

Bruce Gilley

Middle powers during great power transitions

China's rise and the future of Canada-US relations

What is the fate of middle powers during the transition of great powers in the international system? In particular, what happens to middle powers that are tethered to a declining unipolar power? Virtually every close ally of the United States is asking this question today against the backdrop of a rising China. The question is particularly acute for the middle powers of Asia that are aligned with the US—especially South Korea but also the Philippines, Taiwan, and Australia.

The reconfiguration of the economic and political environment resulting from the rise of China is less acute for Canada, whose external environment will continue to be shaped far more by the geographically contiguous United States than by distant China. Nonetheless, the new global context that is being created by China's rise has uncertain implications for Canada-US relations. China's rise will affect Canada-US relations and the way that Ottawa and Washington respond to China's rise will affect their foreign policies towards one another.

Bruce Gilley is associate professor of political science in the Mark O. Hatfield school of government at Portland State University. He is the author of China's Democratic Future: How It Will Happen and Where It Will Lead (Columbia University Press, 2004).

I will make the empirical claim that Canada is more likely to reassert its traditional close ties with the US in a period of growing tensions with China than to bandwagon with China. Canada has neither the structural nor normative incentives to bandwagon with China. This is especially the case because a rising China will reduce Canada's international influence far more than that of the US, adding to the need for Canada to leverage its relationship with the US.

The paradox that emerges, then, is that a successful integration of China into world order will likely weaken Canada-US ties by highlighting growing divergences within liberal internationalism. But this is true only in a narrow, technocratic sense. In a larger sense, such an outcome would reinforce the shared liberal commitments of both nations, commitments that ultimately underlie their strong bilateral relationship.

CHINA'S RISE AND LIBERAL NORMS

China's rise can be measured using both traditional "hard power" (material capabilities) as well as "soft power" (human and social capabilities) data. China's share of global economic output (13 percent in 2010 using the International Monetary Fund's purchasing-power equivalent-based estimates) has closed in quickly on that of the United States (20 percent in 2010), while its military spending (US\$98.8 billion in 2009 using mid-range estimates), while only 15 percent of the US level, exceeds the combined spending of Japan, Taiwan, and South Korea. The "correlates of war composite index" of national material capabilities, which uses economic, military, and population data, gives China a 20-percent share of international power in 2007, compared to 14 percent for the US (in part because of its somewhat archaic emphasis on steel production). RAND gave China a 14 percent share versus 20 percent for the US in 2005, but predicted that China would close that gap by around 2015.¹ An Australian measure concurs that China's power will surpass that of the US by 2015.²

China's soft-power capabilities lag far behind its hard-power capabilities, although this is normal for rising powers. Kim calculates that China's "structural network" power ranked only 24th in the world in 2000 (the US was first and Canada an impressive fifth) behind even South Africa and

1 Gregory F. Treverton and Seth G. Jones, *Measuring National Power* (Santa Monica: RAND, 2005).

2 Dylan Kissane, "2015 and the rise of China: Power cycle analysis and the implications for Australia," *Security Challenges* 1, no. 1 (2005): 117.

Poland.³ However, a common finding is that China's soft-power capabilities are improving rapidly. For instance, *The Economist's* index of innovation for 2009 ranked China 54th out of 82 countries, but forecast it would climb to 46th position by 2014, the fastest riser among nations. The shifting allegiance of middle powers like Canada may be one of the best indicators of a power transition in the international system.

Moreover, China is today widely *perceived* to be a rising power. Among the 22 countries other than China and the US in the 2008 Pew global attitudes survey, the mean country score of decided respondents who believed that China had already or would eventually replace the US as the world's leading superpower was 51 percent (versus 49 percent who believed it would not). Analysts in Asia take China's rise as a *fait accompli* and are rapidly reconfiguring diplomatic and ideational frames to accommodate it. A remarkable 66 percent of Canadians in 2011 believed that China would overtake the US by 2021 in overall global influence (versus 22 percent who said it would not). The "Open Canada" report of the Canadian International Council argued that "the US has entered a period of relative economic decline" in which "it will increasingly share the stage with other powers, particularly China."⁴

A rising power is not necessarily a disruptive power, however. Rising powers that adhere to existing norms and principles and whose structural impact reinforces world order can be nondisruptive even as they change the balance of power. The US rise to replace Britain did not undermine international order since it carried on and expanded the liberal norms that had been taking shape, however imperfectly, under the British empire, and generated the economic and security structures to reinforce them. Nor was the rise of the US traumatic for a middle power such as Australia with close ties to the declining great power.

Only in power-based or relative position-based definitions of world order do rising powers cause disruption *by definition*. Power transition theorists make China's rise virtually synonymous with disruption because of the new constraints placed on US capabilities. This relative decline is far more severe for Canada, whose slowly declining postwar status (Canada today accounts

3 Hyung Min Kim, "Comparing measures of national power," *International Political Science Review* 31, no. 4 (2010): 405-27; Hyung Min Kim, "Introducing the new concept of national power: From the network perspective," *Peace Economics, Peace Science, and Public Policy* 15, no. 1 (2009).

4 "Open Canada: A global positioning strategy for a networked age," Canadian International Council, Toronto, 2010, 7.

for only 1.8 percent of global GDP) will be given a final knock not just by a rising great power like China but by rising regional powers like India, Iran, South Africa, Brazil, Russia, and Indonesia.

