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Canada's Indo-Pacific Strategic Engagement: Pivoting Towards Implementation

by Stephen Nagy July 2023

POLICY PERSPECTIVE

CANADA'S INDO-PACIFIC STRATEGIC ENGAGEMENT: PIVOTING TOWARDS IMPLEMENTATION

by Stephen Nagy

CGAI Fellow July 2023

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©2023 Canadian Global Affairs Institute ISBN: 978-1-77397-273-2 ith the December 3, 2022, release of Canada's long-awaited Indo-Pacific Strategy (CIPS), we are beginning to see how it is being implemented and received in the region. We are also hearing from friends and allies what they think about the key pillars, priorities and proposed policies. In some cases, we hear nothing, which also reflects impressions of the policy.

With more than 125 years of engagement in Asia,¹ the strategy was developed recognizing that the core economic engine of global growth will be situated in the Indo-Pacific region.² The CIPS³ has acknowledged that "Today, the Indo-Pacific makes up more than one-third of all global economic activity. Three of the world's largest economies—the People's Republic of China (China), India and Japan—are in this part of the world."⁴

The transition away from the usage of Asia or Asia-Pacific is related to these terms being used when both Southeast Asia and South Asia were not significant economic engines nor were these well integrated into the regional economic architecture.

Despite several external risks, including the escalation of the trade and technology war between the United States and China, the Russian invasion of Ukraine and the resulting geopolitical risks, the Southeast Asian economy continued to grow.⁵ In 2022, its economy expanded by 5.5 per cent.⁶

Southeast Asia is expected to be the world's fastest growing region, with the Asian Development Bank (ADB) projecting regional growth of 4.7 per cent in 2023 and 5.0 per cent in 2024.⁷ The figures indicate a slight decrease from 2022 due to weakened global demand, according to ASEAN Economic Outlook 2023.⁸

Meanwhile, the latest South Asia Economic Focus report, *Expanding Opportunities: Toward Inclusive Growth*, forecasts an average regional growth rate of 5.6 per cent in 2023, which is slightly lower than the October 2022 forecast. Following an initial post-pandemic recovery of 8.2 per cent in 2021, growth is expected to remain moderate at 5.9 per cent in 2024.⁹

2023/#:~:text=Southeast%20Asia%2C%20or%20the%20ASEAN,reached%205.5%20percent%20in%202022

¹ Stephen R. Nagy, "Canada Asia–Pacific Relations: Transforming into a Middle Power Indo-Pacific Stakeholder," in *The Palgrave Handbook of Canada in International Affairs*, Robert W. Murray and Paul Gecelovsky, eds., (Cham: Springer International Publishing, 2021: 661–682).

² Akihiko Tanaka, "A Free and Open Indo-Pacific – Ensuring Peace and Prosperity in the Region," Keynote Speech at the Foreign Press Centre Symposium, March 7, 2019.

³ Stephen Nagy, "Finally at the Table, Not on the Menu: Canada Launches its Indo-Pacific Strategy," *Pacific Forum*. Accessed May 16, 2023. https://pacforum.org/publication/pacnet-66-finally-at-the-table-not-on-the-menu-canada-launches-its-indo-pacific-strategy.

⁴ Government of Canada, "Canada's Indo-Pacific Strategy." Accessed May 16, 2023. <u>https://www.international.gc.ca/transparency-transparence/indo-pacific-indo-pacifique/index.aspx?lang=eng</u>.

⁵ Jayant Menon, "Southeast Asian Economies: Out of the Storm, Clouds on the Horizon," *Fulcrum Analysis on Southeast Asia*, February 20, 2023. Accessed May 16, 2023. <u>https://fulcrum.sg/southeast-asian-economies-out-of-the-storm-clouds-on-the-horizon/</u>.

