Opportunity to Adversary: Canada-China Relations in the 21st Century

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"We will challenge China, including when it engages in coercive behaviour – economic or otherwise - ignores human rights obligations or undermines our national security interests and those of partners in the region."<sup>1</sup> In Canada's 2022 Indo-Pacific Strategy, China is assessed as a threat to international stability and the rules-based order: an adversary antithetical to Canadian values. Just over a decade earlier during Harper's 2009 visit to China, David Mulroney, Canada's ambassador at the time, told an academic audience in Beijing that "if ever there was a golden period in Canada-China relations it is now."<sup>2</sup> While Canada-China relations have long been characterized by business-cycle-esque volatility, a disconcerting and unmistakable downwards trend has emerged. Canada-China relations are at a new low. The last two decades have seen an outpouring of literature analyzing and projecting China's rise, but an important puzzle remains largely unresolved: when and why did Canada-China relations sour? Was it the product of exogenous factors – fundamental incompatibilities, a shifting international system, and poorly timed political crises – or did Canada get China wrong? In order to answer this question, I will trace the development of Canada's China policy from Mulroney to Trudeau, arguing that while there have been nuanced differences, Canada's approach to China has remained generally congruent over the last three decades. I will then turn to China and the shifting world order, ultimately contending that the emergence of an increasingly assertive and revisionist foreign policy under Xi, coupled with America's ebb from international engagement under Trump and the recent Russian invasion of Ukraine, has precipitated the demise of Canada-China relations. Canada's harsh condemnation of China in the 2022 Indo-Pacific Strategy does not reflect a diplomacy-driven deterioration of relations, but Canada coming to terms with an increasingly disruptive emerging

<sup>&</sup>lt;sup>1</sup> Global Affairs Canada, "Canada's Indo-Pacific Strategy," November 24, 2022,

https://www.international.gc.ca/transparency-transparence/indo-pacific-indo-pacifique/index.aspx?lang=eng. <sup>2</sup> Paul Evans, "China Choices: The Harper Era and Its Legacy," in *Harper's World* (Toronto: University of Toronto Press, 2022), 259, https://doi.org/10.3138/9781487514587-014.

superpower. The China that Canada faces today is not the same China that welcomed Pierre Elliot Trudeau in 1973.

Before tracing Canada's China policy, it's important to comment on the difficulty in evaluating the overall state of bilateral relations at a particular point in time. What does it mean for Canada's relations with China to be in their "golden period"? While this is not a quantitative analysis, one could imagine strategies for operationalizing the state of bilateral relations using data on trade, ministerial visits, migrant flows, or natural language processing sentiment analysis. In the absence of a study of this nature, I will be relying on qualitative assessments by scholars and practitioners. While Canada-China relations are fraught with scholarly divergence, the literature has approached consensus on a few periods. The Pierre Trudeau era is widely regarded as the highpoint of Canada-China relations.<sup>3</sup> Likewise, relations immediately following the Tiananmen Massacre and during the beginning of the Harper administration are accepted as poor.<sup>4</sup> Murkier periods will require a more exacting analysis. It is also important to distinguish the longer-term trend of Canada-China relations from event-based shocks. A given news cycle may depict the state of Canada-China relations as poor during an otherwise amiable period. An appropriate analogy is the business cycle. Like the economy, relations may fluctuate from quarter to quarter. Of more interest to this paper is the underlying trend – how these events and fluctuations have accumulated over time.

## **Canada's China Policy from Mulroney to Present**

<sup>&</sup>lt;sup>3</sup> See David Webster, "End of the Innocents: Engagement and Decolonization in the Global South since 1968," *Canadian Foreign Policy Journal* 24, no. 3 (2018): 329–43; Greg Donaghy, "Pierre Trudeau and Canada's Pacific Tilt, 1945–1984," *International Journal (Toronto)* 74, no. 1 (2019): 135–50; Michael Frolic, *Canada and China: A Fifty-Year Journey* (Toronto: University of Toronto Press, 2022).

<sup>&</sup>lt;sup>4</sup> See Evans, "China Choices"; Charles Burton, "Canada's China Policy under the Harper Government," *Canadian Foreign Policy Journal* 21, no. 1 (2015): 45–63, https://doi.org/10.1080/11926422.2014.934860; Frolic, *Canada and China*, 2022.

