

**CANADA'S RELATIONS WITH CHINA DURING
CHRETIEN AND HARPER YEARS**

*Thesis submitted to Jawaharlal Nehru University
for award of the degree of*

DOCTOR OF PHILOSOPHY

VARSHA GAUTAM



**Canadian Studies Programme
Centre for Canadian, US & Latin American Studies
School of International Studies
Jawaharlal Nehru University
New Delhi - 110067
2019**



08 July 2019

DECLARATION

I declare that the thesis entitled “Canada’s Relations with China during Chretien and Harper Years” submitted by me for the award of the degree of **Doctor of Philosophy** of Jawaharlal Nehru University is my own work. The thesis has not been submitted for any other degree of this University or any other university.

Varsha Gautam

VARSHA GAUTAM

CERTIFICATE

We recommend that this thesis to be placed before examiners for evaluation.

DR. PRITI SINGH

Chairperson, CCUS&LAS

DR. PRITI SINGH

Supervisor

Acknowledgement

This work is the production of generous cooperation and assistance provided by several individuals. Perhaps, it would not have seen the light of day without their support, motivation and encouragement.

I am sincerely thankful and indebted to my supervisor Dr. Priti Singh for her keen supervision, scholastic cooperation and avid guidance. She has always encouraged and guided me through valuable suggestions. I am also grateful to Retd. Prof. Christopher S. Raj and Retd. Prof. Abdul Nafey. In addition, I would also like to thank Prof. K.P. Vijayalaksmi, Prof. Chintamani Mahapatra, Dr. Saumyajit Ray and Dr. Aprajita for their insightful comments and encouragements.

I am also thankful to Prof. Paul Evans, Director Emeritus and Acting Director at Institute of Asian Research, University of British Columbia, Vancouver, Canada, for guiding me with his insightful suggestions and providing assistance through study material.

I express my gratitude for the staff members of CCUS&LAS, Jawaharlal Nehru University library, SICI Library, EXIM BANK Library of J.N.U, IDSA, Teen Murti Library for providing relevant material for my research work.

I express my deep sense of regards and special indebtedness to my parents (Mrs. Lilawati Singh and Late Mr. Vishwajeet Singh) and my guardian. My family deserves a special mention for their unconditional support and guidance throughout the years. I would also like to extend my deep sense of gratitude to my friends for their support throughout the research work.

I would also like to extend my deep sense of gratitude to Charu Ratna Dubey, for his support throughout the research work. He has always lend an ear to my queries.

Last but not least, I would bow down myself near that invisible supreme unseen power.

Varsha Gautam

Contents

List of Acronyms	i-iii
Chapter I: Introduction	1-40
Literature Review, Research Questions and Hypotheses	3
Literature Review	3
Research Questions	12
Hypotheses	12
Canada's Policy towards People's Republic of China (PRC) from 1949	13
The Evolution of Canada's involvement with China	13
Constraints with the Establishment of Diplomatic Relations with PRC	21
The Establishment of Diplomatic Relations: Canada and China	29
Chapter II: Canadian Perceptions of China	41-80
Theoretical Approaches in Canadian Foreign Policy	43
Liberal Internationalism-- Canada as a 'middle power'	43
Complex Neo-Realism-- Canada as a 'principal power'	48
Peripheral Dependence-- Canada as a 'satellite state'	52
Evolution of Canada's Asia Pacific Policy	55
The Foreign Policy Review Document, 1970	59
China in Canada's Pacific Strategy from 1970s	63
Emergence of China and Canadian Perception	66
Conclusion	78
Chapter III: Chrétien Government's China Policy	80-115
Post-Cold War Changes and Challenges	83
Changes and challenges for Canada	84
Changes and challenges for China	85
The Debate on Canada's China Policy post-Tiananmen Incident	87
The Moderators: Pro-Business, Trade and Commerce	91
The Hard-Liners: Pro-Human Rights and Reforms	93
The 'Four Pillar' China Policy	95
Economic Partnership	96
Peace and Security	98
Sustainable Development	101
Human Rights, Good Governance and Rule of Law	103
Canadian Values and Economic Interests: Engaging China	106
Conclusion	114

Chapter IV: Harper Government’s China Policy	116-149
The ‘Principled’ China Policy: A Critical Approach	117
Principled Foreign Policy	118
Restrained Political-Diplomatic Ties with China	120
Sustaining and Maintaining the Economic Ties	127
Pragmatism towards China	132
Harper’s Visit to China, in December 2009	134
Chinese President Hu Jintao’s Visit to Canada, in June 2010	137
Conservative Majority Government: Moving Forward	141
Conclusion	148
Chapter V: Evaluation of Chrétien and Harper’s China Policy	150-183
The China Policy Determinants in Chrétien and Harper Government	152
External Determinants	153
Domestic Determinants	157
Individual and Governmental Determinants	162
Incoherent and Constrained Bilateral Relationship	173
Recalibrating China Strategy	179
Conclusion	181
Chapter VI: Conclusion	184- 196
References	197-208
Appendix I	iii
Appendix II	iv
Appendix III	v
Appendix IV	vi
Appendix V	vii

List of Acronyms

ADS	Approved Destination Status
APGCI	Asia Pacific Gateway and Corridor Initiative
ASEAN	Association of South East Asian Nations
APL	Anti-Personnel Landmines
APM	Anti-Personnel Mines
APEC	Asia-Pacific Economic Cooperation
BNA Acts	British North America Acts
BRICS	Brazil, Russia, India, China, and South Africa
CCC	Canadian Chamber of Commerce
CCTC	Canada-China Trade Council
CCBC	Canada-China Business Council
CCICED	China Council for the International Co-operation on Environment and Development
CDPF	Country Development Policy Framework
CIC	Canadian International Council
CIDA	Canadian International Development Agency
CMAB	Canadian Mutual Aid Board
CPC	Communist Party of China
CPF	Country Policy Framework
CPR	Country Program Review
CUSFTA	Canadian-United States Free Trade Agreement
DEA	Department of External Affairs
DEAIT	Department of External Affairs and International Trade
DFAIT	Department of Foreign Affairs and International Trade

DFATD	Department of Foreign Affairs, Trade and Development
EU	European Union
FIPA	Foreign Investment Promotion and Protection Agreement
FDI	Foreign Direct Investment
G7	Group of 7
G20	Group of 20
GATT	General Agreement on Trade and Tariff
GDP	Gross Domestic Product
GNP	Gross National Product
ICBL	International Campaign to Ban Landmines
ICJ	International Court of Justice
ICC	International Criminal Court
ICT	Information and Communication Technology
ILO	International Labour Organization
IMF	International Monetary Fund
JCHR	Joint Committee on Human Rights
MOU	Memoranda of Understanding
NAFTA	North American Free Trade Area
NATO	North American Treaty Organization
NDP	New Democratic Party
NIEs	Newly Industrialized Economies
NGOs	Non-Governmental Organizations
ODA	Overseas Development Assistance
P5	Permanent Five Members of United Nations Security Council (United States of America, Britain, Russia, China and France)

PLA	People's Liberation Army
PMO	Prime Minister's Office OR Office of the Prime Minister
PRC	People's Republic of China
PQ	Parti Quebecois
ROC	Republic of China
WTO	World Trade Organization
UK	United Kingdom
UN	United Nations
UNCHR	United Nations Commission on Human Rights
UNGA	United Nations General Assembly
UNSC	United Nations Security Council
USA	United States of America
USSR	Union of Soviet Socialist Republics

Chapter I

Introduction

The development of bilateral relationship between Canada and China can be traced back to the establishment of diplomatic relations in 1970. The two nations came closer when Canada responded positively to the Chinese demand by exporting wheat and grains in 1960s. Then Conservative Canadian Prime Minister John Diefenbaker had passed legislation in an attempt to rehabilitate agricultural development which also helped opening of Chinese market for Canadian farmers. However, it was under the Liberal premiership of Pierre E. Trudeau that Canada's relationship with the People's Republic of China (PRC) formally began in October 1970 with the exchange of mutual diplomatic recognition far before the other Western nations took the initiative.

Trudeau, who took office in 1968, had two major purposes to serve by recognising China. First, to reduce the dependence from the United States and follow an independent Canadian foreign policy, and the other, to enhance Canadian involvement in the Asia-Pacific region to serve Canadian economic interests. China too was aware that the "closed door" policy was severely hampering their domestic economic growth. In order to modernise its technologies, and to improve and enhance its defence sector, it needed assistance from the developed countries. Canada's friendly, positive and soft power image lured China to it.

From the establishment of diplomatic relations since 1970s till the end of the Harper era in 2015 the bilateral relationship between Canada and China has improved noticeably and consistently not only in the area of trade and economy but also in the sphere of sustainable development, climate change, and activism in the multilateral forums. However for Canada, developing bilateral relations with China have been marked with several challenges. The ideological differences and influence of the United States along with Canadian politicians, diplomats and people who shared similar anti-communist views of their American counterpart has been a major test.

Given this backdrop, the study seeks to explore the convergences and divergences in the approach towards China, if any, between the Liberal and Conservative governments of Jean Chrétien (1993-2003) and Stephen Harper (2006-2015) and examine the way in which they viewed China's emergence in the post-cold war world.

While both the governments (Chrétien and Harper) recognised the opportunities for Canada in this relationship, the lack of transparency and poor human rights record in China had inculcated a sense of hesitance among the Canadians. The policies of both the governments indicate not only the Liberal versus Conservative approaches but also the differences in their political vision towards China.

Since the time Chrétien became the Prime Minister to the moment Harper took charge of the government, the Chinese economy has grown enormously. Given the Chinese economic expansion and simultaneous influence in international institutions, it became imperative for Canada to evaluate, revive and re-formulate a specific China strategy and make a progressive bilateral agenda. Both had argued for greater engagement with the economies of Asia-Pacific region and identified China among the most dynamic emerging markets, yet the two governments had different views on areas of mutual interests—political and developmental. The Chrétien government was enthusiastic but failed to produce any significant outcomes including in the establishment of Human Rights Dialogue which remained unproductive. Chrétien placed Canada's relationship with China on a very high priority but till the end of his tenure in 2003 followed policies no different than that of his predecessor Mulroney. He gave economic interests a priority sending "Team Canada" a large trade delegation, to China. The Chrétien government's successful efforts seemed to have been reversed when a new minority Conservative government, headed by Stephen Harper came to power.

In sharp contradiction to the Liberal China Policy, Harper took time in revealing the government stand on China. During his first tenure, Harper adopted a confrontational 'Principled Approach' where China's human rights disregard was openly discussed. Harper's China Policy also came under the scanner because the approach was not considered consistent with his own Conservative predecessor. However, in his second tenure, Harper undertook a softer approach towards China. This signalled a maturing of the Conservative approach serving Canadian economic interests. Unlike Chrétien, the end of the Conservative government headed by Stephen Harper in 2015 actually finished with some solid achievements like the Panda Act, Canada as Approved Destination Status (ADS) for Chinese tourists, and the signing of Foreign Investment Promotion and Protection Agreement (FIPA).

Why did the Harper government take so long in realising the importance of China? How far did the Harper government go from Chrétien's China policy? What was the role and influence of the United States in the policy considerations? Unlike Chrétien, Harper followed a pro-US policy and its China policy reflected US' China policy. The study is an attempt to explain these policy postures.

Review of Literature, Research Questions and Hypotheses

The study on Canada's China policy under Chrétien and Harper years revolves around Canada's China policy in the post-cold war years. It traces Canadian perceptions about China. It looks into the policies under the Liberal Prime Minister Jean Chrétien from 1993-2003 and under the Conservative Prime Minister Stephen Harper from 2006-2015. While formulating a China policy, the positions taken by the two prime ministers have been analysed. This study of Canada-China relations compares as well as evaluates the policies during Chrétien and Harper years, as both have been in power for more than a decade and makes it convenient to analyse and evaluate the foreign policy postures of the Liberal and Conservative governments especially towards China. The study looks for any differences in their approaches. Or, if the policies towards China, simply point towards national interest, more so an economic one under both the governments. The available literature on the subject may be divided into the following sub-themes consistent with the Chapters in the thesis.

Canadian Perceptions of China

China has emerged as a significant player in global affairs--not just economically but politically and diplomatically. Its rising stature in international affairs is evident through its active and responsible participation in multilateral organisations like G-20, Shanghai Cooperation Organization (SCO), Asia Pacific Economic Cooperation (APEC) forum, the Association of South East Asian Nations (ASEAN) regional forum and ASEAN-plus three. Evans (2011: 19) describes China in 2000 as "a vibrant emerging market, a member of the WTO, the shop floor of the world and a significant regional power. A decade later, on the far side of the financial crisis of 2008 and the demise of America's unipolar moment, it has emerged as a primary force in a messy, multi-centric world order." Similarly, Cao (2011: 5) argues that China has acquired "economic influence in the world that allows it to choose what it wishes to accept from western powers and ignore what it believes it does not need." Cao thus

emphasises the autonomy China enjoys in its foreign policy in a much interdependent world.

Trying to place Canada's fluctuating approach to China, Alan Gotlieb, former Canadian Ambassador to the US defines Canadian foreign policy as shuttling between two diverse poles—that of 'realpolitik' on one end and 'romanticism' on the other. One pulls Canada to the hard reality that directs them to protect national interest—sovereignty, security, trade, economic growth and prosperity, while the other pushes them towards an idealistic vocation that is built on the idea of creating a just world order based on equity between nations, promotion of democracy and alleviation of poverty. This swing from one pole to the other is marked in Canadian policy towards China.

The undeniable evolution of China's international position since the establishment of diplomatic relations between Canada and China in 1970 has a significant importance for their bilateral relationship. Evans (2006) has noted that unlike the past, for Canada the profound impact of the emergence of China is not only limited to foreign policy but also extended to its domestic policy. In his own words, a "trip to the gas station reveals how China's demand for energy is increasing prices for energy and natural resources; and a trip to the bank reveals how mortgage and interest rates are tied to China's purchase of US securities" (Evans 2006: 284). Despite the deep impact of Chinese emergence in the world on Canadian foreign as well as domestic policies, the surveys conducted by the Lowy Institute in Australia (2011), the BBC World Service (2011), and Asia-Pacific Foundation of Canada (2011) to analyse the Canadian public response to China's increasing role in the world, reflects that China's increased global stature has two responses: One is, the large size of China, in terms of population and economy which is an opportunity for Canada. Second, the opportunity presented by China is full of uncertainty, anxiety and fear because of China's lack of respect for human rights.

Sharing similar views Ping (2010), Jiang (2009) and Mcknight (2011) argue that though Canada and China have some basic differences ranging from power, population, geography, history and culture to basic political ideologies, yet there are some specific sectors where both countries can cooperate. The Report of the Canadian Council of Chief Executives (2014) reveals that China has committed to transforming

its development model according to four major themes, which are: Expanding Domestic Consumption, Transforming Industries, Sustaining Development and, Promoting Social Harmony. Keeping these major priorities in focus, the Canadian policy makers have an opportunity to engage China in those key sectors where Canada has a competitive advantage. These sectors are: clean technology, natural resources, agriculture, transportation, infrastructure and aero-space.

Discussing China's foreign policy in an era of its emergence, Paltiel (2011: 118) calls it China's grand strategy, which is dominated by two key determinants: one is, China's need to gain access to capital and advanced technologies and second is, reassuring its regional neighbours as well as its global partner about the peaceful intentions of its rise. These key determinants of China's strategy have placed Canada somewhere outside the inner circle of those states of immediate and permanent concern. However, none of the scholars have ever denied the fact that there are two dimensions of Canada-China relationship, primarily the role both nations have assigned to each other in their respective foreign policies and secondary, the potential role both nations can assign to each other. However, to put on test and strengthen this potential aspect of bilateral relations Canada has yet to formulate a specific China Strategy.

Chrétien's China Policy (1993-2003)

In 1993, two years after the end of the cold-war, the federal government in Canada changed and Liberal Party under the leadership of Jean Chrétien came to the power. Kirton (2009-10: 2) analysing the Liberal era under Chrétien follows the Complex Neo Realist (CNR) perspective. The CNR perspective believes that Canada is a principal power in the international system and talks about Canada's rise to global leadership.

Scholars such as Cooper (1995) argue that with the end of the cold war era, Canada can no longer play the role of a 'global boy scout'. With national fiscal crisis, widening gap between the nation's global commitment and declining capabilities, Canada needs to follow 'niche diplomacy' focussing on particular issues. However, Kirton (ibid: 4) furthering his own neo-realist argument focuses on four sub themes where Canada he feels has expanded its global stature—geographically, when Canada made a move from Atlantic and Commonwealth to Asia Pacific and Americas;

functionally, when Liberal tradition of Pearson's 'Peace and Security' and Trudeau's 'Trade and Investment' was combined with an outward-oriented priority on trade, sustainable development, human security and promotion of Canadian values; instrumentally, when it became more multifaceted; and institutionally, when Canada along with becoming multilateralist, became pluralist too.

Broadly reviewing Canada's foreign policy, the Report of the Special Joint Committee on Canada's defence policy (1994) stated that in the new era, security is not confined to military concerns but includes political, social and economic ones too. Keeping in focus Canada's rising national deficit the primary focus of the government thus should be towards advancement and promotion of Canada's trade and investment prospects. Recognising its dependence on international trade, Canada needs to explore new markets and for this attention must be paid to the fastest growing Asia-Pacific economy. Though the Chrétien government agreed with the report and was also aware of the opportunities offered by specifically China but because of the 1989 Tiananmen incident and negative perception of China among the Canadian public, it was quite challenging to formulate a bilateral Canada-China policy.