⁶ ASEAN Briefing, "Industries to Watch Out for Growth in Southeast Asia in 2023," January 17, 2023. Accessed May 16, 2023. https://www.aseanbriefing.com/news/industries-to-watch-out-for-growth-in-southeast-asia-in-

⁷ Asian Development Bank, "Asian Development Outlook (ADO) April 2023: Key Messages." Accessed May 16, 2023. https://www.adb.org/outlook.

⁸ ASEAN Briefing, "ASEAN Economic Outlook 2023." Accessed May 16, 2023. <u>https://www.aseanbriefing.com/news/asean-economic-outlook-2023/</u>.

⁹ The World Bank, "South Asia Economic Focus." Accessed May 16, 2023, <u>https://www.worldbank.org/en/region/sar/publication/south-asia-economic-focus-spring2023</u>.



The Indo-Pacific is Canada's second largest regional export market, after the United States, with annual two-way trade valued at \$226 billion. The Indo-Pacific is the world's fastest growing economic region and accounts for 65 per cent of the global population. By 2030, it will be home to two-thirds of the global middle class.¹⁰

The CIPS outlines Canada's approach to the Indo-Pacific region, highlighting the importance of multilateralism, democracy, human rights, free trade and strategic partnerships. However, the strategy's implementation faces several challenges, including domestic politics, Canada-China relations and the region's changing geopolitical landscape. This essay will analyze the strengths and weaknesses of Canada's Indo-Pacific Strategy, focusing on these challenges.

Canada's Indo-Pacific Strategy (CIPS)

The Indo-Pacific region has become a critical area of strategic competition in recent years with the rise of China, relative decline of the U.S. and the shifting power dynamics in the region. On the Korean Peninsula, we have North Korea proliferating weapons of mass destruction. There are territorial disputes between Japan and China, South Korea and Japan, Russia and Japan, and China and several Southeast Asian states which share the South China Sea. Tensions between Mainland China and Taiwan, as well as China and India in the Himalayan plateau, could spiral into a kinetic conflict.

To contribute to resolving these geopolitical challenges,¹¹ Canada's Indo-Pacific Strategy aims to strengthen its engagement in the region and promote a rules-based order that supports its interests and values which are shared by other like-minded and longstanding partners, including the U.S., Japan, Australia, South Korea, the E.U. and India.

The strategy has several strengths that reflect comparative Canadian advantages in the area of foreign policy:

Emphasis on Multilateralism

Canada's Indo-Pacific Strategy emphasizes the importance of multilateralism in addressing regional challenges. The strategy highlights Canada's support for regional organizations like ASEAN, which includes over 660 million people and many of the world's fastest growing economies. In particular, Canada has highlighted ASEAN's centrality as the key principle for how the region evolves. This means a consensus-based decision-making process to manage the heterogeneity of political and economic systems in the region and to ensure the larger and more powerful regional economies do not dominate decision-making. Prioritizing multilateralism and ASEAN-led multilateral dialogues and forums, including the ASEAN Regional Forum, the Asia-

¹⁰ Global Affairs Canada, "Canada Launches Indo-Pacific Strategy to Support Long-term Growth, Prosperity, and Security for Canadians." Accessed May 16, 2023. <u>https://www.canada.ca/en/global-affairs/news/2022/11/canada-launches-indo-pacific-strategy-to-support-long-term-growth-prosperity-and-security-for-canadians.html.</u>

¹¹ P. Stefano and T. Lorenzo, "Understanding the Indo-Pacific: Geopolitical context," in *Handbook of Indo-Pacific Studies*, Barbara Kratiuk, Jeroen J. J. Van den Bosch, Aleksandra Jaskólska and Yoichiro Sato, eds., (London: Routledge, 2023: 29–43).