In this scenario, traditional middle powers like Canada become free agents liable to sign up with the new power to save their declining status and vulnerable to retaliation by the declining power, reinforcing the essentially disruptive nature of the transition. Even if they remain loyal, they may find themselves abandoned by the former unipole now seeking a bilateral condominium over world affairs—the much-debated US-China “G2”—that subduces the interests of the declining middle power. China will soon replace Canada as America’s number one trading partner (China-US trade was 87 percent of Canada-US trade in 2010), representing an important symbolic redirection of American external economic ties. Power transitions theory tells us the future is not bright for Canada-US relations.

But world order is shaped more by ideas and norms than by power per se. To make power transitions disruptive by definition is to foreclose the study of their effects. It may be that China emerges as a “responsible stakeholder” by rethinking its purposes as it rises.⁵ It may also be that China’s rise creates structural consequences, like economic interdependence and environmental networks, that strengthen world order despite a disruptive Chinese foreign policy. Or, even if China’s rise substantially challenges world liberal order, it may be that middle powers like Canada make conscious choices guided by normative considerations to side with the declining liberal unipole rather than bandwagon with its new rival.

In other words, China’s rise may undermine Canada’s power, but it will be disruptive to Canada-US relations only to the extent that it undermines liberal norms. In making this point, I am departing from most analyses of China’s rise, which conflate changed power dynamics with changed world order. The two are different. Canada could effectively bandwagon with an increasingly “responsible” China, or it could effectively balance against an increasingly disruptive China. Canada-US relations are weaker in the former case, but only in a narrow sense. More broadly, global liberal order is preserved.

If we adopt this norm- or rules-based view of world order, the results of power transitions depend on the *purposes* of the rising power and the

5 Jeffrey Legro, “Purpose transitions: China’s rise and the American response,” in Robert S. Ross and Feng Zhu, eds., *China’s Ascent: Power, Security, and the Future of International Politics* (Ithaca: Cornell University Press, 2008), 163-90.

normative responses of other powers. If China's rising power is used to undermine the liberal norms that underpin international trade, security, or governance, incentives will exist for Canada and the US to resume something like a Cold War alliance. Canada's Horizon 2050 naval strategy, for instance, noted by Elinor Sloan in her article in this issue of *International Journal*, makes it clear that Canada would be ready to integrate its forces with those of the US in case of a conflict over Taiwan or the South China Sea. It is China's purposes, and Canada's and America's responses to them, that will shape Canada-US relations.

China's effect on global energy resources is illustrative. From a power-based perspective, China's rise could create tensions in the Canada-US relationship. China's energy demand will encourage Canadian oil sands and pipeline developments that US lawmakers oppose because of its environmental impact and threats to US energy security. Chinese inward investment in North American energy assets will raise bilateral tensions over strategic risks represented by China's state-backed firms. Resource determinism predicts that alliances will weaken as energy supply and demand push old allies into new competition.⁶

But any sort of structural determinism ignores the normative basis of world order. Not all shifts in world energy relations cause conflicts. The ideas and norms that guide national energy policies may encourage cooperation rather than conflict. The OECD was strengthened, not weakened, by the rise of OPEC in the 1970s, as member-states cooperated to mitigate the effects of rising oil prices and shortages by creating a counter-cartel, the International Energy Agency. Canada-US relations, which first soured over Canada's discriminatory national energy program of 1980, were quickly repaired, even strengthened, after Washington "mounted a vigorous defence of the principle of non-discrimination in international investment and, to a lesser extent, in trade—a principle that it feared would have been severely compromised if Canada, one of the charter members of the GATT-OECD liberal economic regime of the post-World War II decades, could" violate it with impunity.⁷

Today, while there are emerging Canada-US tensions on energy directly related to China, these tensions centre on competing interpretations of liberal

6 Michael T. Klare, *Rising Powers, Shrinking Planet: The New Geopolitics of Energy* (New York: Metropolitan Books, 2008); Campbell Clark, "Will Canada use energy card in a US-China world?," *Globe and Mail*, 20 January 2011.

7 David Haglund and Jock Finlayson, "Oil politics and Canada-United States relations," *Political Science Quarterly* 99, no. 2 (1984): 287.

economic principles, not on attempts to abandon them. Questions such as what it means to implement market-based trade and investment policies in the energy sector or how to balance liberal economics with the need for climate protection and nonproliferation are differences arising *within* a set of shared preferences. They are issues that admit of *principled* Canada-US responses that preserve or even strengthen bilateral relations in the face of divisive Chinese pressures. China's illiberal challenge in the energy sector—its state-backed overseas investment drives and its rejection of linkages to climate change and nonproliferation issues—can be moderated by a forceful liberal response by Canada and the US. Just as Canada's repeated flirtations with illiberal economic policies (most recently in its 2010 rejection of BHP's acquisition of Potash Corporation) have been consistently constrained by an appeal to liberal economic principles, both by foreign trade partners and by domestic trade officials, so too can China's purposes be constrained by and shaped to the global liberal order in important ways.⁸ The question is not *whether* to sell Canadian energy assets and products to China but *how* to do so in a manner that is true to liberal principles of domestic and international governance.