In 1984, Mulroney inherited a "special relationship" with China that had been cultivated under Trudeau. Although power had changed hands from the Liberals to the Progressive Conservatives, Mulroney made it clear that Canada's China policy would stay the course. In a 1985 speech to Parliament, Mulroney affirmed that, "I have indicated to the House of Commons, to the premier of China and the president of China the fact that the intention of this Government is to pursue the policy set out by my predecessor, Mr. Trudeau, with which I agree."<sup>5</sup> Mulroney, like administrations before him, viewed China primarily as an economic opportunity, and believed Lipset's thesis that political liberalization would follow from economic integration and an expanding middle class.<sup>6</sup> Accordingly, Mulroney was careful to leave China out of impassioned speeches in early 1989 on human rights issues in Eastern Europe and South Africa.<sup>7</sup> The prevailing belief was that chastising China was far less effective than deliberate engagement, which over time, would bring China into the human rights mainstream.<sup>8</sup>

One of the implications of Deng's reforms was the dramatic expansion of China's steel production, which led to an increase in demand for iron ore, something Mulroney identified during his 1979 visit to China while head of the Iron Ore Company.<sup>9</sup> During his visit as Prime Minister in 1986, he saw how Deng's reforms had spurred economic growth, recognizing the growing opportunities for Canadian exporters.<sup>10</sup> In Brian Mulroney's aptly titled biography *Master of* 

<sup>&</sup>lt;sup>5</sup> Jonathan Manthorpe, *Claws of the Panda: Beijing's Campaign of Influence and Intimidation in Canada* (Toronto: Cormorant Books, 2019), 156.

<sup>&</sup>lt;sup>6</sup> Ibid; Seymour Martin Lipset, "Some Social Requisites of Democracy: Economic Development and Political Legitimacy," *The American Political Science Review* 53, no. 1 (1959): 69–105, https://doi.org/10.2307/1951731.

<sup>&</sup>lt;sup>7</sup> Paul M. Evans, Engaging China: Myth, Aspiration, and Strategy in Canadian Policy from Trudeau to Harper,

UTP Insights. (Toronto: University of Toronto Press, 2014), 36.

<sup>&</sup>lt;sup>8</sup> Evans, 33.

<sup>&</sup>lt;sup>9</sup> Fen Osler Hampson, *Master of Persuasion: Brian Mulroney's Global Legacy*, Hardcover edition. (Toronto: Signal, McClelland & Stewart, 2018), 75.

<sup>&</sup>lt;sup>10</sup> Hampson, 77.

*Persuasion*, Hampson describes Mulroney's belief in the importance of establishing leader-toleader connections with China: "charm was the watchword for Mulroney's initial visit."<sup>11</sup> And charm he did. In a 1987 interview conducted by Michael Frolic, two former PRC ambassadors to Canada, Yu Zhan and Yao Guang, describe Canada-China relations as, "excellent – not just good. The three major Canadian political parties generally have the same policy and attitudes towards China. We see a very beautiful (meihao) future."<sup>12</sup>

Shortly after Mulroney's visit, cabinet approved a "Canadian Strategy for China." The underlying objective of the strategy was "to capitalize on Canada's fascination with China to seize opportunities created by its modernization drive and to position [Canada] for the year 2000, when China should have the world's third largest GDP."<sup>13</sup> Recommendations included developing Chinese-speaking officials and specialists, promoting better partnership between the private and public sectors, "increas[ing] Canada's use of the 'China connection' through Hong Kong," and extending "academic, cultural, professional, sports, media, and other exchanges."<sup>14</sup> Over the first fifteen years of Canada-China relations, a number of somewhat siloed bodies had developed in both the private and public spheres. The "Canadian Strategy for China" was an effort to consolidate various components under shared objectives and cultivate a unified approach to China.<sup>15</sup> Notably, human rights were not mentioned in the strategy.<sup>16</sup> While it was officially approved in 1987 under Mulroney, Frolic highlights that work on the strategy began much earlier during the Trudeau administration. Frolic credits Ambassador John Hadwen for circulating a report that first identified

<sup>&</sup>lt;sup>11</sup> Hampson, 78.

<sup>&</sup>lt;sup>12</sup> Frolic, Canada and China, 141.

<sup>&</sup>lt;sup>13</sup> Michael Frolic, "Canada and China: The China Strategy of 1987," in *The China Challenge*, ed. Huhua Cao and Vivienne Poy, Sino-Canadian Relations in the 21st Century (University of Ottawa Press, 2011), 54, https://www.jstor.org/stable/j.ctt1ch77rj.8.

<sup>&</sup>lt;sup>14</sup> Frolic, 54.

<sup>&</sup>lt;sup>15</sup> Hampson, *Master of Persuasion*, 77.