Pacific Economic Cooperation (APEC) and the Pacific Islands Forum, are important but as we will argue later, "frustration with the ASEAN model is a force that drives pragmatic and results-focused states towards minilateral cooperation."¹²

Focus on Human Rights and Democracy

Canada's Indo-Pacific Strategy emphasizes the importance of human rights and democracy in the region. The strategy calls for the promotion of these values through engagement with civil society, democratic institutions and the media. The strategy explicitly states that "Canada will continue to speak up for universal human rights, including those of Uyghurs, Tibetans, and other religious and ethnic minorities. Canada will continue to stand shoulder-to-shoulder with the people of Hong Kong, who are faced with China's imposition of the National Security Law and, more broadly, the deterioration of individual and collective freedoms."¹³ This includes "strengthening dedicated Canadian funding and advocacy to support human rights across the Indo- Pacific, including for women and girls, religious minorities, 2SLGBTQI+ persons and persons with disabilities."

Economic Engagement

Canada's Indo-Pacific Strategy emphasizes the importance of economic engagement in the region. The strategy highlights Canada's commitment to promoting free trade and investment, supporting small and medium-sized enterprises and enhancing economic co-operation. Concrete initiatives include launching a Canadian trade gateway in Southeast Asia to expand Canada's business and investment engagement, financial support for programs that help Canadian chambers of commerce in the region and creating new free trade agreements (FTAs), such as a Canada-ASEAN free trade agreement and a comprehensive economic partnership agreement with Indonesia. Canada is also working hand-in-hand with its partners to expand the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which might include China, which is the world's second largest economy.

Strategic Partnerships

Canada's Indo-Pacific Strategy emphasizes the importance of strategic partnerships in the region. The strategy highlights Canada's commitment to strengthening its partnerships with countries like Japan, South Korea, the U.S. and Australia, which share similar values and interests. Deploying creative diplomacy at the non-state level, Canada aims to inculcate Taiwan into cooperative formulas, such as the Indigenous Peoples Economic and Trade Co-operation Arrangement (IPETCA).

¹³ Global Affairs Canada, "Canada's Indo-Pacific Strategy." Accessed May 16, 2023. <u>https://www.international.gc.ca/transparency-transparence/assets/pdfs/indo-pacific-in</u>

¹² Stephen Nagy, "ASEAN's Institutional Vulnerabilities are Driving Minilateralism," Australian Strategic Policy Institute, March 22, 2023. Accessed May 16, 2023. <u>https://www.aspistrategist.org.au/aseans-institutional-vulnerabilities-are-driving-minilateralism/</u>.

Co-operation with existing partners, including Australia, New Zealand and Taiwan, as well as Indigenous peoples from participating economies, provides valuable formats for multilateral engagement with Taiwan.

Another example is pursuing the path of reconciliation with First Nations, Inuit and Métis peoples through enhanced Indigenous exchanges with regional partners such as Australia, New Zealand and Taiwan.

These strengths resonate with the region's demonstrated priorities in expanding trade, deepening strategic partnerships, multilateralism and improving governance. However, Canada's Indo-Pacific Strategy also reveals several weaknesses that policy-makers will need to address.

Lack of Specifics

The strategy is relatively vague and lacks specific details on how it will be implemented. It does not outline concrete initiatives or programs that Canada will undertake in the region, making it difficult to evaluate the strategy's effectiveness. Translating the broader framework into sustainable, meaningful and acceptable initiatives that bring value to the region remains a work-in-progress.

Limited Resources

The strategy faces financial and physical resource constraints which could limit its effectiveness. It does not outline specific funding allocations or resource commitments, making it challenging to implement the strategy effectively. The earmarked C\$2.3 billion¹⁴ over the next five years is considerable and demonstrates the government is serious about better positioning Canada to be an active player in the region.¹⁵ However, considering it will be divided into over 17 departments and is meant to cover a vast region, it may be insufficient to make a meaningful investment.

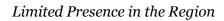
Military assets are also being stressed with assets being transferred to Ukraine.¹⁶ Managing Canadian maritime security concerns in the Pacific, Atlantic and Arctic oceans¹⁷ also means that Canadian leaders may have to think about maximizing contributions to the region through personnel and functional minilateral co-operation with like-minded countries in specific domains of the Indo-Pacific rather than sending navy vessels.