Gregory Chin and Ramesh Thakur argue that China will be mildly disruptive of the existing world order—bringing an emphasis on development over human rights, on more state regulation over free markets, and on developing country representation in international institutions over western domination.⁹ Nonetheless, they argue, China has been socialized into key principles of liberal order—like humanitarian intervention and UN sanctions for nuclear proliferation and rights abuses (most recently in Libya in 2011)—that only a few years ago it rejected. Edward Steinfeld argues that China “has grown not by conjuring up its own unique political-economic institutions but instead by increasingly harmonizing with our own.”¹⁰ In matters environmental, China has the same interests as Canada and the US in reducing its greenhouse gas emissions and limiting the deforestation that generates transpacific dust storms. Beijing's occasional attempts to assert leadership, for instance in its proposal to revive the role of special drawing rights in global reserves, have fallen flat. As a result, China is following or

8 Lawrence Herman, “The China factor: Canada's trade remedy response to China's economic challenge,” *Canada-United States Law Journal* 33 (2008): 25-47.

9 Gregory Chin and Ramesh Thakur, “Will China change the rules of global order?” *Washington Quarterly* 33, no. 4 (2010): 119-38.

10 Edward S. Steinfeld, *Playing Our Game: Why China's Rise Doesn't Threaten the West* (Oxford & New York: Oxford University Press, 2010), 18.

even reinforcing global liberal order more than threatening it. Across the three broad global issue areas of rights and governance, security, and trade and economics, China is at present only mildly revisionist on the first two and mostly status quo on the last.¹¹

In important areas, especially rights and governance and to a lesser extent security (Taiwan, South China Sea, rogue regimes), Canada and the US will likely find it necessary to coordinate with western allies in order to ensure that China's disruptive influences on world order are minimized. But nothing like the existential threat of the Cold War—which forced the two countries into closer cooperation until the second Trudeau government of 1980—will loom over the bilateral relationship. Despite its emerging superpower status and significant ideological differences with the rival superpower, China's behaviour thus far suggests that the need for Canada and the US to band together to mount a “vigorous defence” of the principles of liberal order will be lessened, but not eliminated.

KEEPING WATCH ON GLOBAL TRENDS

Taking one step back, it is important to consider the exogenous global context in which China's rise will take place and how this might profoundly affect both the purposes of China's rise and the conditions under which Canada and the US will respond. Middle powers like Canada must pay more attention to this context because it affects their international power more than their own deliberate policy choices.¹² The repeated patterns of interaction that constitute political, economic, social, and environmental structures are central to thinking about China's rise and its effects on Canada-US relations. It is the interactions between these global trends and China's rise that will most affect Canada-US relations.

Canada-US relations are determined by shared values, diverse but congruent interests that are articulated and aggregated through transparent domestic mechanisms, and shared security concerns. There is very little to divide the countries as a structural matter, which accounts for the remarkable stability and cordiality of Canada-US relations. Canada-US relations are

11 Bruce Gilley, “Beyond the four percent solution: Explaining the consequences of China's rise,” *Journal of Contemporary China* (forthcoming, 2011).

12 Andrew Fenton Cooper, Richard A. Higgott, and Kim Richard Nossal, *Relocating Middle Powers: Australia and Canada in a Changing World Order* (Vancouver: UBC Press, 1993); Andrew Cooper, “Niche diplomacy: A conceptual overview,” in Andrew Cooper, ed., *Niche Diplomacy: Middle Powers after the Cold War* (New York: St. Martin's Press, 1997), 1-24.

shaped in large part by several fundamental structural features—a shared history and identity as western liberal democracies and shared interests in North American economic integration, environmental protection, and international security. In other words, both interests and ideas pull Canada towards the US (unlike the liberal middle powers of Asia facing China). What factors might affect this structural context of Canada-US relations?

Canada's institutionalization of its relationship with the US through multilateral bodies such as NATO and the World Trade Organization makes the fate of those bodies of great importance to the bilateral relationship. Indeed, the fate of international institutions as China rises is arguably the key issue for Canada-US relations. Middle powers pursue their foreign policies through multilateral institutions because, unlike small powers, they have sufficient capabilities to shape them, and it is those institutions that have the greatest potential for narrowing the influence gap with great powers. Where the interests and identities of middle powers are aligned with those of a hegemonic power, middle powers tend to be “stabilizers and legitimizers of the world order” even if they differ in terms of the breadth and ambition of their foreign policy agendas.¹³ A weakening of those institutions as China rises would gravely undermine the larger framework of Canada-US relations. Canada would likely redouble its efforts to stabilize and legitimize those institutions.

A weakening of WTO open trading principles, for instance, could be exacerbated by China's attempts to relegitimize discriminatory external economic policies (managed exchange rates, domestic-only procurement policies, state-subsidized overseas investment, etc.). Declining economic globalization or interdependence could, moreover, spill over into the security realm by reducing the costs of military aggression throughout east Asia. A deterioration of the global liberal order in the area of governance and rights is also possible. If India, South Africa, and Brazil unhitch their wagons from the global liberal train—for instance, as Chin and Thakur, as well as Jorge Castañeda, predict—it will be wrong to apportion the blame for the decline of, say, the international human rights regime on China alone, even if China magnifies those effects.¹⁴ This is especially the case if the externally illiberal

13 Eduard Jordaan, “The concept of a middle power in international relations: Distinguishing between emerging and traditional middle powers,” *Politikon: South African Journal of Political Studies* 30, no. 2 (2003): 167.