<sup>&</sup>lt;sup>16</sup> Manthorpe, *Claws of the Panda*, 158.

the need for a coordinated China strategy in 1983 and later orchestrating a China Working Group (CWG) in 1984.<sup>17</sup> The CWG brought together a range of stakeholders including the Wheat Board, the Canadian International Development Agency (CIDA), Export Development Canada, Energy, Mines and Resources, and the Prime Ministers Office, among others.<sup>18</sup> While the strategy was intended to leave Mulroney's stamp on Canada's China policy, it reflected a bipartisan, "whole of government" effort, producing guidelines which Frolic argues still govern trade with China today.<sup>19</sup> A few years after the release of the strategy, one Department of Foreign Affairs and International Trade official stated that, "to be frank, in retrospect, we hardly missed a step in the transition from Trudeau to Mulroney... what we saw, and what we were told, was continuity."20 While Frolic may be exaggerating the present-day applicability of the strategy, it does appear to signify a consistency in Canada's approach to China from Trudeau's recognition of the PRC in 1970 until the summer of 1989. Throughout the 1970s and 80s, Canada maintained an optimistic outlook on China, anticipating continued modernization, long-term stability, and growing economic opportunity. Accordingly, Canada centered its approach around trade, remained unwavering on its one-China policy, fostered affable leader-to-leader relations, and made deliberate efforts to eschew criticism on human rights.

But on June 4<sup>th</sup>, 1989, Canada-China relations were thrown into turmoil. For months in the spring of 1989, hundreds of thousands of young protestors took to the streets of Beijing and cities across China, calling for democracy, freedom, party accountability, and better living conditions.<sup>21</sup> Demonstrations originated after the death of reformer Hu Yaobang on April 15, 1989, but rapidly

<sup>&</sup>lt;sup>17</sup> Frolic, Canada and China, 147.

<sup>&</sup>lt;sup>18</sup> Ibid, 148.

<sup>&</sup>lt;sup>19</sup> Ibid, 128.

<sup>&</sup>lt;sup>20</sup> Frolic, "Canada and China," 62.

<sup>&</sup>lt;sup>21</sup> Ezra F. Vogel, *Deng Xiaoping and the Transformation of China* (Cambridge: Harvard University Press, 2011), 596.

grew in scale and intensity.<sup>22</sup> By May 22<sup>nd</sup>, the PRC's attempts at imposing martial law had proved ineffective. Anxious to avoid emulating the concessions made by Gorbachev in Eastern Europe, Deng gave the order to "do whatever was necessary to restore order," and by 1:00 am on June 4<sup>th</sup>, soldiers opened fire on civilians.<sup>23</sup> Bullets had hit the Canadian diplomatic staff quarters at Jianguomenwai, and Canadian students in Beijing were encamped on embassy grounds waiting for evacuation.<sup>24</sup> The protests had been widely televised. Deng's brutal crackdown provoked an immediate and blunt international response.<sup>25</sup> In stride with other "like-minded" countries, Canada imposed sanctions, formally suspended high-level visits, and froze several CIDA projects.<sup>26</sup> Canadians who had been elated by the "democratic spring" in Beijing were met with the jarring reality of the Chinese Communist security apparatus.<sup>27</sup> The widely help Lipset thesis that engagement would lead to the development of democracy, human rights, and the rule of law – that political liberalization would follow from economic integration - was proved incorrect.<sup>28</sup> However, both the US under Bush and the Mulroney administration were careful to offer a "measured response," hoping to convey disapproval over Tiananmen while preserving links with China.<sup>29</sup> Canada's public perception of China never fully recovered, but Burton notes that sentiment amongst policy makers remained in favour of continued engagement with China.<sup>30</sup> Contrary to public demands, Canada did not sever diplomatic ties. Just months after the massacre, cabinet ministers had resumed meetings with their Chinese counterparts in Beijing, and an Export

<sup>&</sup>lt;sup>22</sup> Ibid, 597.

<sup>&</sup>lt;sup>23</sup> Ibid, 630.

<sup>&</sup>lt;sup>24</sup> Charles Burton, "The Canadian Policy Context of Canada's China Policy since 1970," in *The China Challenge*, ed. Huhua Cao and Vivienne Poy, Sino-Canadian Relations in the 21st Century (University of Ottawa Press, 2011), 39, https://www.jstor.org/stable/j.ctt1ch77rj.7.

<sup>&</sup>lt;sup>25</sup> Hampson, *Master of Persuasion*, 78.

<sup>&</sup>lt;sup>26</sup> Frolic, "Canada and China," 64.

<sup>&</sup>lt;sup>27</sup> Burton, "The Canadian Policy Context of Canada's China Policy since 1970," 38.

<sup>&</sup>lt;sup>28</sup> Frolic, Canada and China, 199.

<sup>&</sup>lt;sup>29</sup> Ibid, 187.