¹⁶ Government of Canada, "Canadian Donations and Military Support to Ukraine." Accessed May 16, 2023. https://www.canada.ca/en/department-national-defence/campaigns/canadian-military-support-to-ukraine.html.

¹⁴ Government of Canada, "Canada's Indo-Pacific Strategy: New Initiatives and Resources." Accessed May 16, 2023.

https://www.canada.ca/en/global-affairs/news/2022/11/canadas-indo-pacific-strategy-new-initiatives-and-resources.html. ¹⁵ Jeffrey Reeves et al., "Canada's Indo-Pacific Strategy: Analysis From Our Network," Asia Pacific Foundation of Canada, December 5, 2022. Accessed May 16, 2023. <u>https://www.asiapacific.ca/publication/canadas-indo-pacific-strategy-summary-report-apf-canada</u>.

¹⁷ Jonathan Miller, "Canada's Indo-Pacific Tilt," Danish Institute for International Studies. Accessed May 16, 2023. https://www.diis.dk/en/research/canadas-indo-pacific-tilt.



Canada's limited presence in the Indo-Pacific region will limit its ability to implement its strategy effectively. However, the appointment of a special envoy to the Indo-Pacific¹⁸ with a role in the region will help rectify this shortcoming. So will an Indo-Pacific based branch of the Asia-Pacific Foundation, especially if it engages in research and activities that balance Canadian interests and regional needs. Incorporating other Canadian think tanks in the regional office may enhance the credibility of a permanent representative think thank focused on the Indo-Pacific.

Domestic Politics and Canada's Indo-Pacific Strategy

In every country, domestic politics and changes in leadership can pose a challenge to policy continuity. We saw this with the election of Donald Trump in 2016 when upon becoming president he withdrew the U.S. from the Trans-Pacific Partnership (TPP)¹⁹ and the Paris Climate Accord.²⁰

With serious allegations about Chinese interference in Canadian elections,²¹ concerns about how the government handled the hostage diplomacy associated with Michael Kovrig and Michael Spavor²² and the latest revelations that the government did not respond immediately to China's threats to an opposition MP,23 domestic politics in Canada could also pose challenges to implementing the strategy.

Canada's Indo-Pacific Strategy could face opposition from certain domestic constituencies, including labour unions, environmental groups and human rights organizations. These groups may object to Canada's engagement with countries that have poor human rights records or environmental practices. Opposition political parties could criticize the strategy for being overly focused on trade and investment at the expense of human rights and democracy.

We saw the influence of these groups at the Special Committee Canada-China hearings on October 25, 2022,²⁴ when the former chair of Amnesty International advocated for a human rights-centred approach to Canada-China relations, as well as an approach to engaging with China in the Indo-Pacific region that would greatly complicate the partnerships Canada needs to build in this politically heterogenous region.

¹⁸ Government of Canada, "Minister Joly Names Canada's Special Envoy for the Indo-Pacific," April 19, 2023. Accessed May 16, 2023. https://www.canada.ca/en/global-affairs/news/2023/04/minister-joly-names-canadas-special-envoy-for-the-indo-pacific.html.

¹⁹ Åhmad Rashid Malik, "US Withdrawal From the Trans-Pacific Partnership: Prospects for China," Strategic Studies, 2018. Accessed May 16,

^{2023.} https://www.jstor.org/stable/48539120. ²⁰ Christopher J. Rhodesus, "US Withdrawal From the COP21 Paris Climate Change Agreement, and its Possible Implications," *Science* Progress, 2017. Accessed May 16, 2023. https://journals.sagepub.com/doi/pdf/10.3184/003685017X15063357842600.

