules, not power as the adjudicator or states' behavior, govern Canadian interests in the region.

The East China Sea and Taiwan on the Frontlines of Regional Revisionism

The territorial issues in the SCS should not be seen in isolation. The strait between Taiwan and China and the ECS is also part of the broader SLOC puzzle that Canada has a vested interest in solving to ensure the region's stability and security.

In the ECS, China continues to challenge Japan's sovereignty over the Senkaku islands, using lawfare and gray-zone operations. In the case of the former, the adoption of a new Chinese Coast Guard (CCG) Law allows for the use of force by constabulary units in regions Beijing considers Chinese territory.¹² This extension of China's domestic law into Japan's waters greatly complicates Tokyo's ability to respond appropriately to Chinese pressure without being seen as escalating

an altercation. With China's Active Defense strategy stressing reciprocation to actions against China,¹³ one could easily see how an incident in Japan's sovereign territory could escalate into a conflict that would not remain confined to Japan and China.

Article 5 of the US–Japan alliance would be triggered bringing in the United States.¹⁴ With the United States involved, Australia and other US allies would be compelled to defend the United States and Japan, prompting a multilateral conflict. The associated cascade of negative consequences would have global economic repercussions.

China's lawfare tactics in the ECS are not confined to the new CCG Law. In 2013 China declared an air defense identification zone (ADIZ) over the region, which includes the Senkaku islands,¹⁵ and China regularly sends merchant vessels into the waters in and around the Senkaku islands to test and tire Japan's defense forces and to delegitimize Japan's sovereignty claims by eroding Japan's administrative claims.¹⁶

After Russia's annexation of the Crimea peninsula by stealth, Beijing has been actively conceiving ways to achieve China's strategic objectives to dominate the first and second island chains without the use of force. Japan is at the front lines of these efforts, but it is not alone. Taiwan also faces daily pressure by the People's Liberation Army Air Force (PLAAF).¹⁷ Fighter jets regularly circumnavigate Taiwan, first through the Miyako strait and then alongside the east coast of Taiwan to return to mainland China. The constant testing of Taiwanese defense degrades Taiwan's long-term ability to deter China from forcefully reunifying the island with China by wearing down its equipment, preventing additional training, and through identifying defense weaknesses to China's probing.

Japan and Taiwan are important trading partners for Canada. They are fellow democracies, and their success in ensuring that China does not use "a might is right" approach to reshape the region cannot be divorced from Canada's long-standing interests in international institutions, international law as the final arbiter of interactions between states, and multilateralism. When Canada, along with like-minded countries, does not stand up to states that are provocatively reshaping regional and global institutions, it may one day face the same kind of tactics in its backyard. Consider the Canadian Arctic. Russia is already expanding its sovereignty claims in the region by planting Russian flags at the bottom of Arctic seabed.¹⁸

Hong Kong: The Canary in the Coal Mine?

China's implementation of the 2020 National Security Law (NSL)¹⁹ in Hong Kong has eroded the guarantees of the 1984 Sino-British Declaration, which

states the “rights and freedoms, including those of the person, of speech, of the press, of assembly, of association, of travel, of movement, of correspondence, of strike, of choice of occupation, of academic research and of religious belief will be ensured by law in the Hong Kong Special Administrative Region.”²⁰ Just one year after the adoption of the NSL, Hong Kong’s press freedom ranking dropped from 18th to 80th,²¹ its independent judiciary and rule of law is compromised,²² and its free society is being dismantled, according to Human Rights Watch.²³

This matters for Canada not just because more than 300,000 Canadian passport holders live and work in Hong Kong.²⁴ It matters for Canada and the region as it represents the abrogation of an international agreement, namely the 1984 Sino-British Declaration. Seen alongside China’s rejection of the July 2016 Permanent Court of Arbitration’s decision dismissing all China’s claims in the SCS, such behavior raises serious questions about China’s commitment to international law and agreements.

Toward an Indo-Pacific Strategy in our Foreign Policy?

The contours of an Indo-Pacific strategy have already been laid out in the Canadian International Council’s virtual deliberation of the kind of foreign policy Canadians want.²⁵ The results resonated closely with the 2021 Shared Canada-Japan Priorities Contributing to a Free and Open Indo-Pacific, which focused on: (1) the rule of law; (2) peacekeeping operations, peacebuilding, and humanitarian assistance and disaster relief; (3) health security and responding to COVID-19; (4) energy security; (5) free trade promotion and trade agreement implementation; and (6) environment and climate change.²⁶

To get buy-in from Canadians, knowledge about the region and the impact of its developments on Canada is critical. China’s efforts to transform the region and international institutions, such as the NSL in Hong Kong, the future of Taiwan, events in the ECS and SCS, and North Korea’s nuclear program, are illustrative and important examples of issues and developments of which Canada needs to be mindful. Ottawa’s foreign policy needs to inculcate an Indo-Pacific strategy to maximize the opportunities that exist in the region and navigate the challenges and changes that are occurring. Doing so will require an independent Canadian brand so Ottawa is not just seen as a junior partner of Washington. Absent Ottawa’s own approach and priorities to the region, Canada will not be seen as an honest, independent stakeholder in the region. ✪

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