<sup>&</sup>lt;sup>30</sup> Burton, "The Canadian Policy Context of Canada's China Policy since 1970," 40.

Development Corporation loan to China was approved on the basis of Lipset's thesis.<sup>31</sup> As Evans notes, Tiananmen "did not derail the engagement train... [it was] shocking but not transformational."<sup>32</sup> Gradually, G7 members eased sanctions and partial normalcy in Canada-China relations returned.<sup>33</sup> In mid-1993, Canada and Mulroney welcomed Premier Zhu Rongji, becoming the first G7 member to do so.<sup>34</sup> Frolic describes Zhu as "dazzl[ing] Canadians with his energy and openness. He was 'the anti-Li Peng,' not saddled with the responsibility for Tiananmen, and he was ready to work with Canada."<sup>35</sup>

By 1994, with the Liberals back in power under Jean Chrétien, Canada and China had largely re-engaged. Chrétien quickly restored trade as Canada's main link with China, sending his first Team Canada trade mission to China in November of 1994.<sup>36</sup> For the PRC, this was a clear signal that its diplomatic isolation had ended.<sup>37</sup> Chrétien would make six visits to China while in office, including on three Team Canada trade missions, building close personal ties with China's leaders.<sup>38</sup> Much to the delight of the PRC's leadership, Chrétien largely sidelined human rights in Canada-China relations, famously saying: "I'm the Prime Minister of a country of twenty million people. He's the President of a country with 1.2 billion. I'm not allowed to tell the Premier of Saskatchewan or Quebec what to do. Am I supposed to tell the President of China what to do?"<sup>39</sup> Some have argued that Chrétien's stance on human rights in China was marred by personal and private interests.<sup>40</sup> McParland notes that Chrétien's son-in-law, André Desmarais is honorary

<sup>&</sup>lt;sup>31</sup> Ibid; Evans, *Engaging China*, 39.

<sup>&</sup>lt;sup>32</sup> Evans, *Engaging China*, 39.

<sup>&</sup>lt;sup>33</sup> Hampson, Master of Persuasion, 79.

<sup>&</sup>lt;sup>34</sup> Ibid.

<sup>&</sup>lt;sup>35</sup> Frolic, Canada and China, 201.

<sup>&</sup>lt;sup>36</sup> Ibid.

<sup>&</sup>lt;sup>37</sup> Manthorpe, Claws of the Panda, 181..

<sup>&</sup>lt;sup>38</sup> Jean Chrétien, My Years as Prime Minister (Toronto: A.A. Knopf Canada, 2007), 339-43.

<sup>&</sup>lt;sup>39</sup> Qtd in Burton, "The Canadian Policy Context of Canada's China Policy since 1970," 41.

<sup>&</sup>lt;sup>40</sup> Kelly McParland, "Jean Chretien and the Power of China," National Post, August 22, 2008, http://www.david-kilgour.com/2008/Aug\_24\_2008\_04.php.

Chairman of the Canada-China Business Council, director of the China International Trust and Investment Corporation, and is the President of Power Corporation, which has extensive interest in China.<sup>41</sup> Likewise, Tom Keating maintains that Chrétien was a "passive internationalist," largely disinterested in foreign policy and unwilling to take substantive action to follow through on his lofty speeches about liberal trade, the projection of Canadian values, and support for international institutions.<sup>42</sup>

This view of Chrétien has been criticized by Graham Fraser, who argues that while Chrétien may have entered office with a limited foreign policy agenda, by the end of his stint it was foreign policy that drove his agenda.<sup>43</sup> Whereas Keating argues that Axworthy's role in Canada's human rights dialogues is indicative of Chrétien's disinterest in foreign policy, Axworthy himself describes arriving at a mutual compromise with Chrétien. Axworthy, Chrétien's Minister of Foreign Affairs from 1996-2000, affirms that Chrétien was focused on trade-related matters, taking "a special interest in establishing good ties with the Chinese regime, [seeing] China as a major opportunity to advance [Canada's] trade interests," but was less keen to engage with China on matters of human rights.<sup>44</sup> Eventually they agreed on a policy of engagement centered around human rights dialogues with China, which would be led by Axworthy.<sup>45</sup> These have been criticized as ineffective, with David Webster going as far as to argue that the dialogues "weakened the overall

<sup>&</sup>lt;sup>41</sup> Burton, "The Canadian Policy Context of Canada's China Policy since 1970," 41.

<sup>&</sup>lt;sup>42</sup> Tom Keating, "A Passive Internationalist: Jean Chretien and Canadian Foreign Policy," *Review of Constitutional Studies* 9, no. 1–2 (2004): 115-17.