The dilemma between the economic interests and human rights concerns were resolved when in 1994, soon after meeting with the Chinese President, Jiang Zemin, Chrétien made a public statement regarding Canada's inability to link the human rights issues with Canadian economic interests and its policies of trade and investments. Gee and Burton argue in favour of Canada's capability of compelling China on the issues of human rights. They criticised Liberal Chrétien's policy towards China when as the Prime Minister he had expressed the Canadian inability to influence the Chinese premier 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?" (Burton 2011: 41).

Jean-Francois Rioux and Robin Hay (1997) criticised Canada's policy under Chrétien's leadership for its selectivity in only focusing on promotion of trade and commerce and ignoring the issues of human rights. Burton (2011) discussing the "Canadian policy context of Canada's China Policy since 1970" focuses on Jean Chrétien's "Team Canada" initiative to increase engagements with China. Team

Canada was Chrétien's trade mission to China in 1994, 1998 and 2001. This series was the largest trade delegation with high-profile visits--which included hundreds of business participants, provincial premiers and territorial leaders, Minister of International Trade and Secretary of State. The key strategy was to promote trade by the sales of Canadian goods and services and also to create jobs. Kwan (2007) discusses the achievements of Chrétien's Team Canada approach by stating that Canada was quick to grab the excellent opportunities of rising Chinese economy. Canada gained business with China in hydroelectric power, forestry and in sectors like information technology.

Though Chrétien gave economic and security considerations a priority over human rights concerns, yet he shared the view that economic opening and warmth in relations with China would eventually lead towards political democratisation (Evans 2009). Burton (2009; 2011 and 2015) and Mcknight (2011) also supported Chrétien's approach which according to them was a function of 'quiet diplomacy'. Canada was not committed to discuss the human rights issue publicly but the leaders could at the personal level always have scope to persuade their Chinese partners.

Chrétien's concerns were not simply economic in Asia-Pacific but security too played an important role. Gecelovsky and Keenleyside (1995) argue that the emergence of security threats had created a security vacuum, which pushed the major rivals of the region to fill the gap, triggering an arms race. While Japan, China and India have been identified as major powers in the region, the increasing stature of China, (its permanent seat in the United Nations Security Council and being a member of the nuclear weapon's club) made China strategically significant for Canada. Scholars also argue that Chrétien made a smart choice by engaging China instead of opposing it for violation of human rights.

While Canada was formulating its policies towards Asia and particularly China, it was influenced by a key determinant of its foreign policy, the United States. However, a document presented in 1990s by the Chrétien government reflected a clear determination to follow an independent Canadian foreign policy, free from the influence of any nation (Liberal Party of Canada 1997; 2000).

Harper's China Policy (2006-2015)

The Liberal era ended when a minority Conservative government under the leadership of Stephen Harper came to power by replacing Liberal Prime Minister Paul Martin in 2006. Since coming into power, the Harper government announced its 'principled' approach to Canadian foreign policy, which meant sticking with national ethos. Discussing the issue of human rights in Canada-China relations, Evans (2007) elaborates the Harper government's 'principled' foreign policy which emphasised freedom, democracy, human rights and rule of law.

The Harper government took a 'principled' harsh stand stating that 'he will not sacrifice human rights for the "almighty dollar"'. The sharp contradiction of Harper government's policy from the Liberals was viewed as a positive step towards determining the fundamentals of the bilateral relationship. Harper was mostly criticised by scholars like Bratt (2007), Kelly (2011) and Paris (2014) for his 'principled foreign policy' while the government described it as a much needed hard-line approach, which implied that the previous government had been unprincipled in its foreign policy approach. However, Harper got much positive response as well for his policy on Canada-China bilateral relations.

Burton (2015) examining Canada's China policy agrees that the initial years of minority government under Harper gave low priority to the economic relations between the two nations. However, with the second tenure and more hold on domestic sphere of power, the government took major steps to rebalance the bilateral relationship. The political, economic and socio institutional incompatibilities between the two nations severely constrained the possibilities of deeper engagement. Yet, Harper being critical of China on security and human right issues not only on bilateral forums but also at multilateral forums especially in the years 2006-09 made the situation difficult. The significant broadening and deepening of relations under the Liberal era was challenged by the political and developmental differences of Conservative Canadian government and Chinese Communist Party state.

Nossal (2013) has noted in one of his writings that the political differences between the two leaders never affected the economic relations which continued to develop. Even a poll conducted by Compas (an independent research organisation) in 2006 argued that though it was assumed that Harper's concern for human rights might put

the Canadian business opportunities at risk. However, in reality the poll results found that Canadian business community justified the Prime Minister's advocacy for advancement of human rights in China, even if it caused some short-term loss because eventually it would help the business community by strengthening the Chinese legal system.

The differences and tensions were reduced when in 2009, Harper made a visit to China which encouraged the Canadian business community (The Canadian Chamber of Commerce, 2010). The visit was followed by two-way exchanges between Canadian political leaders and their Chinese counterparts. In 2009 Canada got 'Approved Destination Status' (ADS) by China, to enhance and promote tourism business in Canada (Government of Canada, 2009). Department of Foreign Affairs and International Trade (DFAIT, 2012) (also known as Department of Foreign Affairs, Trade and Development (DFATD) as well as Global Affairs Canada) Canada while focusing on the economic complementarities between Canada and China points out seven sectors where the both nations have opportunities to explore together. These sectors are defined as: "agriculture and agri-food including fish and sea-food; clean technology and environmental goods and services; machinery and equipment; natural resources and derived products; services; textiles and related products; and transportation, infrastructure and aero-space" (Canada-China Economic Complementarities Study 2012: 6).

Discussing economic relations, Burton (2015), Nossal (2013) and DFAIT (2012) all focus on and give attention to the signing of the Canada-China Foreign Investment Promotion and Protection Agreement (FIPA) in 2012. The signing of the agreement is considered as a milestone for the Canada-China relations. It appeared as a Canadian strategy to involve itself within the Asia-Pacific Gateway. The significance of this agreement was important because the negotiations began in 1994, during the Chrétien years and it took some 20 years to reach to a final substantive outcome. It is also important that FIPA is the largest trade agreement that Canada has signed since the signing of the North American Free Trade Agreement (NAFTA). However, it was disappointing that since the signing of FIPA in 2012 between the government of Canada and China, the agreement was pending to be ratified by the Canadian parliament till September 2014. The delay was made due to the institutional incompatibilities and trust deficit between the two nations.

Jiang (2011) describes Canada's political relations with China and bilateral energy relations in the recent Harper years. It is undeniable that China's continuous growth has created a huge demand for energy and natural resources and since the active engagement of the Conservative government in China in 2009, there has been a noticeable boom in China's investments in Canada's energy and resource sector. The Harper government positively engaged with the provinces, especially with Alberta which contributed towards Canada's good relations with China. Dobson (2011), talking about Canada's policy towards rising Asia and China, argues that the region is of critical importance for the future prosperity and sustainability of Canada.

China is emerging and so are the other Asian nations, which imply the growth in demand and supply chains. According to Dobson it would definitely not be in any nation's interest if the region with multiple opportunities and having the three giant economies China, Japan and India turn inward. China has replaced Japan as Canada's largest Asian trading partner and now it is Canada's second largest trading market. China has also given competition to Canada by replacing it as the United States biggest trading partner. Thus, it is argued that Canada needs to formulate a multi-dimensional economic strategy to establish a long-term relationship with the states of Asia to serve and advance its interests. Canada needs to reflect a serious political and security concern to the region and also establish bilateral relations with the economies of the region.

Evaluation of Chrétien and Harper's China Policy

Making an assessment of the Chrétien and Harper policy towards China, Paltiel (2011: 269) argued that Canada's Chinese counterpart did not find anything different or attractive to single out Canada among western nations in either of the two regimes. He didn't deny the fact that the long bilateral relationship marked several important milestones but urged that Canada needs to formulate a specific China strategy to be able to play an important role in Asia. In his own words, "Canadian leaders have played both ardent suitor and hard to get policies under the Chrétien and Harper regimes. Arguably, neither path has yielded satisfactory results. Each has been premised on what China represents to us. China engages the world on its own term."

To get involved with China extensively, Canada has to understand closely the nation. Taking a stand on the policies of both governments--Chrétien as well as Harper--Nossal (2013) argues that Canada having a status of middle power and China as an emerging economy and rising power has left no choices to Canada on whether to engage or not. He quotes Manicom and O'Neil (2012: 202): "Regardless of their ambitions, rising powers change the world by virtue of their very existence and present a wide array of challenges and opportunities for middle powers."

Burton (2009: 2) quoted a Chinese official saying, "China does not have the capacity for meaningful political engagement with all of the nations of the world. China can actively engage in political relations at senior levels with only a few major powers such as Permanent members of the Security Council such as the USA and France. China sees it as in China's interest to engage in economic relations only with 'lesser nations'." These statements consistently reflect that though Canada wanted a healthy bilateral engagement with China (i.e. engaging economically and transforming the nation's position on human rights and compelling China to follow the terms of good governance and democratisation), China is not going to give its ear to these matters. China's stand on relations with Canada is totally based on the premise of "cool politics, warm economy", a phrase that China once used to define its relations with Japan. The economic relations between the two were prosperous and healthy but there were political tensions and differences which both nations kept aside.

Mcknight (2011) argues that the relationship between Canada and China is stable. However, "neither Harper's confrontational public diplomacy nor the Liberal's private one, especially Chrétien's quiet diplomacy has seemed to bear fruits." (Mcknight 2011: 34) Regardless of the fact that whatever government comes into power and whatever strategy it adopts the structural differences between the nations always have a chance to come in the way.

Different from the opinion of above mentioned scholars, a survey conducted by Compas in Canada (2006) shows that domestically Harper's China policy of condemning anti-human rights approach earned reasonably good grades in number of people's support than Chrétien's China policy of prioritising economic concerns over human rights. However, Harper himself has been criticised for his 'principled' policy being an 'empty rhetoric'. Nor were the policy postures during his regime indicative

on any hard stance towards China's human rights. Moreover, both leaders--Chrétien and Harper--criticised each other for their policies. Harper criticises Chrétien for letting the Canadian values down for the all mighty dollar and missing the principled approach of Canadian foreign policy while Chrétien criticises Harper for ignoring the opportunities presented by vast Chinese market and losing Canada's hold on China.

A policy towards China requires a comprehensive strategy. The thesis seeks to examine if the main objective of Canadian foreign policy with China has been to promote Canada's prosperity through trade and investments be it under the Liberal or the Conservative regimes. Therefore after going through many of literatures, the study has raised following research questions:

- How has Canada responded to the emergence of China as a power to reckon with in global affairs?
- What were the dominant perceptions of the Canadian government's China policy under Chrétien and Harper?
- What is Canada's overall policy towards the Asia Pacific region and how did the two Prime Ministers locate China in Asia Pacific?
- How far have the socio-political and economic factors both at the external as well as internal level influenced Chrétien's and Harper's China policy in relation to Canadian 'values'?
- How independent of the US were policies of Chrétien and Harper towards China?
- Has there been any consistent strategy towards China in either of the two regimes under study?

Keeping these questions in mind, the study proposed the following hypotheses:

- Chrétien's China policy undermined Canada's human rights concerns by making economic interests its prime objective.
- The 'principled' foreign policy approach of the Conservatives under Harper led to a conciliatory and at times confrontational China policy.

The study is an attempt towards understanding Canada's perception of China, its growth and relations with China and factors influencing the policies of both the governments. It is based on the relevant literature available in the field. Primary as well as secondary sources have been consulted. Primary sources include statements of the government officials, party manifestoes and documents released by the government of Canada as well as China. Data on trade and investments from government sources are examined to evaluate the effects of the government policies. Secondary sources such as books and articles in reputed journals related to the subject are analysed to understand the nuances of the policies of the two governments. This study also used internet sources like the government websites of the Department of External Affairs and International Trade (DFAIT), which is at present known as Global Affairs Canada, Canada International, Canada-China Business Council (CCBC), Statistic Canada, Canadian International development Assistance (CIDA) and others such as articles from academic journals. Alongside critical studies and analyses of bilateral relations done by non-governmental sources so as to evaluate the public opinion and growing concern about the rise of China and its influence on the bilateral relations have also been considered.

Canada's Policy towards People's Republic of China (PRC) from 1949

Canada's relations with the People's Republic of China (PRC) were formally established in October 1970 with the exchange of mutual diplomatic recognition. It was the most significant but controversial political development in the Canada-China bilateral relations at the time. After the government of PRC came to power in 1949, China had requested diplomatic recognition from Canada but it almost took two decades for Canada to take the final decision. The Canadian government was caught in the dilemma of giving recognition to a communist regime. Moreover, Canada was confronted with some serious foreign policy questions along with the China debacle.

The Evolution of Canada's Relations with China

The beginning of Canada's involvement with China can be traced from the late 1880s with the authorization of the Canadian missionary community in China. Mitchell (1991) writes that the presence of Canadian missionary community in China was Canada's one of the most organised overseas presence. He calls the missionary

community in China as 'missionary enterprise' which had access to three major areas (Mitchell 1991: 17). First, it had direct linkages with the policy makers in Ottawa and overseas; second, it had an influence on public images and their opinion about China, and; third, the missionaries' activities foreshadowed later governmental policies, especially in the areas of development assistance and immigration.

Though there was no direct influence on decision making by the missionary community in China yet it considerably played significant role in determining the Canadian perceptions about China. Mitchell (1991) finds it the most important legacy of the missionaries in the realm of China policy and also in the study of Canada-China bilateral relations.

Apart from the role of missionaries, the dominating theme in Canadian foreign policy, in the pre World War II era, was peace, trade and immigration. With reference to Canada's Asia and particularly China policy, these themes could not produce any substantial policy initiatives. Japan was Canada's only diplomatic representation in Asia at that time. Mitchell (1991) and Beecroft (1985) noted Canadian insularity from Asian affairs and identification of China as low priority. Oriental immigration remained an issue throughout the late nineteenth and early twentieth century. The capitation tax system, also known as 'head tax' was designed to curb the flow and quality of Chinese labourers in Canada. However, due to the lack of diplomatic commitment between the two countries, no preventive measures could be taken at the bilateral government level. The issue of immigration was also perceived by Canadians as a domestic rather than a foreign policy question at that time.

After the casualties caused due to the World War I (1914-1919), Canada decided not to get involve with any of the European issues and utilise its resources for its own affairs and interests. Thus, the country embraced peace, trade and immigration as a major theme of its foreign policy prior to the WWII era. Nossal, Roussal and Paquin argue that "the international policies of the Canadian government in the interwar period were framed by a desire to avoid reopening the wounds of 1917 and to promote reconciliation and economic development" (Nossal, Roussal and Paquin 2011: 133). It also embraced a kind of isolationism in its foreign policy where they refrained themselves from getting into any European crisis in future (Bothwell and Hillmer 1975).

Mitchell (1991); Bothwell and Hillmer (1975) noted a growing irrelevance of British influence on Canadian actions if not in their attitudes. The policy of isolationism was also adopted as Canada believed that unlike Europe, North America had not any political crisis that could escalate into war. The continent was also not prone to any sort of aggression or war. But Canada's policy of isolationism was not in consistence with the provision of League of Nations, of which Canada was a signatory. Article X of the Covenant of the League of Nations had the provision of collective security. The concept of collective security preserves against the external aggression and believes in 'one for all, all for one' during aggression, threat or danger from any country. Therefore, due to this provision Canada had to involve in war with its mother countries- France and Britain. Mitchell writes that "during the intensified Sino-Japanese conflict after the mid 1937, the Canadian official reaction was less a conscious pacific-policy than an effort to stay in the hyphenation between an embattled Britain and an isolationist America" (Mitchell 1991: 23). However, as the conflict in Pacific between China and Japan escalated and in 1941, when Pearl Harbor in the US was attacked by the Japanese army, Canada's southern neighbour completely involved itself into the war.

The escalation of conflict in Pacific led to the establishment of Canada's political relationship with Republic of China (ROC). In February 1942, Liu-Shi-Shun from the ROC became the first Chinese representative to Canada and in 1943 Major-General Victor W. Odlum of Vancouver became the Canadian representative in China. The development of Canada's relations with China had considerable influence of the US (Mitchell 1991). The US was not merely supporting the government of China against the Japanese invasion but it was also supporting the then ruling government of China against the Communist Party of China (CPC) in Chinese Civil war (1927-1949).

Prior to the emergence of People's Republic of China (PRC) in 1949, China was governed by the nationalists as Republic of China (ROC) under the leadership of Chiang-Kai-Shek. Kuomintang (KMT), also known as the National People's Party of China, was the ruling party then. However, due to the inefficacy of the governing party in China the Communist Party of China was challenging the ruling party. From 1927, a civil war emerged in China between the CPC and KMT. During the WW II, the civil war was put on hold as both the parties came together to defend China against the Japanese invasion.

