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Thank you for the opportunity to appear before the Committee, albeit by video-conference 15,000 kilometres away in Singapore.

I have been studying and teaching international relations for more than 40 years, mostly dealing with US-China and Canada-China relations.

The focus of my remarks today will be about government-to-government relations. The overall relationship is of course much broader and includes human flows, cultural, business, and educational exchanges. But this is an era in which high politics matter and government policies are in flux.

All of us are aware how the fates of Michael Kovrig, Michael Spavour and Meng Wanzhou have generated a major diplomatic rift and changed the emotional landscape of feelings and emotions in both countries.

More recently, the Covid 19 virus has affected Canadian interactions with China and our views about how to manage relations with the government of the People’s Republic.

In the midst of these and other controversies, it is tempting to think that when these matters are resolved we can go back to normal in our bilateral diplomatic relations.

That is very unlikely. Rather, we have entered new territory the product of forces much larger than individual incidents and consular cases, and much larger than commercial issues like Huawei’s potential involvement in our 5G telecommunications network.

We are living amidst major shifts in economic, diplomatic and technological power, the emergence of a multipolar world order, and a resurgence of great power rivalry.

For almost all of the past 50 years there has been a consensus in Canada about the main outlines of a China policy, one we came to call engagement and at one time involved a “strategic partnership.”.

It was built on three pillars: (1) that closer interaction with China was of commercial value and would benefit the prosperity of Canadians; (2) that it was initially important to end China’s isolation and later to integrate it into what we now call our rules-based international order; and (3) that it served the moral purpose of supporting economic openness that would lead over time to political liberalization in China.

Engagement Canadian style depended on a geo-political context in which Canada had room for independent manoeuvre when it moved somewhat ahead of Washington, for example in recognizing the PRC eight years ahead of the US.

Engagement with Canadian characteristics was overall very successful. But it now has to be rethought, not out of anger about specific Chinese actions or fear about the hard edge of growing Chinese power and influence. It needs to be amended because of new circumstances that are not likely to change anytime soon.

The geo-political balance is shifting. China is now a major global player, present in virtually every international institution and ~~effectively~~ proving capable of creating some of its own. Moreover it is increasingly assertive in pursuing its own interests and in challenging the liberal dimensions of those institutions particularly as they relate to human rights and democracy. China doesn’t need Canadian help and in some instances is championing issues and arrangements that challenge us directly.

The belief that economic openness would produce political liberalization now seems mistaken, at least for the time being. Under Xi Jinping, China is more repressive domestically and along its periphery than at any time since Mao.

In addition, a new American consensus has emerged, spearheaded by the Trump administration but with broader bipartisan support, that the American version of engagement is dead. It has been replaced by a framing of China somewhere along a continuum of strategic competitor, adversary, rival and enemy. Washington is engaged in a full court press -- militarily, diplomatically and economically – to counter China’s rising influence and power. As Henry Kissinger stated, this has led the US and China to the “foothills of a Cold War,”

As Washington is making abundantly clear in its pressure on Canada and other governments on the matter of Huawei 5G, the costs of a made-in-Canada choice could be steep.

Caught between Xi Jinping’s China Dream and Donald Trump’s America First, and a deepening geo-strategic competition between the two major powers, what can we do?

Let me offer three suggestions.

First, rather than signing up for Cold War 2.0 and the active containment or confinement of China, we need to discuss and define a more flexible policy frame. Engaging China 2.0, a sort of post-engagement engagement policy, is one way. Another would be “Coexisting with China.” Neither is premised on changing China but on finding ways to live with China. Neither locks China into defined roles as friend or adversary, partner or competitor, but allows Canadian interests to determine the course of action on an issue-by-issue basis.

Cooperate where we can in areas including climate change, global economic governance, peacekeeping, agri-tech and the Arctic; push back where we must, particularly in matters related to interference in domestic affairs and gross violations of human rights.

Second, we need to fight for the rule-based international order at the same time as we promote its reform in institutions including the WTO, IMF and World Bank and though regional processes like the Comprehensive and Progressive Trans-Pacific Partnership. We need to push back against efforts to unravel or corrode the multilateral rules-based system whether those challenges come from China or we as we have increasingly seen from the United States.

This will require recapturing a Middle Power identity that respects our alliance with the US but navigates an independent course in matters like supporting the Chinese-led Asian Infrastructure Investment Bank and its Belt and Road Initiative.

Finally, a new frontier of the relationship is reacting to China’s growing presence, influence and occasional interference in Canada. A higher level awareness and vigilance is needed to protect Canadian values and institutions at home. We need to this without sensationalizing Chinese activities and their impact, without singularizing China as the only player in the influence and interference game, and without stigmatizing Chinese Canadians by calling into question their integrity and loyalty.

How, for example, do we keep doors open to Chinese students and research exchanges in our universities while closing windows in protecting intellectual property and national security in an era of technological competition and extraterritorial pressure from the United States?

Fashioning a new national consensus and a new narrative with a multi-party foundation for relations with China is not going to be easy. We haven’t done it in a systematic way since 1966. The work and recommendations of this special committee have the potential to make a signal contribution.

Thank you