<sup>&</sup>lt;sup>43</sup> Graham Fraser, "Liberal Continuities: Jean Chrétien's Foreign Policy, 1993-2003," in *Canada Among Nations*, 2004: Setting Priorities Straight, by David Carment, Fen Osler Hampson, and Norman Hillmer (Montreal: McGill-Queens University Press, 2005), 171–86,

https://librarysearch.library.utoronto.ca/discovery/fulldisplay/cdi\_scopus\_primary\_255331991/01UTORONTO\_INS T:UTORONTO.

<sup>&</sup>lt;sup>44</sup> Lloyd Axworthy, *Navigating a New World: Canada's Global Future* (Toronto: A.A. Knopf Canada, 2003), 101. <sup>45</sup> Ibid.

Canadian stance on human rights."<sup>46</sup> Nevertheless, Graham praises the arrangement as allowing Axworthy "the space to operate as an idealist" in conjunction with Chrétien's political realism.<sup>47</sup> To Graham, Chrétien's foreign policy arc mirrors that of Trudeau and Mulroney: naming a strong minister of foreign affairs at the beginning of their term, but taking a more direct role in setting foreign policy by the end of their career.<sup>48</sup> While the Tiananmen Massacre had a lasting impact on the Canadian public, the Chrétien era marked a return to the tried formula of prioritizing trade, staying quiet on human rights, and building leader-to-leader connections.

However, Canada-China relations would undergo a second major shock with the election of Stephen Harper and the Conservatives in 2006. Calvert describes the early years of the Conservative government as "the most significant break in continuity in Canada-China political relations."<sup>49</sup> Lacking foreign policy expertise and preoccupied with domestic issues, pragmatism gave way to ideology under Harper and a new approach to China emerged, one focused on projecting Canadian values of human rights, free trade, and democracy.<sup>50</sup> The first comments on China in early-2006 were critiques of Chinese industrial espionage.<sup>51</sup> Harper infamously commented that Canadians would not "sell out to the almighty dollar" in dealings with China, implying that Canada had been compromising its liberal values for economic opportunity.<sup>52</sup> Under Harper, the bilateral human rights dialogue was paused, and eventually cancelled.<sup>53</sup> Hearings were

<sup>&</sup>lt;sup>46</sup> David Webster, "Canada and Bilateral Human Rights Dialogues," *Canadian Foreign Policy Journal* 16, no. 3 (2010): 44, https://doi.org/10.1080/11926422.2010.9687319.

<sup>&</sup>lt;sup>47</sup> Graham Fraser, "Liberal Continuities," 176.

<sup>&</sup>lt;sup>48</sup> Ibid, 171.

<sup>&</sup>lt;sup>49</sup> Philip Calvert, "Justin Trudeau's China Challenges," in *Justin Trudeau and Canadian Foreign Policy*, ed. Norman Hillmer and Philippe Lagassé, Canada and International Affairs (Cham: Springer International Publishing, 2018), 152, https://doi.org/10.1007/978-3-319-73860-4 8.

<sup>&</sup>lt;sup>50</sup> Burton, "Canada's China Policy under the Harper Government."

<sup>&</sup>lt;sup>51</sup> Evans, "China Choices," 258.

<sup>&</sup>lt;sup>52</sup> Jacob Benjamin, "Canada's Cross-Pacific Relations: From Asia-Pacific to Indo-Pacific," *International Journal (Toronto)* 77, no. 1 (2022): 93, https://doi.org/10.1177/00207020221116777.

<sup>&</sup>lt;sup>53</sup> Frolic, Canada and China, 334.

held on China by the parliamentary Subcommittee on International Human Rights of the Standing Committee on Foreign Affairs and International Development, chaired by Jason Kenney.<sup>54</sup> Parliament voted unanimously to confer the Dalai Lama with honourary citizenship, with Harper conspicuously displaying a Tibetan flag during the Dalai Lama's visit to his office in the fall of 2007, which infuriated the Chinese.<sup>55</sup> Canada-China relations were at a low. Frolic recounts that Chinese diplomats "immediately wanted to know when the next federal election would be held," saying "that these were not Mulroney Conservatives."<sup>56</sup> Harper's efforts to distinguish his government from the Liberals before him with strident human rights rhetoric had not only proved ineffective in moving the needle on China's approach to human rights, but it had brought a frost over Canada-China relations.