After the development of Canada's relations with ROC, Canada established a 'pacific policy' that extended full diplomatic relations and material aid to a front-line war-time ally ROC. For Canada, it implied that China had now become an ally in the war against the Axis Power- the major Axis power were Germany, Italy and Japan. Therefore, Canada would provide its full diplomatic and material support to China in resisting against the Japanese invasion. During this period, Canada-ROC had mutual aid agreement which was named as Canadian Mutual Aid Program. In 1943, it was established as a military assistance program, designed with the prime motive of assisting the British war efforts. The mutual aid programme was supervised by the Canadian Mutual Aid Board (CMAB) which consisted of various Canadian ministers. Canadian mutual aid program provided Canadian munitions to the Chinese forces and made supplies that valued approximately US\$ 26.6 million (Mitchell 1991: 25).

However, the provided assistance could not reach up to ROC and remained stranded in Indian and Canadian warehouses. Transporting the assistance became an impediment for Canada. Chinese shipping ports were occupied by the Japanese forces. The Japanese forces patrolled the movements in the Pacific which made any shipping impossible between the two nations. Another alternative was the air route, which was under the command of the US military. The US military had asked the Canadian Red Cross in China to not to bring supplies and assistance which the US was already committed to provide via air.

In 1943, Mme Chiang Kai-Shek made her visit to Canada and addressed both Houses of the Canadian Parliament (Mitchell 1991). On her visit to Canada, she also received financial support as CD\$ 1, 77,000 from the Chinese War Relief Fund, CD\$ 1 million from the Canadian Red Cross and, CD\$ 10,000 from the Junior Canadian Red Cross (Mitchell 1991: 24). These financial supports were indicative of the significant fund raised in Canada for Chinese war relief and Canadians concern towards ROC. There was sympathy, support and solidarity among Canadians for China in its struggle against Japan.

Canada had limited interest in the Pacific therefore its involvement in the subsequent war in Pacific was also minimal in comparison to Canada's contribution in Europe during the war years (Beecroft 1985). Canada's limited interest in its Far Eastern policy during the war years and its involvement and contribution in the Pacific war

was not merely constrained by lack of interest. Beecroft (1985) argues that Canada had limited resources in terms of military personnel, defence instruments and aids, which it wanted to focus entirely on Europe and North America. It was due to this reason that the Liberal government of Canada repeatedly maintained its opposition to any sort of Canadian participation in any Pacific defence agreement.

Beecroft (1985) and Evans (1991 and 2014) depicts that Canada had always been a pacific nation, however, during the 1940s and 1950s ministers and officials in Canada considered the Asia Pacific region to be peripheral to their national interests. Canada's history, its economy, culture and strategic ties have been repeatedly reinforced by Canada's relationship with its North Atlantic Alliance- the USA, UK and France. It left little room for Canada to realise itself as a Pacific nation and formulate policies for Far East.

Canadian commitment of extending diplomatic and material aid to ROC was also constrained by the power politics and ambitions of great nations- the USA and UK, to expand their influence in the Pacific region. Beecroft (1985) argues that from the WW II years, Canada's relations with China began to be influenced by the big power imperialist intentions, especially the US. While Canada's interest at that time, lied in providing assistance and necessary equipments to China to defeat Japan. The great powers, especially the US had a post-war vision. The US wanted to build a commanding presence in the region by influencing China. Therefore, the US attempted to reduce the influence of other countries.

The wider and long-term interests of great powers- the US and UK was not merely limited in defeating Japan, but they also supported the Nationalist government of ROC and wanted to defeat the CPC. The great powers wanted a friendly government in China which would be accommodative to their interests in the country as well as in the region even in the post-war years.

As Canada had limited interest, it was not very concerned about the creation of government in the post-war years. It also considered the civil war as an internal affair of Chinese people which must not be interfered by external forces. Though there was not much interest about Canada's Far East policy or China but there were few voices that sensed the potential of China and Canada's trade opportunities with it. Canada's Minister of Mines and Resources, T. A. Crerar was one of them. In a letter to then

Prime Minister Mackenzie King, he stated “When the war is over... China will be one of the countries where great developments take place in the material sense... it will be much worth to Canada to have good will in that country” (Mitchell 1991: 29).

In the post war years after the retreat of Japanese forces, the civil war in China resumed. W. L. Morton (1946) writes that in the post-war years, Canada could not be argued for having a positive Far Eastern Policy, but he noticed the official and public opinion in favour of the evolving basis for such policy in the near future. A positive Far Eastern Policy implies a comprehensive policy and strategic consideration of Canada’s interest in the region. Beecroft (1985) writes that unlike the US, Canada never had any real affection for China because of basic incompetence and rigidity of the governing regime by Chiang- Kai Shek. However, whatever sympathy and support the ruling government in ROC received during the WWII years was gradually destroyed by the Chinese government’s denial to support ‘General Marshall’s plan to China’.

In 1945, a diplomatic mission was undertaken by the US Army, General of the Army George C. Marshall in China. It was an attempt to bring the two conflicting parties—the Communist Party of China and Kuomintang as National People’s Party of China--to the negotiating grounds. The diplomatic mission by Marshall to peacefully resolve the internal problems of China did not succeed. Further, in early 1947 the ferocious repression of popular insurgency in Taiwan caused a feeling of revulsion and disenchantment for the support Canada had been providing. A widespread negative perception of the government in ROC was also created due to the shared experiences, letters and reports by western diplomats, missionaries and journalists in China (Mitchell 1991 and Beecroft 1985).

The corruption, brutality, repression and an unacceptable condition of life during the nationalist regime led by Chiang Kai-Shek built an antipathy against the government. As the war was reaching its climax, for Canadians, the communists were not as much winning the war as the nationalists were losing the battle because of their own governance deficit. The events in China caused worldwide abhorrence against the governing party of Chiang Kai-Shek, and the very basic nature of government undermined the international confidence and support it was receiving.

While the majority of Canadians had discontent towards the governing party of China, Canada's first ambassador to ROC, Major General V. Odlum was among the exceptions. He was an ardent admirer of the governing regime of Chiang-kai-shek and repeatedly insisted to the government of Canada for extending its full support to the ruling party in ROC. Canada's ambassador to ROC, Mr. Odlum was succeeded by T. C. Davis. Ambassador Davis in his letter to the Government of Canada, while explaining the incompetency of the government in China wrote

while I am at it let me say, that when the history of this period is written... the man who will be given the greatest credit for pulling this whole nation down about him and who has more than any other person given China over to communism, will be the Generallissimo (also known as Generallissimo Chiang or Chiang Kai-shek), never has a man made a sorrier mess of things than he (Beecroft 1985: 46).

The increasing incompetency and governance deficit of the governing party in ROC reduced the credibility of the Chiang's government at the international level and domestically it was heading to a certain victory of the communists in China by CPC. The civil war in China between the communists and nationalists also led to a crisis situation in the post-war era because of the ongoing ideological-power tussle around the world between the USSR and USA. Indeed, the government of ROC proved to be a disgrace for countries such as Canada and UK, yet it was a better alternative to the western countries rather than a government supported by communists. Regardless of all the material support provided to the Chiang's regime and the assistance of major western governments especially the US, the Nationalists were still losing.

China's Nationalist government's policies led to disinclination among the most of the western countries including Canada and restricted their policy alternatives. These countries did not find convenient and ethical to continue their relation with a brutally repressive government widely opposed by their own people but they also struggled to build an attitude towards the winning of communists in China.

The Canadian officials in Department of External Affairs (DEA) found nothing constructive and fruitful to co-operate with the Chiang's regime and began to adopt a progressive approach to engage with the new government in China. It was based on the speculation that with the imminent victory of communists it would be highly recommended to have a pragmatic approach which might assist the western powers to

sustain their interest and influence in the region. A positive and progressive approach was better for long term strategic benefits.

However, the challenge for Canada was not only to shift its policy preferences from the nationalists to the communists but also to maintain a balance among the west. Though the victory of communists had long been predicted and resulted in the shifting policies of Britain, Canada and other countries, but it was not easy to abandon the US backed nationalists. A power-influence and ego conflict also arose between the US and UK which complicated the situation for Canada. Britain was an empire losing its colonies and control but the United States was the leading super power and given the ideological conflict between capitalism and communism, eager to spread its influence around the world.

Canada was aware of the imperialist intentions of the west, especially the US therefore it urged and persuaded other nations to keep a balanced and positive attitude towards the new emerging government in China. Canadian representative in China T. C. Davis along with the counsellor of embassy, Chester Ronning recommended the Canadian government to adopt a cautious but supportive policy towards the new regime in China by the CPC. Canada assumed that hostile and rigid policies might push China to align and co-operate with the USSR. Experts around the world on China speculated several potential frictions between the two communist powers--PRC and USSR and argued that it might sabotage the long term Sino-Soviet amity. T. C. Davis strategies that to maintain western interests and influence in the region the differences and contending interests between China and USSR should be exploited reasonably (Beecroft 1985). According to him

western powers should attempt to encourage and exploit this possibility ... I am positive that when the smoke clears away here that Russia is not going to be able to run this country and that Tito will have nothing on the leaders of China. As against that day, much more can be done with candy than with the clubs and we should accept the inevitable and let nature take its course (Beecroft 1985:48).

As the nationalist supporters in China were chased from the mainland by the communists, it left two alternatives for many of the countries around the world--either to engage constructively with the communist government in China to keep them away from the orbit of USSR and find a common ground for co-operation; or boycott the communist regime of China completely by blocking any sort of western support

and adopting a hostile approach towards it. Later alternative was never a choice for Canada and UK. In 1949, a Memorandum of American and Far Eastern policy was presented by the American and Far Eastern Division in Canada in the leadership of Arthur Menzies. It stated that any policy of anticipating China's engagement with the western nations was worth encouraging instead letting the country completely follow the communist bloc led by USSR. It also assumed certain Sino-Soviet amity at that very moment but speculations of animosity were high in the long run.

Throughout 1949, as the civil war was reaching up to its climax Canadian Ambassador T. C. Davis along with the counsellor of Embassy Chester Ronning endorsed Canadian involvement with the new regime via trade and commerce and argued for recognition whenever a de jure government was formed at the central level. Finally, in October 1949, with the retreat of Nationalist government to the south, the communist government was declared as the winner and so the question of recognition was formally raised.

Constraints to the Establishment of Diplomatic Relations with PRC

A new central government as People's Republic of China was established on October 1, 1949. The leader of Communist Party of China, Mao Zedong became the new president and Chou En-lai became the premier and foreign minister of the country. The emergence of Mao Zedong as President of PRC and Chou En-Lai as Premier and foreign minister was viewed less favourably by the western allies due to China's communist ties. The development of communist regime in China triggered fear and suspicion in the west. The establishment of CPC as the central government of PRC and withdrawal of the Nationalists forces by the Chiang-Kai Shek regime from the mainland China also raised a significant question over the recognition of the government in PRC around the world.

The Liberal government of Canada wanted to recognise the PRC as soon as possible but the Canadian policies and interests towards China was not extensive enough to take any initiative at that time. In Canada's Far East Policy, the issue of recognition was one of the prime concerns for the officials in Department of External Affairs (DEA), the Minister of External Affairs, Lester B. Pearson and for the Prime Minister, St. Laurent. They had deep concerns on the issue of recognition to PRC. Evans (1991) explains that the journey of Canada-China bilateral relationship, from the

establishment of PRC in 1949 to the exchange of diplomatic recognition in 1970 was unsteady, positive and progressive. However, it was disrupted by the international, especially the cold war years and domestic constraints, much of which Canada and the PRC had little control over. These constraints combined with other issues delayed Canada's preference for early recognition of PRC for almost 21 years.

As per the international law, diplomatic recognition is a unilateral political process where a state acknowledges an act or status of another state or government in control of a state. Recognition can be given in two ways—*de facto* and *de jure*. *De facto* recognition acknowledges that a government has control over a territory yet it has not acquired sufficient stability. *De facto* recognition is given because of fact and it is neither legal nor permanent. In contrast, *De Jure* recognition is extended when a government is considered legitimate and rightful. Such recognition is permanent and legal. *De Jure* recognition is extended to a government with whom diplomatic representatives could be exchanged. The *De Jure* recognition by most of the nations also enables the country to qualify for the membership in the United Nations. Only a *De Jure* government could recover a public debt or state asset.

While explaining the concept of recognition on October 25, 1949, then Canada's Secretary of State for External Affairs, Lester B. Pearson, in his first public statement on China to the House of Commons stated:

I might, however, say at this time that Canadian policy with regard to the recognition of any government, in China or elsewhere, will naturally take into consideration the usual requirements of international law. These provide that before a government is granted recognition it must be shown to be independent of external control of any other state; it must exercise effective control over the territory it claims, and that territory must be reasonably well defined. If and when those requirements are met, then I believe consideration should be given to the recognition of a government in China or in any other part of the world (Holmes 1970: 204).

The requirements for recognition as mentioned by Canada's Secretary of State for External Affairs were essential to qualify for the *De jure* recognition under the international law. It was also evident that the newly emerged government of PRC had made sure that it qualifies all the criteria of recognition. However, it was a political issue that had diverse opinion which became challenging for the government of Canada. Canada's Prime Minister, Minister of External Affairs, the members of

Department of External Affairs and Canada's Charge d'affaires to ROC Chester Ronning, all agreed towards an early recognition of PRC without further delay. It was due to the Canadian willingness to engage with PRC, the Canadian government's recommendation to recognise the PRC was approved by the Canadian cabinet in November 1949.

Though the government of Canada was willing to recognise PRC and its recommendation for the same was also approved by the Canadian cabinet, yet an intentional delay was made by the government to better understand and address the realities of the situation. Thus, the execution of Canadian cabinet's approval to recognise PRC could not be scheduled and remained a matter of discussion.

Indeed, the PRC was in command of mainland China and for all practical purposes had become the government of China, yet the ROC existed and consistently claimed to be the legitimate government. Canada believed that the position of the PRC was justified enough yet it was difficult for Canada to proceed and take action. Canada assumed that its approval of the government in PRC could also be viewed as an action against the government in ROC, and Canada still had some interests in continuing the friendship with the ROC. The government of Canada provided \$60 million credit to the Nationalist government of China and Canadian banks also guaranteed a loan of \$12.75 million to the Ming Sung Industrial Company (Beecroft 1985: 44). The given amount and its influence on the policies in the long run were nominal, yet fiscal loss and a repayment of these loans was a concern among the Canadian policy makers.

The minister of finance, D. C. Abbott, insisted that any further step towards recognition should not be disclosed until some provisions were formulated to reduce Canadian financial losses resulting from loans to the former Nationalist government of China. Abbott, the minister of finance, was concerned about the complete loss of investments made by the Canadian treasury. Since the investment and loans were committed to the Nationalist government it remained a prime concern whether the new regime would be willing or have the capability to take the accountability to repay the debt. If it agreed to repay, then Canada could give it recognition and if it did not, then a cautious policy was required before disengaging ties with the ROC.

An intentional delay from Canadian side was also made because Canada did not want to be the first country to break the western Hemisphere solidarity. There was a

difference of opinion over China between the UK and the US which made a complicated political situation for Canadian decision makers. The US support for the ROC was evident all around the world; however, the commonwealth nations and most of the countries in Europe disagreed with the US position on China. Canada, therefore found itself in the middle of the situation which was uncomfortable (Amour 1985: 109).

In July 1950, the Commonwealth foreign ministers' meeting was held in Colombo where Canada decided to consult the issue of recognition with other nations to arrive at any conclusion. Canada believed that any decision through consensus at multilateral forums like Commonwealth would not only justify Canadian action, but also pacify the domestic opposition and much expected Washington's reaction. However, some of the Commonwealth nations including Britain and India decided to recognise the PRC in advance of the Commonwealth meeting. Therefore, Canada had to uphold its course of action until the Commonwealth foreign ministers' meeting in July 1950. The recognition of PRC before the commonwealth meeting was taken positively by the government of Canada. It would reveal the possible reactions from the US and PRC.

During the Commonwealth meeting Australia, New Zealand and South Africa opposed an early recognition. Like Canada, these nations did not have any substantial interest with China and they did not prefer to risk their relations with the US. These countries believed in inaction on the issue of recognition of China until an appropriate time. Thus, the meeting did not come out to be significant for Canada in context of arriving at decision but it was relevant as Pearson found firm grounds to advocate in favour of early recognition. During the meeting Pearson met the Indian Prime Minister Jawaharlal Nehru, who insisted that to determine and maintain an influence in the future course of China the members of Commonwealth must come together to recognise the nation full of potentialities. This statement was impressive for Pearson and seemed quite convincing for other hesitant and opposing domestic as well as international voices.

The early recognition by Britain and India experienced trouble with PRC. Beijing refused to reciprocate with the exchange of diplomatic personnel/recognition which turned out to be a humiliating situation for UK and India. It increased Canadian

inaction to proceed for recognition until the issue with UK and India gets resolved. Till then, Canada decided to informally negotiate the terms of recognition with PRC so that both nations could reach an agreement before proceeding for the establishment of diplomatic recognition. It was in the midst of these ongoing debates and discussions of recognition that in February 1950, the Sino-Soviet Treaty was signed which pushed China more towards the USSR thereby breaking the predictions of China coming closer to West.