²¹ Jia Wang, "Canada's China Policy Must Be About More Than Election Interference," Nikkei Asia, March 30, 2023. Accessed May 16, 2023. https://asia.nikkei.com/Opinion/Canada-s-China-policy-must-be-about-more-than-election-interference.

²² Steven Chase, "A Timeline of China's Alleged Interference in Recent Canadian Elections," Globe and Mail, March 9, 2023. Accessed May 16, 2023. https://www.theglobeandmail.com/politics/article-chinese-election-interference-canada-timeline/.

²³ Robert Fife, Steven Chase and Nathan Vanderklippe, "CSIS Contacting More MPs to Brief Them on Chinese Political Interference," Globe and Mail, May 12, 2023. Accessed May 16, 2023. https://www.theglobeandmail.com/politics/article-csis-mps-china-political-interference/. ²⁴ Parliament of Canada, "CANADA–PEOPLE'S REPUBLIC OF CHINA RELATIONS." Accessed May 16, 2023. https://www.ourcommons.ca/Committees/en/CACN/StudyActivity?studyActivityId=11797129.

Moreover, the strategy's implementation may be subject to the outcome of the federal election which could result in a change of government and a shift in Canada's foreign policy priorities. This could affect Canada's relations with key allies in the region, including the U.S. and Japan, as well as have an impact on the implementation of the strategy.

Canada-China Relations

Canada's relations with China have also been a significant challenge in the strategy's formulation and implementation. The arrests of Canadians Spavor and Kovrig in China in 2018 strained Canada-China relations, leading to a diplomatic standoff between the two countries.²⁵ China accused Canada of violating its national security laws by arresting Huawei executive Meng Wanzhou at the request of the U.S.²⁶ Canada, on the other hand, had called for the release of Spavor and Kovrig, who were detained for over two years without trial.

The strained relations with China could affect Canada's ability to implement its strategy effectively. China is a significant player in the Indo-Pacific region²⁷ and its economic and military power has significant implications for regional security and stability.²⁸ The diplomatic standoff between Canada and China could limit Canada's ability to engage effectively with China and other countries in the region.

For example, Southeast Asian countries continue to value their economic relationship with China.²⁹ They see the Chinese economy as an important driver for their economic growth and development while simultaneously having concerns about what Chinese economic hegemony may translate to in the future.³⁰

For Canada, diplomatic, economic and security engagement with ASEAN will require a delicate balancing act, as any Canadian policy that is overly hawkish on China will dampen Southeast Asian states' willingness to work with Canada.

To illustrate, several Canadian chambers of commerce in the region have been reluctant to endorse the Indo-Pacific framing of the area for fear that their business partners there would shun working with a chamber that supports what their partners or Chinese partners perceive as a China containment strategy.³¹

²⁵ Christopher W. Bishop, "Dealing with China: Lessons Learned from Three Case Studies," Canadian Global Affairs Institute, September 2020. Accessed May 16, 2023. <u>https://www.cgai.ca/dealing_with_china_lessons_learned_from_three_case_studies.</u>

²⁶ Louise Lucas, Demetri Sevastopulo, James Kynge and David Crow, "China Demands Release of Huawei CFO Held on US Charges,"

Financial Times, December 6, 2018. Accessed May 16, 2023. <u>https://www.ft.com/content/10065056-f8e2-11e8-af46-2022a0b02a6c.</u>²⁷ Swaran Singh and Reena Marwah, "China's Engagement and the Indo-Pacific," in *China and the Indo-Pacific: Maneuvers and Manifestations*, (New York: Palgrave Macmillan, 2023: 1:19).

²⁸ ISEAS, "The State of Southeast Asia: 2023 Survey Report." Accessed May 17, 2023. <u>https://www.iseas.edu.sg/articles-commentaries/state-of-southeast-asia-survey/the-state-of-southeast-asia-2023-survey-report-2/</u>.

²⁹ Ibid.

³⁰ Ibid.