However, in the subsequent years, Harper reset and reversed his China policy. Evans refers to this second phase as one "of pragmatic advance and uneasy, cautious, and occasionally inconsistent incrementalism."<sup>57</sup> 2009 saw an uptick in two-way ministerial visits, culminating in Harper's first visit to China in December of that year.<sup>58</sup> During the visit Harper successfully negotiated Approved Destination Status for Chinese tourism to Canada, something Chrétien and Martin had been unable to achieve, and used the term "strategic partnership" for the first time, expressing Canada's desire to "enhance and expand our relationship… and set an example for others in the world."<sup>59</sup> The joint statement produced by Harper and Hu Jintao signaled the renewal of bilateral relations. It included articles that reaffirmed Canada's one-China policy, allowed each country the right to choose their own path on human rights, and confirmed negotiations for a

<sup>&</sup>lt;sup>54</sup> Evans, "China Choices," 258.

<sup>&</sup>lt;sup>55</sup> Frolic, Canada and China, 336.

<sup>&</sup>lt;sup>56</sup> Ibid, 335.

<sup>&</sup>lt;sup>57</sup> Evans, "China Choices," 256.

<sup>&</sup>lt;sup>58</sup> Ibid, 259.

<sup>&</sup>lt;sup>59</sup> Burton, "The Canadian Policy Context of Canada's China Policy since 1970," 44.

Foreign Investment Promotion and Protection Agreement (FIPA) which would eventually be realized in 2012.<sup>60</sup> While scholars are unanimous in recognizing Harper's U-turn on China, there is divergence over when and why the reversal took place. Whereas Evans argues that "the elements of a reset were visible by late 2007," Calvert places the shift in 2009.<sup>61</sup> Frolic, who offers the most detailed account of Harper's policy change, states that 2008 was the turning point.<sup>62</sup> Most scholars agree that his shift arose from pressure from the private sector and the China policy community who argued that Canada was out of step with the rest of the G8.63 Evans also notes the important role of person-to-person connections that arose from ministerial visits.<sup>64</sup> Manthorpe, in his critical account of Chinese influence in Canada, argues that Harper's softening on human rights is evidence of "the potent pro-Beijing lobby deep-seated in Canadian political, business, and academic establishments."<sup>65</sup> While discerning the underlying motives of Harper's shift are beyond the scope of this paper, it is clear that by the 2010s, Harper had returned to the standard playbook on China, and that Canada-China relations were warming. Trade, investment, and bilateral ministerial and civilian flows had all increased.<sup>66</sup> Evans describes the transactional side of the Harper-era relationship as "positive, if not spectacular."<sup>67</sup>

The return of the Liberals under Justin Trudeau in 2015 ushered in a wave of optimism for Canada-China relations. While China did not feature prevalently in Trudeau's campaign, it became apparent early on that Trudeau was eager to reinvigorate and deepen relations with China.<sup>68</sup> Careful to avoid a repeat of Harper's rocky start to relations with China, Trudeau made establishing

<sup>&</sup>lt;sup>60</sup> Frolic, Canada and China, 356.

<sup>&</sup>lt;sup>61</sup> Evans, "China Choices," 269; Calvert, "Justin Trudeau's China Challenges," 153.

<sup>&</sup>lt;sup>62</sup> Frolic, Canada and China, 337.

<sup>&</sup>lt;sup>63</sup> Calvert, "Justin Trudeau's China Challenges," 153; Frolic, Canada and China, 338.

<sup>&</sup>lt;sup>64</sup> Evans, "China Choices," 262.

<sup>&</sup>lt;sup>65</sup> Manthorpe, *Claws of the Panda*, 18.

<sup>&</sup>lt;sup>66</sup> Evans, "China Choices," 261.

<sup>&</sup>lt;sup>67</sup> Ibid.

<sup>&</sup>lt;sup>68</sup> Calvert, "Justin Trudeau's China Challenges," 145.

leader-to-leader connections an early priority.<sup>69</sup> His first visit to China in 2016 had the Chinese media "breathless with enthusiasm," recalled Frolic.<sup>70</sup> There was hope that Justin would follow in his father's footsteps and return China-Canada relations to their peak. During the visit, Trudeau announced that Canada would join China's Asian Infrastructure Investment Bank (AIIB), and that the two countries had signed over fifty new commercial contracts totalling \$1.2 billion.<sup>71</sup> In 2017, Canada and China entered into discussion over a comprehensive trade agreement, Trudeau himself visiting Beijing for negotiations.<sup>72</sup> Nothing would come of the visit. China was unwilling to accept Trudeau's progressive trade agenda, which included provisions on labour standards, women's equality, and human rights.<sup>73</sup> Relations would only continue to deteriorate. During Foreign Minister Wang Yi's visit to Ottawa during a new Canada-China foreign affairs ministers' dialogue, he berated a Canadian journalist, called her "prejudiced" and "arrogant" for asking an "irresponsible" question to Foreign Minister Dion, wagging his finger as he launched into lecture.<sup>74</sup> In 2019 China detained "the two Michaels," Michael Spavor and Michael Kovrig, in retaliation for the arrest of Huawei's chief financial officer, Meng Wanzhou, which further escalated tensions.<sup>75</sup> Events like these were not isolated occurrences in otherwise business-as-usual relationship, but instead have come to define Trudeau-era relations with China. Today, only 12 per cent of Canadians view China favourably, with 40 per cent saying Canada should approach China as a threat to Canadian interests.<sup>76</sup> What went wrong under Trudeau? His early visits and initiatives

<sup>&</sup>lt;sup>69</sup> Benjamin, "Canada's Cross-Pacific Relations," 94.