Canadian Public opinion was also a major obstruction in Canada's recognition to PRC. There were diverse opinions in Canada, including the Canadian public and parliamentarians, on the recognition issue. There were some who supported the recognition because they acknowledged the large size of China and its importance in the near future. Thus, they were eager to establish ties and engage with China. Paul Evans and Daphne Gottlieb Taras describe that "the Canadian public, like the British, appear to have rejected the view that the PRC should be isolated from the international community. In both countries—Britain and Canada, public opinion moved slowly toward support for expanded relations with the PRC" (Evans and Taras 1985: 11). The New Democratic Party along with the Trade Unions favoured essential measures to end the diplomatic isolation of China.

In contradiction, there were those who opposed recognition on two grounds—first, 'recognition was confused and diluted with approval' that led to the fear of spread of communism. Canada's leader of Conservative Party, George Drew shared the view of the US and other countries alike that the new government in PRC was nothing but an instrument of Moscow (Evans 2014: 153). It is also important to note that not just the leaders of Conservative Party but few MPs of Liberal party along with Social Credit Party supported this view. Second, the recognition of PRC would have political consequences in Canada's relations with the US. It would risk annoying the US that could probably impact the trade links and Canadian economic interests.

There were also diverse opinions in Canada because China was heavily misunderstood and ill-informed among Canadians. Ronning explains during the civil war years in China, Canadians supported the reforms because the missionaries working in China, (an identifiable source of public opinion in Canada), provided the information of the prevailing circumstance in the country (Evans 1991). But such

support for reforms in the later years, after the establishment of communist regime in China disappeared due to the difference of ideology. The opportunity for a long awaited reform in China that came after a long struggle with the change of regime was denied because of the ideology. A repressive regime in China was justified by some of the missionaries, politicians and officials in Canada than a reform oriented communist regime. It created a negative public opinion against the PRC.

PRC was characterised by the few of Progressive Conservative and Social Credit members as "blood-thirsty," "an insatiable monster," "aggressive," "expansionist," "Soviet-dominated," etc (Evans and Taras, 1985: 77). However, these were the few members who were in opposition of recognition and created a negative perception of PRC. The members of Liberal and Co-operative Commonwealth Federation political parties were less concerned with the form of government in China or what ideology it followed and focused on the benefits from China's potential and its role in coming years.

The outbreak of Korean War in June 1950 further complicated and temporarily restrained the recognition process. In January 1951, the United Nations General Assembly (UNGA) declared PRC an aggressor in the Korean War. It became an impediment in Canada's recognition process and also made the issue complex for Canada to argue in favour of recognition to PRC after the end of the war. In the Korean War, Canada and China fought against each other due to the prevailing international circumstances i.e. the cold war. It was a significant war, not just in terms of its diplomatic and political engagements regarding China but also due to its focus on the containment of its ally rather than the enemy. The situation during the Korean War became so intense and hostile that recognition of PRC from any of the ally's countries would definitely have received the wrath of the US. PRC had also not left any chance to show its antagonistic attitude towards the US.

Undoubtedly the Canadian policy makers were left with no choice but to wait till the Korean crisis ends. Evans noted that the Korean Crisis gave Canada a sort of China policy where the government of Canada came up with a modified "no China policy" (Evans 1991: 155). Though the Korean War hardened the choices for Canada and postponed the issue till 1953, in a memorandum of May 15, 1953, DEA emphasised that "recognition and the eventual seating of Chinese Communist representatives in

international organisations would be the goals of Canadian policy in the post war years” (Beecroft 1985: 55).

The US distaste towards the government of PRC and its strategic interests and commitment with the defence of Taiwan was always a matter of concern for the government of Canada. Quo and Ichikawa explain that the US disapproval to the government in China was “instigated by the surprisingly popular and deadly form of anti-communism, McCarthyism” (Quo and Ichikawa 1972: 388).

McCarthyism is the practice of making accusations without substantial evidence. In the late 1940s and through the 1950s, it was characterised with heightened political repression and fear of spread of communism in American institutions and fear of Soviet espionage. Canadians did not remain neutral of the influencing US perceptions. The government of Canada, at several occasions via its speeches and statements, made it clear that recognition should not be misunderstood with approval. Canada intends to engage with PRC via aid, trade and commerce to bring the nation closer to the west. Thus recognition was not an act of approval of the communism and Canada does not approve communism anywhere in the world (Holmes 1970).

Holmes (1970) explains that despite the government of Canada was willing to recognise the government of PRC it could not precede because of the immense influence of the US on Canadian interest. Canadian interests, especially the economic interests were deeply embedded with the US and the impact of the US policies was so severe that it never requires any direct American pressure. Canada’s policies and actions were determined by analysing the US policies and how the government in Washington would view any Canadian gestures. The US approach towards China was to isolate the nation completely and destroy the communist regime by crippling its economy. Canada was not supportive of this perspective of the US but it could not resist the US influence at that moment.

Holmes (1970) also noted a difference between Canada and the US in their perception and understanding of Asia. The US considered the emergence of PRC a challenge and a dent on its prestige in Asia and assumed itself to be the flag bearer of democracy; and responsible for the security of ‘Free Asia’. The US included Korea, Taiwan, South Vietnam, Thailand and Philippines in its vision of Asia, while for Canada it meant the Commonwealth nations--India, Pakistan and Ceylon (Holmes 1970: 206).

The authorities in the US believed that they refused to deal with PRC because it listened to the voices from 'Free Asia'; Canada couldn't resist it though it disagreed with the US. At the heart of Canadian foreign policy "the maintenance of American power and prestige was regarded as a Canadian national interest rather than an obligation of a "satellite", Canadian government think seriously before embarking on a step which affects American prestige, even if Canadians considered it wrong and unwise" (Holmes 1970: 216).

Scholars like Evans (1985); Amour (1985); and Holmes (1970) find few evidence to state that the US directly influenced or pressurised the government of Canada to discourage its attempts to recognise China, they find that the US have never been shy to express its concern that Canada should not step out of line. Intense hostility of the US towards China was not endorsed by Canadian policy makers but being an ally it had no choice than to be maintaining status quo.

Taiwan issue was another challenge. Prior to the Korean War, when the commonwealth nations like UK and India recognised the PRC, it was not required then to comment on the status Taiwan. However, after the end of the Korean War, the communist government in China made a mandatory clause for all governments to comment on the status of Taiwan before establishing any diplomatic relations with the country (Beecroft 1985 and Holmes 1970). Canada also assumed that the Nationalists in China would not survive for long and eventually the communists in China would take command of the entire region. But this did not happen and Taiwan emerged as a challenge for the government in Canada. It also complicated the admission PRC representatives to the United Nations. It remained a problem throughout the 1950s and 1960s.

The Government of China in its statements gave strong impression that it would not accept any offer of recognition until it was accompanied by an official statement of accepting Taiwan as part of PRC. The condition applied by the PRC was not possible to fulfil by Canada because the US had serious commitment to the defence of the island. Thus, Canada formulated a 'two-China' policy which meant recognition of the government of PRC and maintaining *de facto* relations with the inhabitants of Taiwan until some solution could be found. However, this 'two-China' solution was neither acceptable to the Nationalists nor to the Communists (Beecroft 1985: 208). The US

intervention between the two Chinese governments guaranteed the continuation of struggle. Canada wanted a multilateral solution to the China problem and it refused to be the part of US intervention in the region. Canada believed that the Taiwan issue must be decided by an international conference where the will of the people would be considered.

Canada as a middle power and as an ally to one of the two superpowers during the cold war years was not left with much of a choice which was maintaining its diplomatic and economic ties with the US. The US distaste, hostility and hard-line approach towards PRC; Canada's limited interest in PRC; and the issue of Taiwan after the Korean War constrained Canadian actions and policies. These issues hampered the process of establishment of Canada's economic and diplomatic relations with the PRC throughout the late 1950s to 1960s.

The Establishment of Diplomatic Relations: Canada and China

In 1949, soon after the establishment of communist regime in China, the Liberal government of Canada under Prime Minister Louis St Laurent expressed its desire to recognise PRC as the official government of the country. The Canadian government's willingness to recognise PRC did not emerge due to Canada's interests or any sort of previous relations with the country. It emerged due to Canadian concerns to maintain the peace and security of the world. Canada wanted to restrain PRC from developing closer ties with the USSR, so it wanted to bring PRC closer to the western alliance by recognising the PRC and advocated for early recognition to other western countries too. Canada also supported PRC's membership to the United Nations.

The government of Canada, during that time, was concerned enough about the peace and security around the world. Therefore, it believed in strengthening the international organisations such as United Nations by making almost every nation an integral part of it. Every country's participation and presence in such organisations would lead to negotiations and interactions that would help in stabilising peace and ensuring law and order at international level. Canada believed in collective security where Canada's own security was not possible without ensuring the peace and security around the world. Incorporating PRC into the United Nations was not merely essential to distract China from USSR but also relevant to engage China with the international community.

Canada also believed that once PRC became the member of the UN then it would be justifiable to define Canada's recognition to PRC. However, Evans (1991) noted a contradiction in Canada's China policy where the government of Canada wanted to engage PRC so that it would remain out of the orbit of USSR but at the same time Canada held back its trade and economic ties with the nation, thereby pushing it towards the USSR.

During the Chinese civil war, all the western allies' nations held back their trade ties with China until the war reached its climax. But after the end of the civil war and establishment of PRC in 1949, these nations did not resume their trade and economic ties. There were dilemma between the government of ROC and PRC and this dilemma was further complicated by the US reluctant support to ROC and its resistance to the recognition of PRC. Britain was the only western country that had its expanded trade ties with China so without making any delays it responded immediately to recognise the government of PRC and resumed its trade affairs like before.

Canadian government's effort to bring in PRC into the UN was heavily discouraged by the US. The US government opposed the inclusion of PRC into the UN and threatened to throw the UN headquarters out of its territory if PRC was included. The US approach towards PRC paralysed the entire functioning of UN and challenged the idea of collective security. Later the outbreak of Korean War interrupted the Canadian efforts to recognise PRC.

The Liberal government of Canada headed by St Laurent was defeated by the Progressive Conservative government of John George Diefenbaker in 1957. The Progressive Conservative Party of Canada had shared an opinion similar with the US and the issue of recognition was sidelined by the new government of Canada. When Conservatives were in opposition during the Laurent government, they had condemned and criticised the Liberal government's efforts to recognise the PRC and supporting its membership to the UN. The Liberal government efforts were criticised not merely by the members of Conservative party but also the ordinary citizens and organisations opposed the idea. So much so, Mr. Laurent had to make an official apology in the House of Commons (Amour 1985). The Progressive Conservative government of Canada under Diefenbaker made two clear points regarding its China policy:

- (i) the government would support as well as seek to promote expansion of trade ties with PRC; and
- (ii) the diplomatic exchange with the PRC would not be possible “until such time as... the communist government of China expiates its wrong doing under international law” (Amour 1985: 65).

It was added that Canada’s “recognition would be considered as recognition to the communist regime of China and it would harm Asian countries standing firmly against the on rush of communism” (Evans 1991: 26). The new Canadian Prime Minister Diefenbaker was particular in his anti-communist opinion and sympathetic towards the Republic of China on Taiwan. His views contradicted the opinions of previous government and denied any efforts to expand diplomatic ties with PRC at the bilateral level or through the United Nations. Canadian efforts to include and engage PRC into the world community especially with the West were restrained under the Progressive Conservative government. The previous government’s security concerns and its international activism were ignored by the Diefenbaker government.

However, the Canadian government’s intentions to expand trade ties with PRC reflected a more realistic approach in Canada’s China policy. In 1957, when the Progressive Conservative Party won the elections it formed a minority government but in the later year in 1958, the government formed a majority in Canadian history, during that time. It won 47 out of 48 seats from the prairie provinces of Manitoba, Saskatchewan and Alberta. During the political campaigns of the Diefenbaker’s Conservative government, the party offered an opportunity to enlarge Canadian market for farmers producing wheat and grain and sell their products. The influence of Prairie Provinces strengthened Conservative’s victory and also determined the government’s commitment to expand trade with the PRC.

The Prime Minister Diefenbaker especially appointed a Canadian politician Alvin Hamilton to maintain the Conservative’s popularity in the Prairie Provinces and gave the responsibility to find markets to increase Canada’s grain sales abroad. The government’s search for market and opportunities were positively met by the demands in PRC. China had been buying Canadian wheat and grains earlier but the poor harvest in 1959 and 1960 made an acute demand for food in China. PRC wanted to buy wheat and barley for approximately US \$60 million (Kyba 1985: 169).

While this trade effort was appreciated and welcomed almost everywhere in Canada, there were few reservations (Kyba 1985). The major questions that were raised-- first, how is it justified to expand trade and not diplomatic ties with PRC? And second, being a commonwealth member how would Canada explain its expanded trade relations with PRC when one of its commonwealth member, India had an ongoing war with the nation? How the US would response was also a matter of consideration.

The government, especially the minister in-charge, Alvin Hamilton, in response to such questions, was prepared with all the appropriate answers. The government argued that to establish long-lasting peace and stability around the world, trade is the only possible alternative. It further argued that regarding Indo-China War, no country had ever refused to trade non-strategic materials because of its political persuasions. Canada followed the arguments previously given by countries such as Britain and Australia that Canada trade food material with China. It does not involve and strategic or military goods and services.

Canada also reminded that in 1957, Canadian Prime Minister Diefenbaker and the US President Eisenhower had agreed to not undercut each other in the highly competitive international wheat market. The mutual agreement between the two leaders led to the establishment of a Joint Committee on Trade and Economic Matters which met quarterly to exchange information (Kyba 1985). When it became apparent that Chinese demand for wheat and grains was going to continue in long run Hamilton, met the then US President Kennedy and reminded him of the deal.

The recognition issue had always remained the nucleus of Canada's China policy but during the Diefenbaker years, its significance declined. The Conservative government postponed the recognition issue and concentrated on the expansion of trade. Initially critical and unwilling to establish diplomatic ties with the communist regime of PRC, the Canadian government under Diefenbaker, later argued to keep its options open. It stated that trade relations were an opportunity cum strategy to establish contacts with the Chinese authorities that would pave the way for recognition in later years. The Conservatives mercantilist approach and realistic China policy seemed appealing to those who wanted to engage with PRC and also considerable to those who did not wanted to recognise the communist regime of China.

In 1963, the federal elections took place in Canada where the Liberal party of Canada under leadership of Lester B. Pearson came to power as a minority government. Pearson was the Secretary of State for External Affairs, during the Laurent government and he was well-aware with the irritants in Canada's recognition to PRC. Prior to becoming the Prime Minister of Canada in 1963, during the Suez Canal Crisis in 1956, Pearson played a very successful role at the international level to resolve an issue, as Canada's Secretary of State for External Affairs.

Pearson won the Nobel Peace Prize for his peacekeeping mediatory role during the Suez Crisis. But when Pearson became the Prime Minister and Paul Martin joined him as Secretary of State for External Affairs, both of them became much hesitant to take any bold initiatives in their foreign policy. John English (1991) explains that the successful diplomatic manoeuvring by Pearson made his government cautious of taking any risks during his premiership.

After the Korean War in 1950, the recognition issue of PRC was already complicated by the Chinese government's demand to essentially comment on the status of Taiwan as an inseparable part of PRC. Therefore, the Canadian government responded with "Two China Policy: One China, One Taiwan" which was neither acceptable to PRC nor to ROC. Thus, the Liberal government of Pearson attempted for a sophisticated style of diplomacy to convince the US that its China policy was insufficient or non-existent and requires a progressive approach towards PRC. The government also made failed attempts for PRC's admission to the UN and its engagement with the international community.

At the same time, the ongoing Cultural Revolution in China confused the government of Canada and later the intensification of Vietnam War continued Canada's quest for an independent China Policy. Scholars such as Evans (1985, 2014); Beecroft (1985); Page (1985) and Holme (1970) argue that the Korean War restricted and retarded Laurent government's China policy similarly the Vietnam War hindered Pearson's China policy. These scholars also found that though the Canadian governments efforts were constrained by several international, domestic and institutional elements, yet strategic interest is one of the key element of any foreign policy and the Pearson government's interests in China was quite limited at that time. Any urgency in the development of Canada's China policy and the issue of recognition was not

considered necessary because the established trade relations were functioning well between the two nations without the establishment of any official diplomatic relations.

A strategic change in Canada's China Policy came when in 1968 Pierre Elliot Trudeau of Liberal Party became the new Prime Minister. Trudeau came to power with a firm determination to mark a difference in Canada's external relations and follow an independent policy which would later be interpreted as 'activist' and 'realist' (Frolic, 1985: 189). During the election campaign, Trudeau issued his foreign policy statement entitled as "Canada and the World" in which he proposed to extensively re-examine Canada's external policies. He was aware and cautious of the Canadian achievements and initiatives made by Pearson at the multilateral forums. Yet, he emphasised the need to review the fundamentals of Canadian foreign policy and finding out how Canadian interests, objectives and priorities could be better served.

Unlike Pearson, Trudeau distanced himself from the policy of multilateralism and close partnership with the US. He made a commitment to the Canadians to thoroughly analyse the prospects of Canada in the North Atlantic Alliance and also its military contribution to the North Atlantic Treaty Organisation (NATO). The commitment and determination to review Canadian foreign policy was not sudden and the foundation was established during the Pearson's premiership. Pearson, before his retirement asked the former under-secretary to supervise the re-examination of Canada's international role and its current policies. The 'Robertson Report' (1967) identified that the current policies had become more 'reactive rather than creative'. To overcome the present and future challenges a relocation and reinterpretation of some definite identifiable areas of Canadian foreign policy was essential.