³¹ Canadian Chamber of Commerce, "Canadian Chamber Encourages House International Trade Committee to Set Clear Priorities for its Indo-Pacific Strategy," April 28, 2022. Accessed May 17, 2023. <u>https://chamber.ca/canadian-chamber-encourages-house-international-tradecommittee-to-set-clear-priorities-for-its-indo-pacific-strategy/</u>.



Potential Canadian involvement in the plethora of minilateral partnerships that have emerged, such as the Quadrilateral Security Dialogue (Quad), AUKUS or joint training with the U.S. and Japan in Keen Sword exercises,³² may elicit Beijing's ire, resulting in economic sanctions, hostage diplomacy and other forms of coercion. Carefully calibrating Canadian strategic partnership engagement in the Indo-Pacific will demand a nuanced approach.

Resource Constraints

Canada's Indo-Pacific Strategy faces resource constraints associated with the size of the Canadian economy and the negative economic effects of both the post-COVID 19 period and Russia's invasion of Ukraine, which could limit its effectiveness. Inflation,³³ stress on supply chains³⁴ and high energy prices³⁵ are challenging Canadian policy-makers to balance domestic economic instability and stresses with Indo-Pacific foreign policy demands. To address these challenges, Canada can consider several approaches:

Prioritize Funding

Canada should prioritize funding for initiatives that align with its Indo-Pacific Strategy and translate into pragmatic, results-oriented engagement over normative agendas³⁶ that may not garner the political capital Ottawa is looking for. Concrete examples include allocating resources to support specific initiatives, such as infrastructure development, capacity building and human rights promotion, which are critical to Canada's regional interests.

By prioritizing funding, Canada can maximize the impact of its resources and achieve its strategic objectives more effectively and sustainably.

Partner with Other Countries

Canada can also partner with other countries in the region to optimize its resources. By working with like-minded countries such as Japan, South Korea and Australia, Canada can pool resources and expertise to support regional initiatives. This collaborative approach allows Canada to leverage its partners' strengths and effectively achieve its strategic goals.

³² Maritime Fairtrade, "Japan, U.S., Australia, Canada in Joint Maritime Exercise Keen Sword 2023," November 20, 2022. Accessed May 17, 2023. <u>https://maritimefairtrade.org/japan-u-s-australia-canada-in-joint-maritime-exercise-keen-sword-2023/</u>.

³³ Maurice Obstfeld, Douglas Laxton, Yulia Ustyugova and Hou Wang, "Strengthening Canada's Economic Toolkit: Improving the Inflation Targeting Framework," IMF Blog, November 1, 2016, <u>https://www.imf.org/en/Blogs/Articles/2016/11/01/strengthening-canadas-economic-toolkit-improving-the-inflation-targeting-framework.</u>

³⁴ Kazuto Suzuki, "Investing in Supply Chain Resilience in the Indo-Pacific," Canadian Global Affairs Institute, February 2022. Accessed May 17, 2023. <u>https://www.cgai.ca/investing_in_supply_chain_resilience_in_the_indo_pacific</u>.

³⁵ Jeffrey B. Kucharski, "The Evolution of Energy Security in the Indo-Pacific: Why Is It Important for Canada?" Macdonald-Laurier Institute, February 2022. Accessed May 17, 2023. <u>https://macdonaldlaurier.ca/wp-content/uploads/2022/02/Feb2022_Evolution_energy-security_Indo-Pacific_Kucharski_COMMENTARY_FWeb.pdf?mc_cid=82a88f17e7&mc_eid=UNIQID.</u>

³⁶ Stephen Nagy and Jonathan Ping, "The End of the Normative Middle Power Ship," Australian Institute of International Affairs, March 14, 2023. Accessed May 16, 2023. https://www.internationalaffairs.org.au/australianoutlook/the-end-of-the-normative-middle-power-ship/.