<sup>&</sup>lt;sup>70</sup> Frolic, Canada and China, 377.

<sup>&</sup>lt;sup>71</sup> Ibid, 391.

<sup>&</sup>lt;sup>72</sup> Benjamin, "Canada's Cross-Pacific Relations," 95.

<sup>&</sup>lt;sup>73</sup> Manthorpe, *Claws of the Panda*, 270.

<sup>&</sup>lt;sup>74</sup> Hugh Stephens, "Wang Yi's 'Temper Tantrum' in Canada," accessed April 4, 2023,

https://thediplomat.com/2016/06/wang-yis-temper-tantrum-in-canada/.

<sup>&</sup>lt;sup>75</sup> Evans, "China Choices," 268.

<sup>&</sup>lt;sup>76</sup> Hayatullah Amanat, "Canada Should See China as a 'threat' or 'Enemy', Most Canadians Say: Survey," CTVNews, March 10, 2023, https://www.ctvnews.ca/canada/canada-should-see-china-as-a-threat-or-enemy-most-canadians-say-survey-1.6308905.

to deepen trade relations were congruent with the approaches of Canadian prime ministers before him, but the China he was dealing with had changed.

## **Changes in China**

While the Tiananmen Massacre proved to be only a temporary shock to Canada-China relations, it was a defining moment for the trajectory of China's approach to domestic dissidence and foreign engagement. Deng's brutal crackdown on June 4th marked the acceleration of China's state-sponsored propaganda and surveillance regime, aimed at fomenting nationalism and state loyalty.<sup>77</sup> The "united front" emerged as one of the CCP's "magic weapons" in both domestic and foreign policy, incorporating elements of information management, propaganda, and espionage.<sup>78</sup> In the wake of Tiananmen, the CCP increased its foreign persuasion efforts, attempting to leverage the "unique opportunity" that the large Chinese diaspora offered the PRC in breaking out of international isolation.<sup>79</sup> PRC agencies such as the Ministry of State Security, the Ministry of Public Security, PLA Joint Staff Headquarters' Third Department, Xinhua News Service, the United Front Work Department, the International Liaison Department and various overseas Chinese "friendship associations" began recruiting foreign, mostly ethnic Chinese, agents to collect information under the united front.<sup>80</sup> In the era of Hu Jintao, these efforts increased. China expanded its international media presence, embracing the idea of "soft power" and seeking to strengthen China's image abroad.<sup>81</sup>

<sup>&</sup>lt;sup>77</sup> Suisheng Zhao, A Nation-State by Construction: Dynamics of Modern Chinese Nationalism (Stanford University Press, 2004), 9.

<sup>&</sup>lt;sup>78</sup> Anne-Marie Brady, "Magic Weapons: China's Political Influence Activities under Xi Jinping | Wilson Center" (Wilson Center, September 18, 2017), 2.

<sup>&</sup>lt;sup>79</sup> Ibid, 5.

<sup>&</sup>lt;sup>80</sup> Ibid; Manthorpe, Claws of the Panda, 63.

<sup>&</sup>lt;sup>81</sup> Brady, "Magic Weapons," 6.

Xi's China has proved increasingly illiberal and authoritarian, with more overt and aggressive expansion tactics.<sup>82</sup> Xi has been increasingly assertive in defending historic territorial and sovereignty claims, directly challenging US primacy in Asia.<sup>83</sup> Through the Belt and Road Initiative (also known as One Belt, One Road), China has expanded its influence throughout Eurasia and Africa through an extensive network of infrastructure projects. Steven Denney argues that China's expansion is not driven by mutually beneficial economic exchange, but is a means to further political and strategic goals.<sup>84</sup> The BRI is the cornerstone of China's network of asymmetric trading partnerships, arrangements in which total exchange represents only a small fraction of exports and imports for China, but a much larger portion for China's trading partner, giving China significant coercive and inducive influence. For example, in 2010, when Japanese Coast Guards took a Chinese fishing boat into custody for failing to comply with inspection around disputed waters, China retaliated by blocking exports of rare-earth minerals to Japan.<sup>85</sup> Due to the asymmetry of China's trade relationship with Japan, tariff-disputes disproportionately hurt Japan's economy. While engaging in coercive and aggressive trading practices, China's human rights abuses were escalating with the "re-education" of millions of Uyghurs and attacks on democratic freedoms in Hong Kong.<sup>86</sup>