During the Trudeau years, Canada officially established itself as a bilingual and multicultural country and emphasised these features in reflection of Canada's foreign policy. When Trudeau became Prime Minister, the post world war advantages of high growth rate, low unemployment and inflation rate had begun to decline. As a Prime Minister Trudeau had his vision and deeply held convictions about Canada's internal and external policies. He refused to follow the established old clichés of helpful fixer and quiescent ally of Britain or the US. The government under Trudeau, in their government documents gave emphasis to the emergence of the developing and under

developed nations of Asia, Africa and Latin America; the requirement to the fair distribution of resources and wealth among the developed, developing and under developed nations; concern over the proliferation of nuclear arms; recognition of Canada as a 'Pacific power' and development of Canada's pacific policy; and concern over the exclusion of PRC from the international community and the government's desire to extend Canada's recognition to China as early as possible. As these were the Canadian government's vision for Canada's foreign policy, the task of executing such objectives became the foremost responsibility of Canada's Department of external Affairs (Evans 2014).

The recognition of PRC was somehow a personal agenda for the Canadian Prime Minister Trudeau. He wholeheartedly accepted the PRC's control of the mainland China and described it as an emerging nation in Asia with such a huge proportion of world population that should be included in international institutions and must be recognised at the earliest. After his second visit to China, Trudeau along with Jacques Hebert published his book *Two Innocents in Red China* in 1960. In their book they argued that "Canada's Two China Policy is based on ignorance of the Chinese mentality while American policy supporting Taiwan was based on a question of prestige."

Further in his statement the Prime Minister referred to China as "both a colossus and a conundrum", a country which has enough potential but the world has incomplete information about the nation. He said that his government would not hesitate to intensify the relations between the two countries including the suitable terms and conditions of the recognition issue. Apart from Trudeau's personal interest and sympathy with the nation, the establishment and strengthening of relations with China was also viewed in the context of a new emerging Canadian interest in Pacific affairs which had long been ignored due to Canadian concentration on the Atlantic and European affairs.

Trudeau came with a determination to redesign Canadian foreign policy and recognise the PRC on suitable terms but the challenges remained. The government of PRC was not able to reciprocate to Canadian overtures because of China's Cultural Revolution during the period.

Beecroft (1985) writes that due to the Chinese government's non-compromising and difficult conditions, it also became questionable whether the government of PRC wanted to be recognised or not? Indeed, the government of Canada, especially the Liberals wanted to make PRC the member of the UN first and then they wanted to establish diplomatic ties with the government of PRC. But this wishful thinking of Canadian policy makers could not succeed.

From 1949, the government of Canada had considered recognition at least four times, but its attempts failed so it became a question that how the Trudeau government assumes that this time it might succeed? Without recognition, the trade relations between the two governments were doing fine and it was not likely to increase even after the establishment of formal diplomatic relations so the urgency to normalise relations was questioned. It was also speculated that it might adversely affect the trade links if anything went wrong. Also Canada had best of both possible worlds i.e. trade with both the nations PRC and Taiwan. Apart from these, the most dominating and determining concern was the reaction of the US. The political and economic consequences had to be taken into consideration before the Trudeau government adopted a policy which contrasted sharply with its neighbour. The Canadian Department of External Affairs cautioned the government about disturbing the political-strategic balance in the Asia-Pacific region by recognising PRC. It argued that not just the security of ROC but also the neighbours around PRC, especially Japan would have distressing consequences (Frolic 1985).

There were challenges and opportunities so the Trudeau government formulated a strategy to recognise PRC. The biggest challenge was to look for a political formula that could solve the PRC-Taiwan recognition issue. The Canadians once thought to adopt the 'French formula' to recognise the PRC (Holmes 1970). In 1964, France recognised both the governments in China—the government of PRC and the Government of ROC. However, the French government firmly believed that while recognising both the governments, the nationalist government of ROC would eventually break its ties with France. It exactly happened, when the Government of Taiwan itself withdrew its representation from the country, France. In this way, the withdrawal of recognition by the ROC itself, made the task easy for the government of France and it recognised the PRC.

However considering the importance of ROC for the Americans breaking off completely was not an idea to be endorsed by Canadians (Evans 2014 and Holmes 1970). Another alternative that came was that Canada assumed that it could create such circumstances where the existence of a separate government in Taiwan could be recognised and simultaneously it could also recognise that the PRC is also in effective control of the mainland area. There was no consensus on this so the government suggested 'containment without isolation' as the best suited policy in the given context where Canada might make a reasonable offer to Peking while holding minimal relations with Taiwan (Holmes 1970).

A formula to recognise the government of PRC had been established by the late 1968 where all the stakeholders within Canada agreed. It was decided that Canada would recognise PRC but the government of Canada did not consider it necessary to accept and comment on Chinese territorial claims over the areas where it does not exercise its jurisdiction. This formula of recognition was later known as 'Canadian formula'. It was also decided that the Canadian embassy in Washington would keep updating and informing the State Department of the US about the developments in Canada's China policy. It also assured that though it might break its diplomatic relations with the government in ROC at an expense of establishing diplomatic relations with PRC, it desired to continue the good relation with the former.

Once consensus within Canada was made about recognising the PRC, the Canadian cabinet in January 1969 instructed its ambassador in Stockholm, Arthur Andrew to call and propose to his Chinese counterpart a discussion and negotiation on the recognition and the establishment of diplomatic relations. The entire process of Canada's negotiations with China for the establishment of diplomatic relations is known as 'Stockholm negotiations'. The PRC chargé d'affaires, Liu Chi-tsai responded positively to Canadian Ambassador, Andrew's proposal. Before the negotiations began Liu Chi-tsai expressed his desire to inform the Canadian officials of the 'three constant principles' on which the Chinese could agree to establish diplomatic relations with foreign countries (Frolic 1985: 200). These were:

- 1) "A government seeking relations with China must recognise the Central People's government as the sole and lawful government of the Chinese people";

- 2) “A government which wishes to have relations with China must recognise that Taiwan is an inalienable part of Chinese territory and in accordance with this principle must sever all kinds of relationships with the ‘Chiang Kai-shek gang’”;
- 3) “A government seeking relations with China must give support to the restoration of the rightful place and legitimate rights in the United Nations of the PRC and no longer give any backing to so-called representatives of Chiang Kai-shek in any organ of this international body” (Frolic 1985: 200).

The Canadian Government and officials however, assumed that these ‘three constant principles’ as an expression of what the Chinese expected rather than any precondition to begin the negotiations. PRC recognised the fact that Canada had not responded to their three constant principles yet they went for the negotiations and believed that the two nations could discuss the issues in further meetings. The negotiations took place in Stockholm and after eighteen meetings in seventeen months the two nations reached to an agreement for the establishment of diplomatic relations (Holmes 1970). In October, 1970 a joint Sino- Canadian communiqué was released which announced mutual recognition and establishment of diplomatic relations. It reads:

The Chinese Government reaffirms that Taiwan is an inalienable part of the territory of the People’s Republic of China. The Canadian Government takes note of this position of the Chinese Government.”

The other paragraph reads “The Canadian Government recognises the Government of the People’s Republic of China as the sole legal Government of China (Frolic 1985: 209).

The recognition of PRC and establishment of diplomatic relations with China led an intense debate among the Canadian policy-makers from 1949 to 1970. These debates have been discussed throughout as Canada’s China policy evolving from ‘no China policy’ to ‘one China, one Taiwan policy’ and then the ‘Canadian formula’. The ‘Canadian formula’ of recognising PRC in 1970 was unique and developed a ‘special Sino-Canadian ties’. This formula not just helped in establishing ties between Canada and China but also accelerated the pace of recognition of PRC by other countries. It also helped China to get the membership of the UN in 1971.

After discussing the historical context of Canada’s China policy from 1949-1970, the next chapter *Canadian Perceptions of China* begins with the theoretical description of Canadian foreign policy. Three theoretical perspectives have been described—Liberal Internationalism, Complex Neo-Realism and Peripheral Dependence. These theories

are given by the scholars of Canadian foreign policy. It helps in understanding and analysing Canadian policy responses in conduct of its external affairs and in particular with its relations to China. Since the establishment of bilateral ties in October 1970, Canada in its foreign policy has located China in the Asia-Pacific region and developed its China policy respectively. Therefore, Canada's involvement, influence and evolution of Asia-Pacific policy have been discussed and it also looks into how Canada has encircled China into its pacific strategy. It explains that how Canada's Asia-Pacific policy emerged as a response to the Canadian requirements of diversification and an urge for Canada's independent foreign policy.

The recognition to China and its centrality in Canadian foreign policy as well as in Asia-Pacific policy was partially a response to Canada's requirements and partially it was a personal agenda of Pierre E. Trudeau. The rise of China and the various perceptions of Canadians are further analysed with the help of various opinion polls and surveys. The study finds that Canadian perception on China is increasingly negative, and increasingly influencing the trade ties. It has not move beyond the bilateral or trilateral paradigm.

Chapter 3 on *Chrétien's China Policy* explains how the end of the Cold War brought a continuous and drastic change in the international system which also had domestic implications. The world went through a severe transition and transformed international scenario. Almost all the major countries were overhauling the international environment and re-examining and adjusting their foreign policies. Canada and China were no exception to this. Chrétien became the prime minister in 1993 and the challenge for the government was not merely restricted to redefining and re-prioritising its foreign policy goals, outlook and responses but also to revise, maintain and continue its bilateral ties with other nations in a transformed world order. Similar was the case with China. Therefore the Post cold war Changes for Canada as well as for China is discussed.

In 1989, there was also the Tiananmen incident took place in China that brought different challenges for the two nations—Canada and China. In Canada, it initiated an entire debate on “human rights versus trade” which is still a major test for the government of Canada. How the Chrétien Government responded to this challenge and formulated a ‘Four-Pillar China Policy’. The government's China policy is

discussed then. How the ‘human rights vs. trade’ debate has widely transformed into a debate on Canadian values and Economic interests in relations with China is also looked through. Canadian Values extends and identity and role to Canada in the world. It explicitly reflects Canada’s sustainable, democratic, peaceful and humanitarian roles and beliefs in the world. Similarly, the economic interests are vital to any country's stability, prosperity and sustainability. Therefore it attempts to explain why the debate is still prevalent and how it will dominate in the coming years too until the government itself find a balance between the two.

The next chapter is *Harper’s China Policy*, which describes how the government came in 2006 as a minority government and committed itself to a ‘principled foreign policy’. Such principled foreign policy neither incorporated China nor considered it among those democratic and economic partners in Asia with whom free trade agreements should be negotiated. The government’s critical approach towards China has been discussed. Further, it also discusses that such critical approach did not influenced or constrained the bilateral relations and the ties were sustained and maintained through continuing trade links. The principled approach of government towards China until 2009 refused to sacrifice or appease or compromise Canadian values for minimal economic or business interests.

However, after 2009 the government’s hard-line approach shifted and softened to a more pragmatic approach. The economic interests became the priority of the government and some major agreements and Acts were signed between the two governments. How the shift in policy took place and how the government’s approach towards China evolved is analysed. The change in the approach of government was manifested first with the 2008 financial crisis and also with the government’s enough hold on power from minority to strong minority to majority government. It firmly believed in a ‘western value system and followed policies pro-US. The perception of North American Alliance remained a key driver of government’s China policy.

The final chapter on *Evaluation of Chrétien and Harper’s China Policy* describes the determinants that influenced the policies of the governments, how the bilateral diplomatic relations has endured for more than 45 years and how China has become more significant than ever.

Chapter II

Canadian Perceptions of China

The economic ascent of China is widely acknowledged. It has become the second largest economy in the world and the largest trading partner of many countries around the world (IMF 2017; CIA 2014). The impressive economic growth which is central to its emergence has also enabled the country to play an increasingly significant role in political and geopolitical decision-making. Its growing strategic significance has featured China into every nation's immediate and long-term foreign policy concerns.

In Canadian foreign policy too, China has become one of the most significant countries after the US. Canada's leading scholars on China Dobson and Evans observe that China's expanded "global presence and rising influence in economic, security, diplomatic and international terms will increasingly matter for Canadian prosperity, security and values in unprecedented ways" (Dobson and Evans 2016: 3). The emergence of China is of global significance and its effects on Canada have even wider implications when observed from the regional perspective of the Asia-Pacific.

In the Asia-Pacific region, Canada and China are located across the Pacific Ocean and have considerable interests and influence in the region. Since the establishment of bilateral ties in October 1970, Canada in its foreign policy postures has located China in the Asia-Pacific region and developed its China policy respectively. After more than 45 years of the 'special bilateral relations,' China has emerged as a key player and is in the topmost priority of the Canadian policymakers in the region. However, despite such vitality of China, bilateral ties remained considerably limited for Canada.

The President and CEO of the Canadian Chamber of Commerce (CCC), Perrin Beatty questioned Canadian presence in the region: "do we (Canada/Canadians) think ourselves as a nation of the Asia-Pacific, which must have a strong presence and voice in the region, just as we are the nation of the Americas, Atlantic and Arctic?" (CCC 2010). Though economic partnership always remained at the heart of bilateral relations yet Canada has severely failed to tap the vast market opportunities in China.

Political ties are also a constrained and contested issue in Canada and it falls short on projecting its strategic interests at the regional as well as global level. The global as well as regional security implications due to the rise of China are also not sufficiently

addressed. The socio-cultural aspect of the bilateral ties is another area which requires the attention of the government.

Canada, as a result, needs to be a multidimensional player in the Asia-Pacific region and in engaging China. The government of Canada is required to develop a comprehensive, considerable and long-term policy framework. It must reflect a coherent political engagement to foster greater economic ties, enhanced role and responsibility in managing the evolving security concerns and reflect its strategic interests. But any inclusive China policy cannot be pursued until the foundation of Canadian understanding and support is reconstructed.

Mulroney and Massot recognise that “for Canada, the development of a comprehensive and sophisticated China policy has partly been a problem of perception—scepticism and misperception” (Mulroney 2016: 113; Massot 2016: 25). Canadian public perception of China is “increasingly negative with the relative increase in the trade flow, education and tourism exchange between the two countries” (Ruan and Yan 2016: 104). As the global rebalance is approaching towards Pacific, the challenge for the government of Canada is two-fold—developing a comprehensive China strategy in parallel with the mobilization of Canadian public opinion. Canadian perception and the government’s strategy on China, therefore, need to move beyond from a cornered rigid bilateral paradigm to establish Canada strongly within a global affairs paradigm.

The chapter begins with the theoretical description of Canadian foreign policy through three critical Canadian approaches. The theoretical perspectives are necessary to understand the Canadian policy responses towards China. It will demonstrate the Canadian ideas, arguments and behaviour in its foreign relations. The next section discusses evolution of Canada’s Asia-Pacific Policy, involvement and influence in the region. It explains how Canada involved China into its Asia-Pacific strategy and made China a priority by replacing Japan. The rise of China and its significance for Canada is then analysed. It specifically investigates the implications of China’s emergence for Canada. The shift of attention from democratic countries like Japan and India to a communist country like China is also a point of discussion.

Theoretical Framework of Canadian Foreign Policy

This section examines Canadian foreign policy by discussing three different theories—liberal internationalism, complex neo-realism and peripheral dependence (Nossal 1997; Kirton 2006). The respective theories explain Canadian policy responses in international affairs—as a ‘middle power’; a ‘major power’; and a ‘satellite or dependent state’.

Liberal Internationalism--Canada as a ‘middle power’

Liberalism is a political doctrine and a school of thought in International Relations. The protection and promotion of individual’s freedom and rights, rule of law, private property and limited government are some of its key tenets. The extension of liberal principles into the international sphere is depicted as Liberal Internationalism.

Liberals ensure that some regulating fundamental principles can be applied in the international system against the international anarchy. It considers states as rational actors that seek co-operation and collaboration, instead of competition, for mutual benefits and progress. States are self-centric and competitive too but common interests bring them together. Co-operation and collaboration is, thus, a result of the state’s willingness to enlarge their capacity and capabilities ensuring each other’s security and peace. Liberal Internationalism attempts to realise liberal values and principles in the world. It offers solutions through which the aim and objectives of liberalism could be achieved at the international level.

As a theory, Liberal Internationalism originated from the ideas of philosophers like Immanuel Kant, Jeremy Bentham and politicians like Richard Cobden, John Bright, Norman Angell and Woodrow Wilson. Immanuel Kant in his book *Perpetual Peace* (1795) asserts that peace is not the natural state rather it is a state of war. There may not be an outbreak of hostilities but dilemmas and threats constantly exist. Peace between states can only be established and guaranteed under conditions regulated by law.

Jeremy Bentham in his writing *The Principles of International Law* introduced the concept of ‘law between nations’ (Bowring 1838). He argued that global peace could possibly be achieved with an international community governed by law. Richard Cobden and John Bright believed that free trade would eventually lead to economic

growth and prosperity thereby promoting international peace and reduction in armament. The two leaders promoted democratic values in the state and society. Norman Angell won the Nobel Prize for Peace in 1933, for his book *The Great Illusion* (1909). He explains the miscalculations and irrationality behind the war. The benefits of war are illusory because of its high cost and disastrous consequences. The feasible route to sustainable peace would be creation, recognition and respect for international law. It could be implemented by international institutions where issues between states can be discussed and resolved reasonably and peacefully.