Here, Canada should attempt to plug into existing infrastructure and connectivity initiatives³⁷ such as the Resilience Supply Chain Initiative (RSCI) between Australia, Japan and India.³⁸ There are financing initiatives such as the Memorandum of Understanding (MOU) signed between the Japan Bank for International Cooperation (JBIC), the U.S. International Development Finance Corporation, the Department of Foreign Affairs and Trade of Australia and Export Finance Australia.³⁹ Exploring where Canada can add value to the Japan-E.U. Infrastructure and Connectivity Agreement⁴⁰ is another platform Canada could engage in the region.

Engage the Private Sector

Canada can also engage the private sector to support its Indo-Pacific Strategy. The government can work with Canadian businesses to promote trade and investment in the region, support small and medium-sized enterprises and create job opportunities. Ottawa has already reached out to the informal Canadian Chamber of the Asia-Pacific (CCAP) to seek ideas as to how policy-makers can work with chambers in the region to assist with trade missions, Canadian branding and facilitating Canadian business entry into the region.⁴¹

By engaging the private sector, Canada can leverage the resources and expertise of Canadian businesses to facilitate its regional initiatives.

Build Strategic Partnerships

Finally, Canada can build strategic partnerships with countries that share similar values and interests. Canada can work with these partners to support initiatives that align with its Indo-Pacific Strategy. By building strategic partnerships, Canada can maximize the impact of its resources and achieve its strategic objectives more effectively.

The Canada-Japan Action Plan for the Indo-Pacific, released in October 2022, and its six shared priorities of supporting 1) rule of law; 2) peacekeeping operations and peacebuilding, humanitarian assistance and disaster relief; 3) health security and responding to COVID-19; 4) energy security; 5) free trade promotion and trade agreement implementation; and 6) environment and climate change, is a good example.⁴²

³⁷ Government of Canada, "The Government of Canada Announces Intent to Launch a New Digital Infrastructure Initiative to Strengthen Canada's Supply Chains," October 14, 2022. Accessed May 17, 2023. <u>https://www.canada.ca/en/transport-canada/news/2022/10/the-government-of-canada-announces-intent-to-launch-a-new-digital-infrastructure-initiative-to-strengthen-canadas-supply-chains.html.</u>

 ³⁸ Jagannath Panda, "The Structural Limits of the Supply Chain Resilience Initiative," *Pacific Forum*. Accessed May 17, 2023. https://pacforum.org/publication/pacnet-31-the-structural-limits-of-the-supply-chain-resilience-initiative.

³⁹ Japan Bank for International Cooperation, "JBIC Signs MOU with U.S. International Development Finance Corporation, Department of Foreign Affairs and Trade of Australia, and Export Finance Australia," October 17, 2022, <u>https://www.jbic.go.jp/en/information/press/press-2022/1017-016900.html.</u>

 ⁴⁰ European Union, "The Partnership on Sustainable Connectivity and Quality Infrastructure between the European Union and Japan," September 27, 2019. Accessed May 17, 2023. <u>https://www.eeas.europa.eu/eeas/partnership-sustainable-connectivity-and-quality-infrastructure-between-european-union-and_en</u>.
⁴¹ Canadian Chamber of Commerce, "Canadian Business Welcomes Increased Focus on Indo-Pacific," November 27, 2022. Accessed May 17,

⁴¹ Canadian Chamber of Commerce, "Canadian Business Welcomes Increased Focus on Indo-Pacific," November 27, 2022. Accessed May 17, 2023. <u>https://chamber.ca/news/canadian-business-welcomes-increased-focus-on-indo-pacific/</u>.

⁴² Government of Canada, "Action Plan: Canada-Japan 6 Shared Priorities." Accessed May 17, 2023. <u>https://www.canada.ca/en/global-affairs/news/2022/10/backgrounder--action-plan-canada-japan-6-shared-priorities.html</u>.