14 Jorge G. Castañeda, “Not ready for prime time,” *Foreign Affairs* 89, no. 5 (2010): 109-22.

Brazil, South Africa, and India are brought into the United Nations security council as permanent members alongside already illiberal Russia and the mildly revisionist China. This would create a strong challenge to current norms in areas like nonproliferation, humanitarian intervention, democracy promotion, global warming, and human rights.

While such global trends would threaten Canadian interests and influence, they would, paradoxically, strengthen Canada's incentives to cooperate with the US. For not only would Canada need to lean more heavily on its US ties, but its relative affinities to the US would be rising when compared to the global context as a whole. In an increasingly illiberal world, liberal powers would band more closely together. Daudelin's useful concepts of *leveraging* (how Canada uses ties to the US to get a seat at the table in world affairs) and *bridging* (how Canada seeks to maintain harmony among the US and liberal allies) would both be germane, reemphasizing the centrality of the US to Canada's international position.¹⁵

Much as the rise of Nazi Germany renewed the Canadian-British alliance, which had been weakened by a decadent Canadian drift towards "neutrality" and "anti-imperialism" in the 1920s and 1930s, the rise of China at a time of a global economic and democratic recession today could strengthen Canada-US relations in defence of world liberal order. Even at present, notes one observer, support for economic deintegration from the US is "grim to non-existent" in the Canadian public.¹⁶ Further assaults on liberal principles by rising powers would reduce such support to nil, leading to a rallying in defence of liberal order akin to the Mulroney/Reagan-Bush period in Canada-US relations.

Keeping an eye on such non-China global trends is important not only in order to measure the discrete effects of a rising China, but also because those trends will multiply and often change the effects of the rise of China itself. Canada and the US will shape China's rise in part by strengthening the global liberal order in which it takes place. The effects of China's rise on Canada-US relations, in other words, will depend in large part on factors that have nothing to do with China.

15 Jean Daudelin, "Introduction: Managing empires," in Robert Bothwell and Jean Daudelin, eds., *100 Years of Canadian Foreign Policy* (Montreal & Kingston: McGill-Queen's University Press, 2009), 5-6.

16 John McDougall, "Review of 'Whose Canada?'," *Canadian Foreign Policy* 14, no. 3 (2008): 138.

POWER AND PURPOSE IN EAST ASIA

China's rising power will have its most important effects in east Asia. It will join the US as a dominant power in Asia, while Indonesia rises to second-ranked great-power status alongside Japan. Canada is already a small power in east Asia, and it is destined to become a smaller one. Current and future Asian powers will shape the core triangular and bilateral relationships in east Asia within which Canada will operate. A middle power in the global hierarchy such as Canada becomes only a small power in a regional hierarchy from which it is geographically and politically distant. A "G2" in Asia diminishes the influence of powers tied to the former "G1."

But the implications for the Canada-US relationship are unclear. Much depends on whether domestic interests and national identity considerations in Canada lead to some form of accommodation, bandwagoning, or even realignment *with* China as they have in countries like Cambodia or South Korea, as opposed to hedging or balancing *against* it. Australia, which has much stronger incentives to accommodate, bandwagon, or even realign with a rising China (China became its number one trade partner in 2006, overtaking Japan), remains firmly committed to its US (and Japan) alliance.¹⁷ "Notwithstanding the unprecedented political and economic interaction between China and Australia, there remains a strong wariness of China's longer term intentions among policy elites, something also mirrored in public opinion surveys. Australians may be sceptical of America's capacity for global leadership, but they clearly prefer US leadership in Asia over any of the alternatives, the most credible of which is Chinese regional hegemony," Manicom and O'Neil conclude.¹⁸

So far, China's rise is *not* creating the structural incentives for such bandwagoning by Canada, despite hysterical claims by analysts such as Jeremy Paltiel that "China is...vital to our own economic future" and that ignoring this "fact" is akin to acting like the North Korean regime.¹⁹ Canada has felt very little of the economic pull of China beyond the relatively

17 James Manicom and Andrew O'Neil, "Middle power democracies and the rise of China: Canada and Australia compared," International Studies Association annual conference, Montreal, 2011; Enrico Fels, "Middle power allegiance and the power shift in Asia-Pacific: The case of Australia," International Studies Association annual conference, Montreal, 2011.

18 James Manicom and Andrew O'Neil, "Accommodation, realignment, or business as usual? Australia's response to a rising China," *Pacific Review* 23, no. 1 (2010): 39.

19 Jeremy T. Paltiel, "Canada and China: An agenda for the twenty-first century: A rejoinder to Charles Burton," *Canadian Foreign Policy* 15, no. 2 (2009): 111.

nonintegrative increase of bilateral trade flows (still only the equivalent of 12 percent of its trade with the US). If a new “greater Chinese co-prosperity sphere” is taking shape in Asia, there are few signs of its spread to Canada.²⁰ Canada’s direct investment to and from China, for instance, remains less (around 60 to 90 percent) than that to and from Japan. Indirect investment, meanwhile, is *substantially* less than comparable stocks to and from Japan (just 8 to 12 percent). To the extent that Canada is structurally integrated with *any* Asian country, it is Japan, not China, and neither comes close to rivalling Canada’s structural integration with the United States.