Woodrow Wilson's 'Fourteen Points' (1918) principles also constitute the fundamentals of Liberal Internationalism. The main principles were 'self-determination', 'democracy', and 'free trade', opposition to 'isolationism' and support for 'intervention'. According to Wilson, these principles could bring global peace. Following Wilson's 'theory of peace', Michel Doyle (1983) propounded the 'democratic peace theory'. He argued that liberal democracies are hesitant about waging war against other democratic countries. Wilson and Doyle in their respective theories assumed that peace was indispensable to democracy and promoted the idea of participative government but justified war against non-democratic countries. These theories made peace an essential responsibility of democratic countries through various means including war and intervention against non-democracies. Liberal Internationalism paved the way for peacekeeping, democracy promotion, humanitarian aid and intervention for human rights and its protection through international institutions.

Liberal Internationalism is an interrelated set of concepts that seek to organise relations between states, individuals, groups and societies for long-lasting peace globally. It believes in international cooperation, interdependence, progress, diplomacy, multilateralism, support for international political structures and organisations. Prevention of war and preservation of international peace and security lies at the core of Liberal Internationalism. Diplomatic means should be used for conflict resolution between states. It assumes that states and non-state actors can mutually discuss and negotiate their interests and issues in a rule-based international system.

Liberal Internationalism in Canadian foreign policy, manifested from post world war II years. After wartime sacrifices and horrific experiences, Canadian diplomats and policy-makers wanted an ‘internationalist’ approach in their foreign policy. Nossal, Roussal and Paquin argue that two factors lie behind the policy of internationalism—strategic calculation and moral concern. As per the strategic calculations, war was a reprehensible and ineffective tool in foreign policy. Canadian prosperity and growth could only be ensured in a peaceful and secure international system. The breach of security and peace in any part of the world could have far-reaching consequences and it had to be maintained. The other variant, moral concern brought a sense of responsibility among Canadians to play an innovative and constructive role in international affairs. It focused on preventing the escalation of conflict into a war and favoured diplomatic measures for conflict resolution. “Internationalism rested on a simple strategic premise: the idea that peace is indivisible” (Nossal, Roussal and Paquin 2011: 135).

The former Minister of External Affairs (1948- 1957) and then Prime Minister (1962-1968) of Canada, Lester B. Pearson of Liberal Party used the term “‘participatory internationalism’ or ‘internationalism’ to define it as a principal objective of Canada’s national policy for maintaining and strengthening world peace” (Simpson 1999: 81). Canada’s adherence to the concept of internationalism was instigated with the belief that nationalism and internationalism are two sides of the same coin. A vision for Canada cannot sustain and flourish without a broader vision of the world. International co-operation for peace was thus referred to as the most important aspect of Canada’s national policy. It called for greater commitment, not just in principles but in activities, to take the international responsibility for global peace. International responsibility for maintaining peace and managing conflicts through various diplomatic channels became the significant feature of Canadian foreign policy during the cold war years.

It was during the cold war years when Canada assumed the international responsibility and established itself as a ‘middle power’. A middle power nation lacks the hard power capacity of coercion or military-strategic strength but possesses some specific political and diplomatic resources, skills and styles (Copeland 2013). It enables a nation to play a significant role in ensuring peace and stability in

international affairs by presenting solutions to the international dilemmas and by adopting the values of liberal internationalism.

The term 'middle power' denotes multiple characteristics of a nation including its size—area and population, geographic location, economic power, military strength, its role, influence and contribution to international institutions and system at large. The policy-makers and practitioners in Canadian foreign policy never bothered to define the term while deploying the concept into practice. They assumed an active role through the international institutions, to serve as a bridge or linchpin between the two or more countries for peaceful dispute resolution and avoid direct confrontation. The first such instance was acknowledged during the Suez Canal Crisis (1956). In 1957, the Canadian diplomat, Pearson won the Nobel Peace Prize for his constructive role in resolving the Suez Canal Crisis and organising the United Nations Emergency Force. It is only after much-received attention and recognition for its successful mediatory role in the bipolar world, the scholars began to define and understand the term 'middle power'.

John Holmes, a proponent of Liberal Internationalism and one of the prominent scholars in Canadian foreign policy who also worked with Pearson in the department and became assistant undersecretary of external affairs, identified two key factors behind the use of middle power approach. First, "Canada found it could have the most impact on international affairs by working in conjunction with other countries and organisations like the United Nations, the Commonwealth and the North Atlantic Treaty Organization; and second following the starvation of the 1930s and the great loss of young Canadians in World War II, a middle power could protect the existence of a world in which Canada could prosper" (Holmes 1982: 10-11).

The liberal's policy of 'internationalism' that eventually brought an acknowledgement to the Canadian diplomacy and foreign policy in international affairs became a resemblance of 'Liberal's Internationalism' in the Canadian context. Indeed the fact remains that liberal is used as an adjective because internationalism promotes liberal values across the world and Canada is a liberal country that believes and enacts on the liberal values and principles in the international system.

In Canadian foreign policy, liberal internationalism resonates much with the concept of middle power. It believes that the world is dominated by some major powers but it

also consists of many middle and small power nations. These middle and small power nations share stakes and interests in the international system. Therefore the functioning of the international system should not be guided just by the intentions of major powers.

Middle powers sought representation in international institutions by the principle of functionalism (Holmes 1966). Its central concept was that decision-making capacity must be shared in accordance with their contribution and support in managing issues in areas of their interests and expertise. It placed multilateralism over unilateralism. Unilateral actions might endanger the existing peace in the system. The policy of internationalism with a middle power approach considers multilateralism as the most effective instrument and platform where countries could discuss and negotiate their issues and concerns for possible conflict. It also facilitated a solution of peacekeeping and enforcement through international institutions to dismantle the conflict.

The Liberal Internationalist perspective in Canadian foreign policy was appreciated worldwide. From the late 1940s to early 1960s the approach was popularly known as ‘the golden era’ in Canada’s foreign policy and Canada was referred to as ‘helpful fixer’ and ‘good international citizen’. However, in 1968 the Liberal government that came into power under Pierre Elliot Trudeau criticised and questioned the relevance of the internationalist approach in Canadian foreign policy. His government’s foreign policy review document in 1970 examined “many of the traditional manifestations of internationalism, including the relevance of the United Nations peacekeeping, Canada's role in international affairs, and even the commitment to North Atlantic Treaty Organization” (Nossal, Roussal and Paquin 2011: 140).

Further, in the post-Cold War era, Liberal Internationalism suffered a major setback when the liberal countries themselves seemed to abandon the concept. With the rising economic burden, fiscal deficit and lack of military personnel and assistance, the contribution and involvement of Canada in international institutions and its presence in international affairs declined. The country began to respond selectively instead of involving itself in every situation. National interest and policies dominated over internationalist policy.

Canada in the post-cold war years, under Jean Chrétien (1993- 2003) managed to reflect some of the liberal internationalist features when the country formed a

'coalition of like-minded countries' to ban 'Anti-Personnel Landmines'. The 'Anti-Personnel Landmines Ban Treaty' also known as 'Ottawa Process' was signed in December 1997. Canada again played a significant leadership role in the Liberal's leadership and his foreign minister Lloyd Axworthy was nominated for the Nobel Prize for Peace in 1997. He also advocated human security and sought an active participation of Canada. A further manifestation of this was the concept of 'Responsibility to Protect' that supported intervention on humanitarian grounds against the concept of state sovereignty. Canada's exceptional role in the establishment of 'International Criminal Court' in 2002 was another move towards multilateralism and respect for human rights and security.

The 9/11 terrorist attacks on the United States and Harper's Conservative government coming to power in 2006 in Canada led to the concept of liberal internationalism being constrained. Despite that, the liberal internationalist perspective always dominated over the other two perspectives in Canadian foreign policy--complex neo-realist and peripheral dependence. The tenets of liberal internationalism have always been present in Canada because its fundamentals are interlinked with Canada's distinctive national interests and values.

Complex Neo-Realism--Canada as a 'principal power'

Complex neo-realism, in Canadian foreign policy, is a modification and blend of two mainstream theories of international relations--'neo-realism' and 'complex interdependence' (Dewitt and Kirton 1983). Neo-realism also known as 'structural realism' is an outgrowth of 'realism'. It was first articulated by Kenneth Waltz in his book *Theory of International Politics* (1979). Like liberalism, realism is also a school of thought in international relations. It came as a reaction to the liberal theory. The concept of realism was first introduced in 1939, with the publication of Edmond H. Carr's book *The Twenty Years' Crisis, 1919-1939: An Introduction to the Study of International Relations*. In his book, Carr rejected and criticised the essential principles of liberalism. Later, the concept was transformed into theory by the work of Hans J. Morgenthau in his book *Politics among Nations: The Struggle for power and Peace* (1948). The state's behaviour in global politics is described from a realistic perspective. It primarily focuses on power and self-interest.

The pioneer of neo-realism Kenneth Waltz explained that the theoretical interpretation of international politics could be developed at three levels--the human individual; the state; and the international system. For realists, “politics, like society in general, is governed by objective laws that have their roots in human nature”. The states essentially exhibit the same characteristics as human. Realism however had failed to explain the behaviour above the state level. Neo-realism or structural realism interpreted the behaviour of states within the structure of the international system. It shifted the attention of states to the international system. It defines that the structure of an international system is anarchy and has implications on the state’s behaviour.

In global affairs states have similar tasks but different capabilities. Their capabilities define their position in the system. State’s capabilities changes and so do their position and the way they interact with each other. It recognises ‘self-help’; ‘security dilemma’; and ‘relative gain’ as the three key constant factors that cause tension, conflict and possibility of war in the international anarchy. The quest for power in neo-realism is no longer considered an end in itself, as in realism, nor does it derive from human nature. Instead states always pursue power as a means of survival.

The theory of ‘complex interdependence’ was developed by neoliberal thinker Robert Keohane and Joseph Nye in their book *Power and Interdependence: World Politics in Transition* (1977). It reflects the prevailing situation in world politics where all the actors, including state and non-state actors, are affected by the actions of their counterparts in other parts of the world. Keohane and Nye describe interdependence as mutual dependence. “Interdependence in world politics refers to situations characterised by reciprocal effects among countries or among actors in different countries” (Keohane and Nye 1977: 8). The mutual dependence between the state and non-state actors are complex, as it is not merely defined by co-operation but conflicts too. Complex Interdependence is “an economic trans-nationalist concept that assumes that states are not the only important actors, social welfare issues share a central stage with security issues on the global agenda, and cooperation is as dominant a characteristic of international politics as conflict” (Genest, 1996: 140).

In Canadian foreign policy, complex neo-realism as a theory was established by the efforts of scholars like John Eayrs, Norman Hillmer, Garth Stevenson, Peyton Lyon and Brain Tomlin. Dewitt and Kirton are the main advocates of the theory. Kirton

explains that complex neo-realism is an integration of theories because of the “irrelevance of standard US realism to the reality of Canadian experience in the world” (Kirton 1987: 3). However, it accepts the primacy of the nation-state in an anarchical international system and also acknowledges the complex interdependence variant of existing of an international order based on shared interests.

Complex neo-realist theory recognises national interest and autonomous state behaviour as its fundamental principles. It believes that ‘principal powers’ are not the old great powers of realist theory. Rather, they are principal powers on three grounds. “First, these states stand at higher ranking in the international status; second, they act as principal actors in their international activities and associations rather than as agents of other states; finally, they play a principal role in the establishment, specification and enforcement of the international order” (Kirton and Dewitt 1983: 38). On such accounts, the scholars of complex neo-realism contend that Canada is a principal power. It envisages leadership and initiative in the shaping and influencing of an international order accordingly to the national interests and values of the nation.

James Eayrs in his writing *Defining a New Place for Canada* (1975), claims Canada as the ‘foremost power—most notable or prominent’ in an increasingly diffuse international system. He was among the first scholars to place Canada as a principal power. Eayrs identified three major changes in the international system in the late 1960s and 1970s. It included--the emerging significance of oil-producing states; increasing significance of natural resource; and the declining capabilities of predominant super-powers. These changes were the primary reason that placed Canada above from its traditional middle power ranking in the international order. Eayrs (1975) said that "Canada has almost sinfully bestowed upon it the sources of power, both traditional and new...the technology is there or waiting...the manpower is there or waiting...the resources are there or waiting too-animal, vegetables and mineral" (Nossal 1997: 62).

Norman Hillmer and Garth Stevenson adopted the term ‘foremost power’ to entitle their book *Foremost Nation: Canadian Foreign Policy and a Changing World* (1977). The scholars in their book described the rising prominence of Canada in a transformed global scenario. In their words "at the very least, Canada is not a small

and fragile nation, the 'modest power' of which Prime Minister Trudeau spoke in 1968" (Hillmer and Stevenson 1977: 2).

In 1979, Peyton Lyon and Brian Tomlin made a comparative assessment of the nations on four major grounds—military, economic, diplomatic and resource indicators. The comparing nations included Australia, Sweden, Britain, Canada, Germany, France, Japan, China, USSR and the USA. In the global hierarchy, it ranked Canada as the sixth most powerful country. It placed Canada ahead from the traditional great powers such as France and Japan (Lyon and Tomlin 1979).

Similarly, in 1983 Dewitt and Kirton in their study *Canada as a Principal Power* followed a case study. They based their case study on four themes—Canada's membership in the exclusive international groups; the military contribution of the nation; leadership on issues of global importance; and global political presence. Consequentially to their case study, they concluded that Canada has the capability to act as a principal power in world politics. In the later years, with their advanced study, Dewitt and Kirton defined the components of complex neo-realism. It included "defence of national interests and promotion of distinctive values; principal powers acting in concert with each other; and principal powers acting to modify the international order to reflect their interests and values" (Dewitt and Kirton 2007: 37-38).

The advocates of complex neo-realism consider Canada's role during the Cuban Missile Crisis (1962) under Conservative Diefenbaker government (1957- 1963), as an act of a principal power. The Liberal leadership under Pierre E. Trudeau (1968-1974) was also an explicit manifestation of complex neo-realism. The exchange of diplomatic recognition with China and the establishment of bilateral ties was one of the examples of the adoption of such an approach. Canada's leadership role and initiatives in the premiership of Chrétien especially during the foreign minister Axworthy (1996- 2000); its membership to the G-7 nations; its combat role in Afghanistan, claims to 'arctic sovereignty' and unhesitating support to Israel in the initial years of Conservative Harper government are some of the manifestations of Canada's principal power role.

A significant condition lies with the implication of complex neo-realism is the declining capabilities of the hegemonic power, especially the US. In Canadian foreign

policy, the theory of complex neo-realism became dominant and propelled Canada as a principal power only when the influence of US was relatively minimal. The major challenge appears when the pre-dominant or hegemonic nations resume their power. The theoretical interpretation is relative, contextual and has limited scope. The late 1960s to 1970s was the détente period during the cold war in the international system. The superpower resumed their pre-dominant status in the global affairs after the election of Ronald Reagan as president of the US and the Soviet intervention in Afghanistan in the 1980s. Complex neo-realism lost its drive in the Canadian foreign policy and declined gradually.

In the post-Cold War years, the complex neo-realist perspective assumed that Canada could play a principal power role on certain issues of international politics. It made efforts to establish itself as a principal power in the sphere of ‘low politics’. However, the 9/11 attack on America shattered the Canadian expectations and ‘high politics’ returned to the agenda of great powers. Though the Conservative Harper government attempted to adopt a complex neo-realist approach in their foreign policy the government’s high hopes could not match with the limited capabilities of the nation.

The complex neo-realist theory establishing Canada as a principal power seemed neither acceptable nor convincing in the Canadian context. It lacks significant support and attention from the scholars and academicians in and outside of Canada.

Peripheral Dependence--Canada as a ‘satellite state’

Peripheral dependence is widely an application of dependency theory in a Canadian context. Dependency theory has its roots in the Marxist philosophy that interprets the world system and international relations in terms of economic power and exploitation. It originated as a reaction to the ‘modernization theory’ which favoured ‘capitalist-industrial model of development’. Modernization theory asserts that “as the developing societies would come into contact with the western European and North American societies they would be impelled towards development and modernization”. However, soon it was realised that the developing societies were not moving through a stage of underdevelopment. The economic benefits of advanced capitalist industrialised countries were not leading to growth in developing countries.

In the late 1950s, the director of the United Nations Economic Commission for Latin America (UNECLA) Raul Prebisch found that “economic activity in the richer

countries often led to serious economic problems in the poorer countries rather than benefiting them” (Ferraro 2008: 58). Developed nations extract the natural resources and raw materials from the poor countries then manufacture those commodities and sell the ‘value added’ products in the source country again. This cycle continues as the developing countries never earn enough from their exports to pay for imports. Developed nations take advantage of developing countries by taking control of their economy. Dependency theory highlights the complexity of imperialism, how it paved way for neo-colonialism through economic dependence and its role in shaping postcolonial states.

There are three features of dependency theory. First, “the international system consists of two sets of states--dominant/dependent, centre/periphery or metropolitan/satellite”. Second, “external forces are of singular importance to the economic activities within the dependent states”. Third, “the relations between the dominant/dependent states are dynamic because the interactions between the two sets of states tend to not only reinforce but also intensify the unequal patterns”. Andre Gunder Frank, Fernando Henrique Cardoso and Immanuel Wallerstein are some of the major proponents in the development of dependency theory. It was developed in the context of developing and underdeveloped countries of Asia, Africa and Latin America.