A similar agreement with South Korea, Singapore, Australia, the U.S., Indonesia, Vietnam and other like-minded countries would create a network of partners. These partnerships could range from efforts to promote denuclearization on the Korean peninsula to energy and critical mineral agreements with key semiconductor suppliers and partners such as Japan, Taiwan, South Korea, the U.S. and the Netherlands.

In short, Canada can address the resource constraints of its Indo-Pacific Strategy by prioritizing funding, partnering with other countries, engaging the private sector and building strategic partnerships. These approaches can enable Canada to maximize the impact of its resources and achieve its strategic objectives in the region.

A Smart Approach to Promoting Human Rights in the Indo-Pacific Region

Promoting human rights in the Indo-Pacific region is a critical component of Canada's Indo-Pacific Strategy. It must be implemented understanding the region's political, economic and cultural heterogeneity which views human rights and diversity-related issues in many ways. Implementing an overly Canadian-centric approach to human rights promotion in the region may alienate important like-minded partners in areas that Canada deems national priorities. Depending on Canada's approach to human rights, it may face several challenges in promoting human rights in the region, including:

Sovereignty and Cultural Concerns

With many states in the region highly sensitive to sovereignty and non-interference principles, some of them may view Canada's human rights promotion as interference in their internal affairs, which could lead to tensions and strained relations. These countries may argue that human rights promotion is a matter of national sovereignty and that external actors should not interfere in their domestic affairs. Key examples are Vietnam, Indonesia and India, which have considerably different interpretations of human rights and 2SLGBTQI+ peoples.

Security Concerns

Promoting human rights in the region could also pose security challenges for Canada. Some countries in the region may view human rights promotion as a threat to their national security or stability, which could lead to tensions and potential security risks for Canadian citizens and interests in the region.

Promoting human rights in the Indo-Pacific region is critical to Canada's Indo-Pacific Strategy, but Canada may face challenges, including sovereignty concerns, cultural differences, security concerns and having limited leverage. To address these challenges, Canada will need to develop a nuanced approach to human rights promotion in the region and work with regional partners to promote human rights effectively and flexibly.



Conclusion

Canada's Indo-Pacific Strategy boasts various strengths, including its emphasis on multilateralism, human rights and democracy, economic engagement and strategic partnerships. However, the strategy also faces several weaknesses, including a lack of specifics, limited resources and limited presence in the region. Domestic politics in Canada and concerns about Chinese influence in Canadian politics and institutions, resulting in strained relations with China, could also pose significant challenges to implementing the strategy. To do so effectively, Canada will need to address these challenges and develop specific initiatives and programs that align with its interests and values.

About the Author

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His recent funded research projects are "Sino-Japanese Relations in the Wake of the 2012 Territorial Disputes: Investigating Changes in Japanese Business' Trade and Investment Strategy in China" and "Perceptions and Drivers of Chinese View on Japanese and US Foreign Policy in the Region." He is currently working on middle-power approaches to great-power competition in the Indo-Pacific. His latest publications include "Middle-Power Alignment in the Free and Open Indo-Pacific: Securing Agency through Neo-Middle-Power Diplomacy," (Asia Policy 17, no. 3, 2022); "US-China Strategic Competition and Converging Middle Power Cooperation in the Indo-Pacific," (Strategic Analysis 46, no. 3, 2022); "Economic Headwinds and a Chance of Slower Growth: What the Forecast Holds for the Belt and Road Initiative," (Macdonald-Laurier Institute, 2022); "Sino-Japanese Reactive Diplomacy as Seen Through the Interplay of the Belt and Road Initiative (BRI) and the Free and Open Indo-Pacific Vision (FOIP)," (China Report, 2021: 1–15); "Quad-Plus? Carving out Canada's Middle Power Role," (Journal of Indo-Pacific Affairs, Special Issue, 2020); and "Quad Plus: Form versus Substance," (Journal of Indo-Pacific Affairs 3, no. 5, 2020: 179–195).

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