Beijing has long treated Canada with the warm condescension that it usually reserves for weak client states. Norman Bethune, the card-carrying Montreal doctor whose revolutionary fervour led him to forget basic medical procedures and poison himself while saving Communist party members in China (and refusing to treat injured Nationalist soldiers), resonates in China because he symbolizes this essentially kow-towing tributary ideal. Another Canadian “friend of China,” Chester Ronning, Canada’s ambassador to China during the Chinese civil war, is shown in a 1980 National Film Board documentary regaling premier Zhou Enlai in Chinese with talk of his fried rice during a 1971 meeting in Beijing.²¹ Zhu Rongji’s description of Canada as China’s “best friend” in 1998 revealed a view that Canada could become part of the Chinese Communist party’s global “united front.” But Beijing’s policies are strictly realist in attempting to pry Canada away from the US. And Canada, as a result, has no incentives to bandwagon with Beijing, as Australia has found.

Migration flows from China are creating a modest pro-Beijing lobby in Canada that could over time encourage bandwagoning with China.²² The proportion of the population born in China, Hong Kong, and Taiwan was 2.4 percent in Canada in 2006 (versus just 0.6 percent in the US in 2007), by far the majority coming from China itself. As structural realists, leaders in Beijing believe that growing migration will pry Canada away from the US embrace, especially in Asian affairs. A *People’s Daily* graphic of 2010 that accompanies an article on Chinese-Canadians shows China’s flag superimposed over Toronto’s waterfront and the maple leaf’s St. George

20 Parag Khanna, *The Second World: Empires and Influence in the New Global Order* (New York: Random House, 2008).

21 Tom Radford, *China Mission: The Chester Ronning Story*, National Film Board of Canada, at minute 49.

22 Charlie Gillis, “A question of influence,” *Maclean’s*, 2010, 38-40.

red “harmonized” with the Soviet red of the PRC flag.²³ Other things being equal, the European liberal identity is more challenged by a rival Chinese identity in Canada than in the US. Chinese-Canadian activists like Yu argue that Canada should abandon its “Eurocentric” identity and bandwagon with China in the name of some vaguely articulated consociational foreign policy.²⁴

Nonetheless, these demographic trends are small. There is little prospect of Canada developing a greater sense of identity with China than with the US (unlike Asian powers like South Korea or Taiwan). Canada’s Chinese population is as likely to vote Conservative as Liberal (and rarely votes NDP) and it lacks the innate intellectual hostility to the US of its activist members. In a 2011 poll, only 26 percent of Canadians considered Canada to be part of the Asia-Pacific region.²⁵ Canadian identity remains firmly European and aligned with the US. In the Pew global attitudes survey, Canadians consistently see the US in a more positive light than China.

The key structural dynamic is how the US will deal with China’s rise in Asia, and that in turn depends largely on the interactions between the US and the major (Japan, Indonesia) and middle (South Korea, Thailand) powers of Asia. If a noncooperative bipolarity evolves in Asia with the US, Japan, and Taiwan on one side and China on the other, then middle and small powers like Canada will be forced to take sides. Given the absence of structural incentives to bandwagon with China, the result would be a strengthening of the Canada-US relations. Because China is unlikely to challenge US territories (it has no territorial disputes with the US), Canada’s role in future Sino-US security conflicts over Taiwan, say, would be limited to diplomatic and logistics support. Canada could nonetheless strengthen a defence of Taiwan by putting its forces on alert during a future crisis (unlike Diefenbaker’s delay in doing so during the Cuban missile crisis of 1962). NORAD will retain its role in deterring Chinese and North Korean threats.

In other words, while the power transition in east Asia may be bad news for Canadian influence in the region, it is not bad news for Canada-US relations. China may be playing a bigger role in regional economic, security, and governance issues. But Canada’s interests and policies on those issues will remain aligned with those of the US. Canada has remained a

23 www.peopleforum.cn.

24 Henry Yu, “Global migrants and the new Pacific Canada,” *International Journal* 64, no. 4 (2009): 1011-27.

25 “Canadian views on Asia, 2011,” Asia Pacific Foundation of Canada, 2011.

firm supporter of the US positions on North Korean proliferation, nuclear weapons, and human rights. China's preference for an "Asians only" form of regionalism brings the US and Canada (along with Australia) into alliance in defence of APEC and the east Asia summit.

While China will soon replace Canada as America's leading trade partner, US policies towards Canada are too embedded in the structural and normative needs of being a defender of liberal order to admit of any effects from this. A noncooperative bipolarity in Asia would likely push Canada more strongly into the US camp. A cooperative bipolarity, meanwhile, could only emerge were China to significantly reduce its challenge to US dominance in the region. In that scenario, Canada-US relations over Asia might drift apart, but only in a narrow, technocratic sense. In a bigger sense, liberal principles in Asia would have triumphed and with them the fundamental basis of Canada-US relations.

CANADIAN POLICY

A simple prediction, based on the above, would be that the affinities in interests and ideas between Canada and the US would be rising relative to those between Canada and China as a result of the uncertainties about the possibly disruptive effects of China's rise. A simple way to test this is to examine United Nations general assembly voting behaviour.²⁶ As expected, during the "second" Cold War after China had taken its UN seat in 1972, Canada consistently voted more similarly to the US than to China. The Canada-US affinity declined steeply however, and from 1986 onwards Canada began to vote more similarly to China than to the US. This closer affinity to China remained consistent until 2009 when Canada again voted more similarly to the US than to China for the first time in 24 years. In 2010, Canada again voted more similarly to the US, suggesting a fundamental shift. This is in part due to Canada distancing itself from the raft of annual resolutions in favour of Palestinian claims to which it previously assented