However, in Canadian foreign policy, the peripheral dependence theory began from an economic-nationalist perspective (Innis 1956; Levitt 1970; Drache 1983). It contends that Canadian interests consistently remain at the periphery to the interests of the core. It explains the colonial power’s— France and Britain-- exploitation of a single product like fur, wheat or timber at the expense of balanced development and national autonomy and later the United States preference in the trade with Canada to constitute the country as a supplier of primary products. The economic activities including the extraction and exploitation of natural resources followed by the establishment and development of infrastructure and industries involve strategies and interests typical to the dominant nation. In Canada, the facilitation of primary products to the US was elevated with the plantation of American industries and firms on the Canadian soil. Thereby establishing the process of industrialization in Canada but keeping the ownership in the hands of America. This process has essentially made Canada a ‘branch plant’ economy for the US-based market forces.

The increasing penetration of the Canadian economy by the US business elite was swiftly intensified and proliferated to other significant areas of security, politics, society and culture. The adherents of Peripheral dependence observe the dominant influence of US in all spheres of Canadian activities. They describe Canada as a weak and penetrated state that has little capacity to resist the decisions and influence of US. It claims that such dominance prevented Canada to establish itself as a genuine sovereign state.

George Martell stated: "our culture, our politics, our economy are almost entirely packaged in the United States. We are Americans now, and I think we have to begin dealing with the fact" (Martell 1970: 291). A.R.M. Lower (1946) declared that Canada was a "subordinate state"; John Warnock (1970) demonstrated that "Canada is a military satellite in defence policy of the US"; Resnick claimed it "a complete satellite of the United States" (Resnick 1970: 99). The supporters of the satellite perspective viewed Canada's policies and its presence in the international institution as subservient to the interests of larger powers—essentially the US. The Policies of 'internationalism', the role of 'helpful-fixer' and preference for 'quiet diplomacy' was observed as mere 'branch plant diplomacy' (Hanley 1968: 28). Opposed to the 'internationalism' the policy of 'continentalism' was manifested by the proponents of peripheral dependence. It denotes the policies and agreements that prefer regionalism or collaboration between the nations within a continent.

Canada's inability to take independent decisions in its foreign relations was reflected on several occasions. It was believed that the recognition given to communist China from 1949 to till 1969, and Canada's decision to create North American Air Defence Command (NORAD) in 1957 was a result of US influence. James M. Minifie wrote "close association with policies of military and economic imperialism... makes Canada the glacis for the defence of the continental United States, makes Canada the coreboy of the western world and returns Canada from colony to satellite in three generations" (Minifie 1960: 52). George Grant declared the homogenization of North America and "Canada's disappearance as a matter of necessity" (1965: 280). Kenneth McNaught dismisses Canada's claim of 'middle power' and policies of 'functionalism' and calls it a disguise for "a nervous retreat from independent initiative" (1968: 176).

Gray, Preston and Gellner affirm Canada's inability to identify independent strategic interests and its contention to rely upon the interests and findings of others (Richter 2002: 7). John Kirton (2006) describes dependency as vulnerability to the existence of a country in the international system. Such country struggles to find a place in the global hierarchy. Henceforth either eagerly or opportunistically it prefers to go along with the policies of dominant power. He identified four thematic variants of peripheral dependency--economic, political, cultural and institutionalised dependence. Kirton argued that Canada became economically dependent due to "the massive inflow of direct investment from the United States" (Kirton 2006: 66). The United States is the largest trading partner of Canada. In 2017, 76.2% of Canada's export went to the US and 52.2% of Canada's imports were from the US (CIA 2017).

The political dependence on the US was manifested at several occasions including the acceptance of American nuclear weapon in 1963, Canadian involvement in the Vietnam War (1955-75), Gulf War (1990) and War on Terror in Afghanistan (2001). The universality of American values of democracy, liberalism, corporate culture etc. brought cultural dependence to the nation. It increasingly became so dominant that the Canadian government had to protect Canadian owned print and broadcast media. Finally, Kirton distinctively defines Canada's institutional dependence. Canada's participation and involvement in institutions such as The International Monetary Fund (IMF), the World Bank, North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO) have compelled Canada to work under the command of the US. These institutions are reflective of US values and interests (Kirton 2007: 66-67). Prime Minister Harper's explicit pro-American stance on Canada's foreign and economic policy was such a reference to peripheral dependence.

Evolution of Canada's Asia-Pacific Policy and China

Canada's involvement in the Asia-Pacific region began with the Anglo-Japanese Treaty of 1902. Later in the 1920s, when Canada started establishing its own diplomatic network it identified five capitals as priorities. It included—Geneva (1925), Washington (1927), Paris (1928), Tokyo (1929) and London. Thus, Japan within Asia was identified as one of the five prime capitals during the beginning of the Canadian foreign policy.

George Glazebrook (1966) Canada's first major diplomatic historian, explains that "As Paris was to Europe, so Tokyo was to be to the Far East... emphasis was placed by the government on the value of missions in Europe and the Far East, and on the help they would give in maintaining good relations between foreign countries and the British Empire as a whole" (Kirton 2007: 333). Wendy Dobson, "director of the Institute for International Business at the University of Toronto and former associate deputy minister of finance", said that Asia became more significant because of the rise of Japan (Dobson 2009: 955). The former US Secretary of State John Hay characterised the twentieth century as the "Pacific century" (Keith 1992: 320). Canada's then Prime Minister Mackenzie King agreed and stated that "benefits of peace and civilization in the Pacific would be founded upon the scrupulous mutual regard for racial and nationalistic virtues and cultural and commercial intercourse making for all-around enlightenment and an ultimate equilibrium... of life standards" (Price 1925: 20).

However, the idea of 'Pacific century' and relations with Japan deteriorated with the collapse of Anglo-Japanese Treaty, Japan's defiance to the obligations of League of Nations and its attack on Pearl Harbor in 1941. The war into Pacific made China and Canada an ally within the western alliance. The war ended with the defeat of Japan and victory of the US. It marked an end of European colonialism. It also turned much of Asia and Pacific into a US dominated region. Japan, after its defeat, became a close ally to the US and western alliance at large. Like US, Canada's relationship with Japan was also reconstructed. The Canadian-Japanese partnership became so significant that it was characterised as 'North-Pacific Triangle'. It denoted the increasing significance of relationship between Canada-US-Japan. Kirton argues that Japan became a very close and controlled ally of the US in the region (2007).

Despite the US dominance in the region, the biggest challenge for the US was the emergence of communist government and retreat of the nationalist government in China. Though Canada was an ally with China during the Pacific war, it had no such preferred relationship with any of the government. Then Canadian Prime Minister St. Louis Laurent and Minister of External Affairs Lester Pearson, following the British tradition, were inclined to recognise communist China. They were also vigilant about the US perception of PRC and its containment strategy.

Due to Canada's alliance with the US and its commitment to the United Nations (UN) as an agency of collective security, Canada participated in the Korean War in 1950 against the PRC. Canada also joined the Australian-initiated and American-supported Colombo Plan in 1950. In the House of Commons in February 1950, Pearson stated that such participation is required to contain the communist expansion in the South and South-East Asia (Spicer 1969-70: 25).

Keith argues that Canada shifted its focus from empire to the Commonwealth nations (1992: 321). Holmes further explains it as “the Americans thought of ‘Free Asia’ in terms of client states such as South Korea, Taiwan, South Vietnam, Thailand and the Philippines....Canadians thought in the Commonwealth terms of independence for India, Pakistan and Ceylon (Sri Lanka)” (1974: 109). The Asian Commonwealth states were uncomfortable with the US policy of containment and because of Canada’s association with the Commonwealth nations it declined to participate in the US-sponsored Southeast Asia Treaty Organization (SEATO). However, at 1954 Geneva conference, during the Geneva-IndoChina negotiations Canada agreed to assist as a “neutral” in the International Commission for Laos, Cambodia and Vietnam. China's Prime Minister Zhou Enlai considered Canada as an acceptable Western "neutral", albeit it was a steadfast ally of the US (Keith 1989: 64).

While explaining Canada’s Asia-Pacific policy McCullouch and Trudgen (2010-2011;2012) emphasise Canada’s role in the region as a member of North Atlantic Triangle or later as a member of North Atlantic Alliance also known as NATO. The North Atlantic Triangle/ Alliance are a key concept in explaining Canadian foreign policy in its historical context and relationship with Britain and the United States.

Jack Austin, former Senator and President of the Canada-China Business Council, argues that “historically, Canadian views on Asia was to dismiss the region while comparing it to the Euro-American world” (Woo et. al. 2009: 954). He explains that the Canadian description of their country as bounded by the Pacific and the Atlantic Ocean and their motto “*a mari usque ad mare*”- *from sea to sea*, was a reflection of Canada’s imperial tradition. He claims it a prescription and belief of British Empire, while in contrast the “Canadian image of the Pacific Ocean was a boundary and not as a pathway” (Woo et. al. 2009: 954).

Joe Clark, Canada's former Prime Minister explained the reason behind such image: like Asia, Canada had similar perceptions about Africa and Latin America because "the 'old Canada' does not come from these places" (Woo et.al. 2009: 954). He was referring to the historical and colonial ties with the Europe, especially with France and Britain. He argues that such ties and connections were further intensified and multiplied in Canada-US relationship. According to Nossal (1997), Canada's closeness with its relationship with the US "pushes Canada for closer continental engagements" but it also creates a sense of vulnerability among Canadians. It threatens the identity of Canada for being too close to its neighbour. Thus, the fear among Canadian "pull for diversification". Canada's interest in pursuing Asia-Pacific policy, therefore, is defined as a "strategy of diversification" (Nossal 1997: 247 and Stairs 1982).

Kirton (2007) identifies three dominating and familiar debates to assess Canada's Asia-Pacific policy since 1945. The first debate portrays that Canadian involvement and influence in the region is largely restrained due to the US dominance. It depicts Canada's role and activities as limited and dependent. Canada is largely crowded out because the US continues to dominate in the region. It believes that Canada's participation in the region is therefore, declining.

The second debate analyses Canadian involvement and influence through its participation in multilateral institutions and its beliefs in rules and values. It explains that Canada's relations with countries like Japan, Australia and New Zealand was established due to the similarities in their political values, common belief in democracy and their institutional ties with the Commonwealth nations. Its close relationship with Japan was also due to their belief in the UN being a peacekeeping partner of Canada, providing Official Development Assistance (ODA) to the developing nations and promoting diplomatic solutions on global security issues (Kirton and Kurosawa 1995). It supports Canada's belief in shared western political and economic values and universal norms of human rights. It argues that Canada must adopt quiet diplomacy and non-judgemental approach in its relationship with China. Canada must promote the common shared values of democracy, human rights and good governance in its bilateral or multilateral negotiations with China and other nations of the region. It believes that Canada's participation and role in the region

would eventually be enhanced with the growing institutionalization and expansion of trade and economic activities in the region.

The third debate views Canada as a principal power in the region. It facilitates two arguments. First, it explains that since 1945 Canada is actively involved and present in the region. It established its ties with the Commonwealth countries like India, Australia, and New Zealand and also with South Korea and Japan. It developed functional partnership with China in 1957. Canada was also involved in constructing and developing regional institutions. Second, it continues that in the post Cold War years with the emergence of other Asian powers like Japan and China and the growing and strengthening economic significance of the South East Asian economies the relative capability of the US has declined in the region. The decline in the influence and capability of the US has enabled Canada to play a more active and autonomous role in the region. It believes that Canada's role and participation is ascending in the region.

From the three identified debates by Kirton (2007), most of the scholars and practitioners like Nossal (1997); Evans (2014); Woo (2003); Austin, Campbell, Clark and Dobson (2009); and Manicom (2014) believe that Canadian participation is restrained and limited in the region. However, they have different views on the US dominance in the region and its implications for Canada. Like Dobson and Manicom (2009 and 2014) view the dominant presence of the US in the region beneficial for Canada. They argue that Canada must support the US initiatives and objectives in the region. It must analyse its policies strategically through the prism of the US, which is based on realism. It would not merely increase Canadian involvement in the region but also help in understanding and addressing the strategic issues of the region.

The Foreign Policy Review Document, 1970

In 1970, during the Liberal government of Pierre E. Trudeau a series of foreign policy review documents entitled as *Foreign Policy for Canadians* (1970-71) were released. It was a broadly reviewed document that emphasised the need for renewal of Canada's foreign policy--aim, objectives and priorities--in a rapidly evolving international system. It stated that the post-war era left Canada among those few developed western countries that emerged materially unscathed. Its political, economic and military strength and capabilities were stronger than ever. Such

privileged position made the Canadian policy makers adopt an ‘internationalist’ approach that established Canada as a ‘middle power’ nation in the evolving world order. The preferred policy and position was not a mere reflection of Canada’s immediate national interests but a manifestation of its national values, identity and best self-perceived role in the international system. However, such policy and position was bound to be affected with the change in the world.

The document sought a breakthrough from Canada’s ‘internationalist’ policies and ‘middle power’ role. It emphasised on the need of a dynamic foreign policy inclusive of national interests, instead placing the nation at a certain position in the hierarchy of the world order. It also highlighted the risks involved in accepting and maintaining such status-quo. The biggest risk it identified was a threat to Canadian identity, its sovereignty and independence from the US. It explained that the immediate post-war benefits that privileged the country are now vanished.

Internally, the Canadian economy was overheated and burdened by its international activities and the increasing regional difference and disparities were challenging the national fibre of the country. Externally, though Canada established its national sovereign identity in the North American region, the region is continuously dominated by the US--politically, economically and militarily. It reflected the growing Canadian resentment of living under the shadow of the US. It also recognised the growing integration between the countries of Europe and its increasing strains on Canada’s transatlantic ties. The review document was intended for a reconsideration as well as diversification in the conduct of Canada’s external affairs and its ties from the US and Britain.

However, a unique feature of the document appeared when it discussed about Canada’s expanding interests in other regions such as the Arctic, the Pacific and the Third World. It contained a separate document within it, which was entitled, as *Pacific: Foreign policy for Canadians* (1971). The document explicitly proclaimed that “by the virtue of geography, history and evolving interest, Canada is a pacific power” and since then the proclamation re-appeared in official documents repeatedly (Ottawa 1970; 1985; Molot and Tomlin 1986; Chan 1997; Fekete 2012). It identified the shifting power balance and the emerging forces of change. It stated that “the fate of European colonialism was sealed and the US is left the only major western power

in the region”. It continued that the “larger part of Asia is dominated by communism either by China or the USSR and both the communist nations are at odds with each other on various issues.” The structural instability caused by North Korea and North Vietnam was mentioned. Japan’s development and economic rise was also highlighted as a major determinant in the activities of the region. The military influence of Australia in the region after the British withdrawal, the development potential of Indonesia’s natural resources and the maintaining and preserving of independence and development of south-east Asian nations were also discussed. Canada also pulled out itself from the second International Control Commission in IndoChina.

It stated that like elsewhere, Canada is neither a great power nor a prime mover in the Pacific but it has considerable interests in the developments of the region. It claimed that despite the similarities and influence of the US, Canada’s outlook and interests towards pacific is fundamentally different. It has different historical evolution and different capacities in the international power spectrum. It emphasised on economic growth, social justice and maintaining and improving the quality of life in the region. It sought co-operation and assistance from the developed countries to the developing countries of the region. It asserted that like many of the smaller nations of the Pacific, the opportunity and challenge for Canada lies in defining constructive policies and inter-relationships. The involvement and engagements of countries must be according to the capacity and interests of individual nation but effectively reflect the benefit for the entire region.

The document stated that the Pacific region holds vast and varied potential. It offers great challenges and opportunities for economic and commercial exchanges. It approximately estimated Canada’s \$ 1,100 million export and \$ 650 million imports to the countries of Pacific. Pacific was recognised as Canada’s third largest market (after the US and Western Europe) and third largest supplier. Japan was Canada’s largest market and supplier in the region. In 1969, the export accounted for \$625 million and import was \$496 million with Japan. In 1972, Japan replaced the UK by becoming Canada’s second largest trading partner. Canada’s exports and imports with Australia and New Zealand accounted for nearly \$163 million and \$ 93 million; \$ 37 million and \$ 41 million respectively. PRC emerged as a major market for Canadian wheat. In 1969 Canada’s total export to PRC was \$ 122 million out of that \$120

million accounted for wheat. Imports accounted for \$ 27 million (Foreign Policy for Canadians 1971: 15).

Though the government's prime focus in the region was on economic and commercial exchange, it emphasised on a four dimensional policies and initiatives. It categorised policies and initiatives as— (i) "Policy projection, which included expansion of trade relations, promotion of transportation and tourism, encouragement of investment, inter-governmental co-operation, business-government liaison and expansion of the Canadian presence"; (ii) "Development co-operation, which included increased aid to Indonesia, rehabilitation aid to IndoChina, development assistance to the South Pacific, economic commission for the Asia and Far East, support for regional institutions and establishment of Canadian International Development Research Centre (CIDRC)"; (iii) "Toward a better understanding, which favoured projection of Canada, learning about the Pacific and cultural and scientific exchanges"; and finally (iv) "Peace and stability of the region".