The prospect of Canadian engagement with China was marred not only by increasingly divergent values, but also by growing concern about the threat China poses to Canadian life at home. As Evans notes, concerns range from housing affordability, job dislocations, and food safety

<sup>&</sup>lt;sup>82</sup> Kenneth Holland, "Canada and the Indo-Pacific Strategy," *Canadian Foreign Policy Journal* 27, no. 2 (2021): 229, https://doi.org/10.1080/11926422.2021.1880949.

<sup>&</sup>lt;sup>83</sup> Evans, "China Choices," 268.

<sup>&</sup>lt;sup>84</sup> Steven C Denney, "Understanding 21st Century East Asia: The Bifurcated Regional Order and Competing-Hubs Theory," *Yonsei Journal of International Studies* 4, no. 2 (2012): 259.

<sup>&</sup>lt;sup>85</sup> Ibid, 263.

<sup>&</sup>lt;sup>86</sup> Frolic, *Canada and China*, 383; Evans, "China Choices," 268.

to cyber intrusions, espionage, political interference, and harassment of political opponents.<sup>87</sup> China's asymmetrical economic agreements, along with "aggressive diplomacy, technological innovation, as well as escalating military expenditures," were identified by CSIS as key elements of Xi's multi-dimensional strategy to "lift China to global dominance."<sup>88</sup> In the same 2018 report, CSIS warned of China's efforts to actively influence the Chinese diaspora and leverage commercial positions to "gain access to businesses, technologies, and infrastructure that can be exploited for intelligence objectives, or to potentially compromise a partner's security."<sup>89</sup> Project Sidewinder, a 2000 CSIS study, found that more than two hundred Canadian companies had come under direct or indirect ownership of the CCP between 1980 and 2000.<sup>90</sup>

The rise of China has coincided with and contributed to the faltering of the US led international order. In an effort to curb revisionist China's expansion, US policy has grown increasingly competitive and confrontational. In the unclassified *Summary of the 2018 National Defense Strategy of the United States of America*, China was assessed as "want[ing] to shape a world consistent with their authoritarian model" by employing "predatory economics to coerce neighbouring countries to reorder the Indo-Pacific region to their advantage."<sup>91</sup> The arrival of the Trump administration was an immediate destabilizing force, undermining American credibility and faith in a US-led international system. Trump's trade war with China sent the US on a path of strategic competition and dangerous international posturing. As a middle power seeking to manage relations with both sides, Canada was stuck between "two very large elephants."<sup>92</sup> Russia's

<sup>&</sup>lt;sup>87</sup> Evans, "China Choices," 268.

<sup>&</sup>lt;sup>88</sup> Holland, "Canada and the Indo-Pacific Strategy," 230.

<sup>&</sup>lt;sup>89</sup> Manthorpe, *Claws of the Panda*, 18.

<sup>&</sup>lt;sup>90</sup> Ibid, 190.

<sup>&</sup>lt;sup>91</sup> Jim Mattis, "Summary of the 2018 National Defense Strategy of The United States of America" (United States Department of Defense, 2018).

<sup>&</sup>lt;sup>92</sup> Frolic, Canada and China, 374.

invasion of Ukraine only deepened tensions between the US and China, while demonstrating the dangerous of asymmetric trade relations with unpredictable authoritarian regimes.

## Conclusion

While Canadian foreign policy has been anything but static over the last fifty years, Canada's approach to China has remained congruent across Liberal and Conservative governments alike. From Pierre Trudeau's recognition of China in 1970, Canada's China policy has been dominated by a focus on trade and establishing warm leader-to-leader connections, whilst being careful not to overstep on issues of human rights and sovereignty. The Tiananmen Massacre and the early years of the Harper administration incited a frosting over of relations as Conservative governments hardened on human rights. These shocks proved temporary, but despite Justin Trudeau's attempts to reset relations, Xi's actively revisionist foreign policy has threatened Canadian security and destabilized the international order, critically constricting the prospects of a constructive Canada-China relationship. While a fresh face at the helm of Canada or China has historically offered an opportunity to renew relations, given the international environment's trend towards intensified great-power competition and Canada's decisive alignment with its southern neighbour, long-term prospects for a new, constructive chapter of Canada-China relations look grim.

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