26 The data cited here test how often in each year two countries vote the same in United Nations general assembly resolutions that are put to a vote. It is based on the data and conceptual and theoretical work of John R. Oneal and Bruce Russett, "Is the liberal peace just an artefact of Cold War interests? Assessing recent critiques," *International Interactions* 25, no. 3 (1999): 213-41; and Erik Gartzke, "Preferences and the democratic peace," *International Studies Quarterly* 44, no. 2 (2000): 191-210. Eric Moore devised and calculated these figures at my request. I am indebted to him, as well as to Ronald Tammen and Jacek Kugler of the TransResearch Consortium, for permission to use the data.

or abstained. But the deeper undercurrent is the rise of China as a more assertive illiberal power. For instance, since 2006, Beijing has brought the annual resolution on human rights in Myanmar to a vote rather than allow it to pass without a vote (Beijing votes “no” and Canada and the US both vote “yes.”) The Myanmar example shows that when China plays a disruptive role, it brings Canada and the US into greater de facto alliance, in Asia and globally. Arguments that Canada should bandwagon with China and abandon its pressures on the Myanmar regime in favour of ASEAN-style “engagement” have not won support in Canada because they would run counter to Canadian preferences, identities, and interests.²⁷

A reasonable prediction would be that China’s rise will make the reconvergence of Canada-US policies as reflected in United Nations voting enduring. Global human rights concerns, for instance, have risen on the agenda of *all* political parties in Canada. In a 2011 poll, 66 percent of Canadians believed that promoting human rights should be a major priority for the government in Asia and 57 percent that promoting democracy should be a major priority.²⁸ This is a new departure for Canada, which, for most of its postwar history, operated a “largely human-rights-blind foreign policy” even if it defended liberal principles in general.²⁹ Pierre Trudeau described the military repression of Poland’s Solidarity movement in 1981 as a “positive step” that would prevent the movement from making “excessive demands,” but in the post-Cold War period, human rights concerns rose quickly, symbolized by the opposition Liberal’s attack on a \$100 million loan to China after the 1989 Tiananmen massacre as “an absolute disgrace.”³⁰

Canada’s policies towards China come in two forms: its direct bilateral relations and its indirect goals and policies within the international system. Canada’s “China policy” is arguably located much more in the latter than in the former. The real “China hands” of Canadian foreign policy are not those who think about bilateral relations with China but those who think about Canada’s role globally and how this can shape China’s global purposes. For instance, Canada has made global health a key priority of its international diplomacy and pursues it through international norms such as patients’

27 Richard Stubbs and Mark S. Williams, “The poor cousin? Canada-ASEAN relations,” *International Journal* 64, no. 4 (2009): 934.

28 “Canadian views on Asia, 2011.”

29 Daudelin, “Introduction: Managing empires,” 8.

30 “Tale of two responses,” *Globe and Mail*, 31 December 1981; “PM broke faith with the world over China loan, Turner says,” *Toronto Star*, 17 August 1989.

human rights, guaranteed legal access to medicines, remedies against governments, and civil society mobilization.³¹ This is as much a China policy as any other because it is an attempt to bring nontraditional governance issues onto the global agenda and to institutionalize them through liberal norms. Canada becomes an active defender and expander of global liberal order and in so doing sets the context in which China will rise and in which its purposes will be defined.

Canada's ability to engage Beijing is limited and China's own interests and ideas (like those of the US) are too embedded in its global position to admit of any "Canada effect." The Harper government's abandonment of China as a high-priority foreign policy issue in favour of a more businesslike, if friendly, relationship reflects this view.³² As a middle power with modest influence on world order, Canada can shape the context and thus purposes of China's rise far more by concentrating on other foreign policy issues.

Canada does not need to tailor its middle-power diplomacy to the preferences of illiberal powers like China. Its splendid isolation from the geostrategic rivalries of east Asia give it an enviable opportunity for liberal initiatives. For this reason, talk of an "Asian third option" for Canadian foreign policy makes little sense. Canada's interests and values will not be served by a "strategic relationship" with China or a disalignment with the US.³³ A nonaligned regionalism might make sense for key powers in Asia like South Korea, Thailand, and Indonesia that are dependent on the economic and security relationship with China. A "tilt towards China" would however make Canada an even smaller power in Asia than it is bound to become.

Canada, it should be recalled, played its peacemaking role as a member of the three Indo-China truce commissions of 1954 not as a neutral or unaligned power (India played that role) but as a representative of the west (while Poland represented the communist bloc). Canada's international influence depends on its western and in particular its American alliance. It may be appropriate to ask, as the Canadian International Council does, how Canada can retain its global influence at a time of rising new powers by being nimble, open, and capable. But that depends first and foremost on its

31 John Kirton and Jenilee Guebert, "Canada's G8 global health diplomacy: Lessons for 2010," *Canadian Foreign Policy* 15, no. 3 (2009): 85-107.

32 Todd Bonnar, "Even 'Dief' sold wheat: An assessment of Stephen Harper's China policy," Canadian Forces College, master of defence studies paper, 2010.

33 Wenran Jiang, "Seeking a strategic vision for Canada-China relations," *International Journal* 64, no. 4 (2009): 908.

ties to the US, its “indispensable ally,” in the words of the “Open Canada” report.

The historical resonances are strong for a Canada long committed to a liberal world order. The Liberal party was instrumental in pushing Canada towards closer ties to the US between the 1930s and the 1960s because the US represented a more progressive rising power than the declining and colonial Britain, which was supported by the status quo Conservatives. But today, the new rising power is decidedly *less* progressive than the declining one. The status quo emphasis of the Conservatives on US ties is the more progressive option than an “Asian third way” in which Canada aligns with an illiberal China (or an externally illiberal India, South Africa, or Brazil). The only leg for a third option to stand on is a strengthening of ties to Europe, not China. Jonathan Paquin argues for a “North Atlantic multilateralism” to bolster world liberal order that combines cooperation with liberal powers with non-UN centred multilateralism.³⁴ After the US, Europe ranks as the preferred choice of Canadians for the strengthening of Canada’s foreign ties. It was chosen as the first or second priority by 43 percent of respondents to the 2011 Asia-Pacific Foundation of Canada poll, compared to 32 percent for Asia.

This does not mean, however, that Canada’s options are limited in respect of the rise of China. While close alignment with the US and the broader west will remain a priority, Canada’s different power status in global order means it will pursue the shared commitment to liberal world order in different ways from the United States. Canada’s need to build bridges with other allies and its tactical differences with the US on specific policy issues mean that bilateral differences will remain. Canada’s decision to not participate in the combat operations of the Iraq War (as with its refusal to join a proposed British expeditionary war against Turkey in 1922) was an example of such differences. For Canada, the lack of a UN mandate and the lack of support from Germany and France made participation a losing proposition. Nonetheless, Canada offered official moral support for the war and committed backup military support. It then chaired the international reconstruction fund facility for Iraq with the aim, in CIDA’s words, to create “a stable, self-governing and prosperous Iraq, which has a democratic government representative of the people and respectful of human rights and

34 Jonathan Paquin, “Canadian foreign and security policy: Reaching a balance between autonomy and North American harmony in the twenty-first century,” *Canadian Foreign Policy* 15, no. 2 (2009): 99-108.

gender equality.” A similar argument can be made about Canada-US tactical differences over how best to reform and integrate Cuba into the mainstream liberal norms and institutions that govern Latin America.

Within Asia, Canada has long played a bridging role among allies. In both the 1931-33 Manchurian crisis and again in the long 1945-63 Indonesian civil war, Canada played a key role in smoothing over differences between the pro-colonial British and the anti-colonial Americans. Tactical and coordination differences within the liberal camp should never be mistaken for breakup. That is why predictions of an enduring rupture within the west over Iraq, as with earlier predictions of a rupture over decolonization, have proven to be false.

Within Asia, Canada has an opportunity to contribute to a resolution of territorial disputes over the South China Sea, which have become *the* central issue in Asian regional security. At present, Canada’s lack of a well-defined policy on this issue stands out as a crucial oversight, especially in light of the rapid movement of the US position to assert a national interest in the issue and the fact that China has made Li Ka-shing-controlled Husky Oil its “foreign” partner for environmentally and politically risky South China Sea energy development. Canada’s support of the multilateral resolution (as opposed to Beijing’s bilateral “divide and conquer” approach) could be an important contribution to the issue, just as Canadian initiatives helped to bring an end to the first Vietnam War. As Sloan notes in her article in this issue of *International Journal*, Canada could help to bring China into the US-led global maritime partnership as part of a cooperative solution to maritime security between states and against nonstate threats.

Governance of the Arctic will be another defining issue for Canada’s China strategy and one that closely parallels the South China Sea. Just as the US has asserted a national interest in the waterways of the South China Sea, China is edging closer to a similar declaration on the Arctic. Beijing’s main rival here is Russia, the archrealist power of the Arctic, which has a vast superiority in icebreakers and ice-hardened vessels and is willing to sign bilateral deals with Beijing on Arctic exploration and transportation. As in the South China Sea, Canada and other liberal powers like Norway are pursuing a shared governance model. But any success on that front will require that Canada drag along and leverage the US, which is in danger of abandoning the liberal model in favour of a new great game in the Arctic.

Canada walks a fine line in seeking leadership on key regional issues relating to China. To be at the table requires its leveraging its US ties, especially as a diminishing power in Asia. But to be convincing requires being

seen by China to be not “in the belly” of the US, as Canada’s ambassador to wartime republican China, Victor Odlum, warned.³⁵ That in turn requires a more active diplomacy in Washington to explain strategies and tactics. It was suggested in jest at the conference on which this volume is based that Canada’s China policy should be run from its embassy in Washington. Perhaps it is no jest.

Within Asia, Canada’s relationship with Japan, with which it formed relations in 1929, could form the cornerstone of this new agile Canadian diplomacy, in security affairs as well as rights promotion and the environment. For as Kawasaki notes, unlike China, Japan is a great power in Asia that Canada fully trusts and identifies with.³⁶ Taiwan, South Korea, Australia, and Indonesia will be Canada’s other “indispensable allies” in the region.

As Canada pursues initiatives in areas like global health, climate change, debt relief, refugee policy, international law, and human security, its freedom to engage and accommodate China in order to socialize it from the inside might create frictions with the US similar to those that emerged temporarily over Iraq (and in the past, Vietnam). But in a larger sense, they will reflect a shared commitment to liberal-centred norms of world order. Canada might pursue a UN security council enlargement plan that the US considers less than ideal. But the underlying drive for an effective and legitimate UN that can enforce the liberal principles and underlying UN laws and charters are at one.

A broader “democratic multilateralism” in which Canada bandwagons with other global liberal powers to strengthen and reaffirm liberal order could also make sense. If so, relations with India, Brazil, and South Africa would be a top priority, far more than with China, because they are domestically liberal powers with increasingly illiberal foreign positions.³⁷ Likewise, wobbly liberal powers in Asia that might be inclined to bandwagon with China—Thailand, the Philippines, and Indonesia, for example—could be a focus of Canadian initiatives in Asia alongside a renewed emphasis on Japan-Canada ties.

35 Quoted in Alvyn J. Austin, *Saving China: Canadian Missionaries in the Middle Kingdom, 1888-1959* (Toronto: University of Toronto Press, 1986), 274.

36 Tsuyoshi Kawasaki, “Strangers no longer: The identity shift in the Canada-Japan relationship,” *International Journal* 64, no. 4 (2009): 879-91.

37 Paul Alexander Haslam and Edison Rodrigues Barreto Jr., “Worlds apart: Canadian and Brazilian multilateralism in comparative perspective,” *Canadian Foreign Policy* 15, no. 1 (2009).

Within China, Canada has a unique niche to fill, in part because it is seen as relatively inconsequential and can thus, like Nordic powers, fly below the radar of Beijing's obsession with national sovereignty and the threat represented by liberal values. CIDA's civil society program in China, for example, is an example of Canadian commitments to liberal values and opportunistic initiatives in China. Canada has the luxury of promoting truly liberal engagement with the Chinese state, just as South Korea's middle-power "sunshine policy" briefly reoriented great power approaches toward North Korea from 2005 to 2007. As with South Korea, this new era of China's ascendance in Asia and in world order will put a premium on an agile and smart diplomacy by Canada if it is to shore up its declining regional and global influence.

China's rise is, in other words, an opportunity for Canada to save something of the global role that it enjoyed in the 1950s and 1960s by reasserting its commitment to liberal world order. Between 1951 and 1968, for instance, Canada maintained its alignment with the US by refusing to recognize an increasingly repressive communist regime in China (and by fighting alongside the US against Chinese aggression in Korea, as it later fought alongside the US against Islamic totalitarianism in Afghanistan). Ottawa continued to recognize the liberalizing authoritarian Republic of China, which had been forced, de Gaulle-like, to flee to Taiwan. Internally, Canadian diplomats advised the minister of external affairs in 1958 that "Communist China cannot be kept out of the United Nations indefinitely... support for the seating of Communist China and opposition to the United States approach is growing each year."³⁸ But externally, Canada remained firm, all the while pursuing the sorts of multilateral initiatives like Indo-China, peacekeeping, and wheat sales to China that were consistent with both economic and humanitarian liberal principles. Canada's insistence on selling wheat to China while quietly remonstrating with Washington was crucial to the reformulation of US policies.³⁹ As always, Canada's role in shaping the global response to China was greatest when it leveraged its close ties to the US.

38 Under-secretary of state for external affairs, "Representation of China in the United Nations," Department of External Affairs, DEA/5475-EJ-40, 1958.

39 Greg Donaghy and Michael Stevenson, "The limits of alliance: Cold War solidarity and Canadian wheat exports to China, 1950-1963," *Agricultural History* 83, no. 1 (2009): 42.

This policy of quiet remonstrance with Washington over China policy then collapsed under the Maoist romanticism and crude anti-Americanism of Trudeau and Ronning.⁴⁰ Ottawa established relations with Beijing in 1970 without any bilateral understanding on Taiwan. Thereafter, Canada's influence in China, and in global affairs more generally, began a long-term decline from which it has yet to escape. If Canada took pleasure in cocking a snook at the American imperialist with a precipitate recognition of Mao's China, the enduring damage to its global influence, and to its liberal identity more generally, was hardly worth the price.

CONCLUSION

Close allies become closer in tough times that remind them of their shared interests and identities. A disruptive rising China would strengthen the basis of Canada-US relations for that reason. However, a minimally disruptive China will allow Canada to continue to play the role of middle power. The emergence of China as a voice on world order and the restructuring of east Asian power relations will erode Canada's global status. But the modest revisionist agenda that China brings to international relations, along with the commitments of other rising powers like Brazil, Turkey, India, and South Africa, and later Indonesia, will create more openings for an agile middle power diplomacy.

Canada's role, despite its declining power, will be to leverage its US ties (and its good name) to contribute to socializing China into global liberal norms, as well as to maintain its bridging capacity among other liberal powers by occasionally dissenting from Washington. Sometimes, as on Arctic governance, Canada will need to remonstrate with its great neighbour for violating liberal principles, just as it did on wheat sales to China during Mao's "great leap" famine. Canada and the US can only speak of their relationship as "good" or "bad" in a narrow technocratic sense, a fraternal difference over tactics. But China's rise, and the potential looming challenge to global liberal order, will underscore the deep integration—normative as well as structural—that supports the Canada-US relationship.

40 Pierre Elliott Trudeau and Jacques Herbert, *Deux Innocents en Chine Rouge* (Montreal: Editions de L'Homme, 1961); Chester Ronning, in "Nanking: 1950," *International Journal* 22, no. 3 (1967): 441-56, argued that the Maoist regime was "the first Chinese government of modern times genuinely interested in the problems and welfare of the peasants" (447) and that the cultural revolution was "the present Chinese way of settling their own differences of opinion" (455). Not surprisingly, he believed that "Peking's [UN] membership is long overdue" (455).