The government of Canada in 1970 distinctively asserted its strategic national interests in the Pacific. It distinguished Canada's earlier role and activities in the region from merely being an ally of the North Atlantic Alliance to establish Canada as a 'pacific power'. Later in 1972 Mitchell Sharp, Canada's Minister of External Affairs during the Trudeau premiership, in his paper "Canada-US Relations: Options for Future" argued for 'third option'. Far from the pull of continentalism, it called for Canada's economic and cultural independence and search for new economic linkages overseas.

In 1970s, the US share of Canadian exports was nearly 70 % and the US share of investments in Canada was around 80 %. The third option proposed by Sharp argued three basic alternatives to its relations with the US. First, maintaining and continuing with the status quo. It was considered untenable. The second was expanding integration and collaboration with the US. It meant further erosion of Canadian autonomy and independence. And the third option was, actively pursuing trade diversification abroad and economic development at home. It would lead Canada reassert its economic independence. The 'third option policy' focussed on European Economic Community (EEC), Japan, the USSR and China. Canada's Pacific policy was, therefore, considered as part of Canada's 'third option'.

China in Canada's Pacific Strategy from 1970s

The foreign policy review document of 1970 appeared in response to the suggestions given by Prime Minister Trudeau in 1968. In his policy statement in 1968, Trudeau asked for a general foreign policy review. He also addressed the China problem and stated that the world's problems could not be resolved without an accommodation between Washington and Beijing. Austin argues that Trudeau had interest in Asia and particularly with China. Trudeau went in Asia with a global sense and significance. He was determined to recognise communist China. Austin says "he pushed for exchange of recognition" (Austin 2009: 957).

The Canadian recognition strategy that merely noted Beijing's claim to Taiwan was a unique formula. It became the archetype for other nations to recognise China which accelerated the pace of international recognition. Frolic asserts that "Canada's recognition of the PRC was a significant link in the complicated chain of events that facilitated the PRC's opening to the outside world" (1991: 12). It was a remarkable initiative from Canada that made the bilateral Canada-China ties a 'special relationship'. In the beginning of the special relationship from 1970-1971, Canada's share of wheat market in China also received a boost up from nearly 65 % to approximately 100 % (Keith 1992: 323).

The review document in its Pacific strategy, described China as the "potential third superpower". It claimed that "there can be no lasting peace or stability in the Pacific or in the world without an inclusion of China" (1971: 8). The Canadian approach towards China was further strengthened during Trudeau's official trip to China in 1973. During his visit, Trudeau was allured by China's revolution to its struggle for social justice. On his return from China, he spoke in House of Commons in October 1970 and emphasised:

It has not been the vastness of the Pacific that has acted as a barrier between Canada and China. The gulf has been found all too often in the minds of those of us who are unwilling to recognise the magnitude of one of the most significant revolutions in the history of the world and the extension of basic human amenities to hundreds of millions of persons to whom they had been denied for millennia (Trudeau 1973: 4).

Mitchell Sharp, who also accompanied Trudeau on his visit, integrated China into his 'third policy option'. He urged the Canadian business community to take participation and seize the opportunities within China (Sharp 1972). Keith (1992) argues that

though trade relations with China were relatively modest, the ‘third option’ encompassed a new vision to Canadians to reach out into the Pacific. However, the high hopes created by ‘third option’ were limited by the growing competition between the US, Japan and Europe for Canadian markets. Canada had favourable balance of trade with China but due to intense competition there were no such scope for China to make any significant expansion. Canada made an extensive ‘Pacific strategy’ and gave significant importance to China, but it failed in executing those strategies adequately.

The Canadian government’s appeal for diversification and an active and autonomous role and involvement in the Pacific failed to gain traction from anywhere within Canada or outside. Hancock (2015) explains that the business community was sceptical about such initiatives. The region was new to Canadians in comparison to Canada’s traditional and principal trading partners and the cost and benefits were uncertain and unpredictable. The public opinion was divided. Some Canadians perceived the Asia-Pacific rim as a boundless frontier of economic opportunities, while some viewed it as a threat to Canadian industries and companies. For others, the region was still at the periphery of the Canadian mainstream market.

The government did not have any comprehensive strategy. It lagged behind in mobilising the Canadian business community and broader public opinion in favour of the Pacific and also it could not lure the newly emerging economies for Canadian markets. The overseas markets did not respond to Canadian initiatives including China. William Saywell, one of the leading Canadian China scholars, pointed out that "By the mid seventies the honeymoon was over. Virtually everyone else in the world was anxious for their slice of that mythical market of nearly a billion people, had recognised Peking" (1978: 411). China has also directed itself towards an ‘open door policy’. It achieved self sufficiency in food production and focused on creating and expanding its industrial base.

In 1979-80 with the creation of an aid programme, the bilateral ties were once again extended to a new level. In 1982, Canada officially began to work with China through Canadian International Development Agency (CIDA)¹. In April 1982 at the invitation

¹ CIDA is a department of the Canadian federal government responsible for delivering official development assistance to developing countries.

of China's Ministry of Foreign Economic Relations and Trade, a large CIDA programming mission visited China. Both sides convinced to cooperate in four areas—agriculture; energy; forestry; and human resource development.

The *1982-83 Annual Review* of CIDA emphasised the stake of Canadian business in building future linkages through human resources training. It stated that “at present 80 per cent of managerial staff of Chinese industry has only primary education. Upgrading the university management programmes will be a key factor in providing skills to these managers. The programme will also establish important links between Canada and China and it will create a base that will serve for long-term bilateral ties” (CIDA 1982-83: 48). In foreign aid disbursement list of Canada, China was ranked eighth in its list of major recipient or core countries in Asia. China was after Bangladesh, Pakistan, India, Indonesia, Sri Lanka, Nepal and Thailand. However, China improved its rank from eighth to fifth in 1987-88. It is necessary to mention that China programme within CIDA was organised within the historical and geographical programming of the South Asian Commonwealth nations rather than in the Asia-Pacific context.

In 1985, a Canadian report entitled as “The Royal Commission on the Economic Union and Development Prospects for Canada” was published by the Minister of Supply and Services . The commission was established in 1982 “to inquire into and report upon the long-term economic potential, prospects and challenges facing the Canadian federation and its respective regions. It also looked into the implications that such prospects and challenges have for Canada's economic and governmental institutions and for the management of Canada's economic affairs at large” (1985).

The report briefly analysed Canada's trade with the Asia-Pacific region. It described the diversity of the region in terms of each country's size, resource base, level of development, and political, cultural and linguistic characteristics. It also manifested that despite the diversity, together these countries are enforcing towards a remarkable shift in the international economic activity from the Atlantic to the Pacific. It forecasted that with such economic ascendancy the next 21st century might result into the “century of the Pacific” (1985: 251). In economic terms the commission categorised,

the economies of the region in four groups--the resource-poor but advanced industrial state of Japan; the resource-rich, vast but underdeveloped continental economy of China; the resource-poor but rapidly and newly industrializing countries (NICs) of South Korea, Taiwan, Hong Kong and Singapore; and the more richly endowed near-NICs of Southeast Asia: Indonesia, Thailand, Malaysia and the Philippines (The Royal Commission on the Economic Union and Development prospects for Canada 1985: 251).

However, the commission expressed its inability to describe Canada's economic relations with Asia-Pacific region. It stated that Canadians lack a balanced and mature appreciation of their economic links with the Asia-Pacific countries. Canadians accept the benefits and the costs of economic interdependence with their traditional trading partners. They comprehend the dimensions and probable future scope of such relationships much more easily. Unlike the foreign policy review document of 1970, the commission did not state much about China.

Emergence of China and Canadian Perception

The triumph of Chinese communist revolution in the mid of the twentieth century against the nationalist supported Kuomintang government experienced the outrage of many western powers. The nationalist government of Kuomintang was hugely supported by west, particularly the US. The US followed by its allies viewed the emergence of PRC as an aggressive, expansionist power and a threat to the entire security of world.

Quo and Ichikawa (1972) describe that nations around the world not merely suspended their diplomatic ties with China but also attempted to disrupt, weaken and destabilise the nation too. In 1960s, China had troubled relationship with the two world superpowers—the US and the USSR. PRC went into a complete isolation from the international community. It was refrained from the United Nations membership up until October 25, 1971. Gittings (1964), Kirby (1994) and Yahuda (1983) argue that despite the severe criticism and resistance from the most influential capitalist world powers China managed to retain its autonomy.

Kirby (1994) explains that the only strategy through which PRC managed to survive and retain its autonomy in its foreign policy was “by interacting and managing its relations with foreign powers individually and not as a unit” (1994: 17). It implied that China never made ideological differences the unique criteria for defining its

relations with other nations. It relied on bilateral ties with every nation and their respective capacity to negotiate and exchange trade and services in various sectors. In the late 1970s under Deng Xiaoping's leadership, it further embraced a more realistic and pragmatic approach and initiated a series of reforms and reconstruction of Chinese economy and infrastructure.

The communist party of China transformed itself from a revolutionary party to the governing party that was committed to the reforms. Deng Xiaoping then became the architect of China's economic reforms. The reforms led towards a dynamic and sustainable growth that established China as a hub of economic powerhouse. Nye (1997), Johnston and Ross (2004; 2011) argue that the rise of China witnessed two sorts of policy responses--accommodating and engaging China was a consideration on the one hand and on the other, an effort towards containing it by persuading other nations to take lead on certain issues related with China. However, when the containment strategy towards China became unfeasible it was replaced with engagement, peaceful acceptance and accommodation for a rising power.

Economy: The average annual real GDP growth rate in China from 1960-1978, prior to the economic reforms was approximately estimated at 5.3%. In the aftermath of the reforms, the average annual growth rate was estimated around 10.4%. China's GDP growth experienced some decline and slowdowns during the recession in early 1990s; during the Asian financial crisis of 1997 and global recession in 2008. Though China itself experienced some downturns, its economic growth was considered as one of the key determinants during the recovery of 1997 Asian Financial Crisis and global recession in 2008 (Potter and Adams 2011; King and Fraser 2010).

The economic and strategic significance of China and its intensifying effects became more evident from the beginning of the 21st century. Dobson (2006) describes China as the fastest growing economy with 9-10% growth rate. Its growth rate implies that the size of Chinese economy doubled in every seven or eight years. Based on Purchasing Power Parity, World Bank and International Monetary Fund (IMF) (2016) both rated China as the world's largest economy and by nominal GDP, China was the world's second largest economy after the US.

In 2001, China officially became the member of the World Trade Organization (WTO). It signified China's deeper integration into the world economy, larger access

to various markets and reduction in tariff barriers. China established itself as a global manufacturer and trader by integrating into the world economy via foreign direct investments (FDI). It redirected itself with the global supply chains and production networks at all the levels.

According to Evans, “China has emerged as the shop floor of the world by designing a production system that merges high-end technology with low-wage, labour-intensive activity; cut-throat domestic competition; a reliable, docile, and capable industrial workforce; utilization of huge sums of foreign investment and technology; and the new appetites of a billion domestic consumers” (2006: 285). Bader (2006) argued that China has not merely transformed itself and integrated into the world economy. It also influences and moves the financial and commodity markets and contributes to the world economic growth through trade, investment, production and consumption.

Woo and Zhang (2014), Cao (2011) and Bader (2006) explain the strategy behind China’s economic growth. They primarily argue that China follows and believes in “Go Global Strategy” also known as “Go out” (Bader 2006: 9). It requires the Chinese domestic companies and markets to improve, enhance and expand their competitiveness and skills to become a global player. It suggests Chinese companies to either invest overseas or make mergers and accession of foreign companies. It intends to bring diversity in Chinese products, refine their quality, simplify export procedures and establish recognition for Chinese brand.

Further it was emphasised that such strategy can only be executed if China could “maintain a low profile and never take a lead” (Cao 2011: 2). It recommended that China assure its partner countries and world at large about its intention of peaceful development. Paltiel calls it “China’s grand strategy” (2011: 118). China requires capital and advance technologies for its growth and development and simultaneously it also wants to assure its neighbours and global partners about its intention of peaceful rise (2011: 118).

Dobson says: “China’s successful accomplishment towards such a swift economic resurgence becomes even more striking in the absence of modern and inefficient financial system” (2006: 301). The command based economy of China is thoroughly affirming itself as a global engine of growth. The country’s explosive economic

growth remained balanced when the entire west was affected by the economic downturn in 2008. It made China even more preferable for trade and investments by many of the countries.

In 2012, Export Development Canada published its report where it stated that China now extensively imports machinery, oil, chemicals, fertilisers, agri-food and raw materials to foster its growth and functions its industries. A report published by the Canadian Council of Chief Executives in 2014 described that China has committed to transform its development model according to four major themes. These are: Expanding Domestic Consumption; Transforming Industries; Sustaining Development; and Promoting Social Harmony. It recommended that Canada could consider such major priorities of China while formulating its policies. It has an opportunity to engage and assist China in those key sectors where Canada enjoys a competitive advantage. It includes sectors such as: clean technology; natural resources; agriculture; transportation, infrastructure and aero-space.

Dobson (2006) and Evans (2006) argue that the emergence of China has initiated two sorts of wariness in policy responses. First, China does not belong to the west. It is neither associated to their values and culture nor to their institutions. Dobson comments that “it is not like us” (2006: 306-07). The second includes the pace of China’s economic growth, the way it had opened its economy and integrated with the international market. Evans says that looking at the drastic changes and vast size of Chinese economy it is destined to disrupt the standard technology labour intensive industries.

A report of Export Development Canada (2016) also acknowledged that China’s internal economic and commercial environment is not conducive enough for the foreign investors and it might prove to be risky. It identified the lack of legal protection for investor’s right and intellectual property rights; incoherence in the application and execution of rules and regulations; bureaucratic interference and corruption as some of the prime reason for this (EDC 2016: 8).

Socio-Political constraints: The emergence of China is primarily driven by its economic growth and significance. However, no country’s relationship in the world is solely determined by its economic prosperity and success. The nature of its political system, values and institutions plays a key role. Politics lies at the core because it has

the authority to determine and control the formulation and implementation of various policies and programmes. It executes and controls various aspects of the functioning of political system like economy, education, culture and social mobility etc. Thus the emergence of China is incomplete without looking at its socio-political aspect.

The socio-political dimension of China's emergence reflect an increasing aspiration for political participation by emerging middle class, improving educational standards and relatively higher interaction with the world (Bader 2006). Pei (2006) argues that while comparing the previous circumstances when tuning the voice of America or BBC could bring the person in jail, the prevailing socio-political situation within China has been improving steadily. Chinese people now enjoy the freedom to move and travel, getting employed as per their choice and abilities and access to information. Indeed, the government of China took initiatives in introducing socio-political reforms yet these reforms seem too narrow when compared to China's gigantic economic expansion and success. It necessarily questions that why the progress in economy could not be equally matched with socio-political reforms.

Pei (2006), Bader (2006), Gilley (2008) and Evans (2008) make two arguments in response. The first argument is justified on the bases of 'performance-based legitimacy'. It states that China's economic expansion and prosperity facilitates latent support for political legitimacy. Therefore, it validates political authorities to reclaim and maintain the status-quo. It also believes that in authoritative regimes when economy is strengthened then the socio-political reforms and evolution is severely administered. There are higher probabilities of economic collapse when openness and reforms are proportionately combined.

Second argument rejects the western political model of evaluating the standards, pace and growth of socio-political reforms in China. Such western evaluative criteria could not be applied because of the distinctiveness between the Western and Chinese socio-cultural and political values and institution. It contends that the government of China is committed for the required reforms but the changes and evolution would be brought steadily. It has to maintain and balance the socio-political stability with its ongoing process of economic development.

The socio-political system of China also has an impact on its external relations. Paltiel (2006) has argued that because of the severe criticism by their own electorates, the

elected representatives often find it difficult to engage with an unelected and authoritative government. Canadians firmly believe in the principles of liberalism, rights and freedom, good governance and respect for human rights. The denial of basic human rights by the Chinese government to their citizens remains a huge barrier in developing relationship with other countries. Pei (2006) argues that China's economic growth has made it the largest trading partner of many of the countries around the world but due to its political system it would be difficult to consider China as a permanent friend of any of the nations. The acute differences in socio-political institutions, values and culture have terminated the possibility of China to become one of the genuine strategic partners of any of the democratic countries.

International impact: The consistent expansion of Chinese economy and its impact is widely experienced and acknowledged around the world. It is accompanied by its increased diplomatic and political stature at the national as well as international level. China's growing influence and penetration into domestic and international markets puts China at the locus of world affairs and international activities.

China repeatedly asserts and assures that being a rising power it assumes its responsibilities and understands the difference between balance of power and indulging in severe war or fights. Paltiel (2011) and Dobson (2006: 306) explain that China uses the metaphor "dragon" while defining their relationships with the major powers and larger countries. It claims that its rise is associated with the balance of power. It depicts that a single dragon might behave in an arrogant and intentional manner but the presence of two or more dragons will check the behaviour of others. Since China needs to ensure about the peaceful intentions of its rise and balance of power, therefore its policy responses and positions in the multilateral institutions to deal in areas of global importance such as environment, health and security cannot be overlooked.

Scholars have different opinions on the emergence of China and its increasing participation, role and policy responses at the international or multilateral organisations. These opinions can be divided into three different categories. The first opinion is supported by Ann Kent (2007), Alastair Johnston (2008), Edward Stienfeld (2010) and Rosemary Foot (2006) who argue that China has responded positively by integrating and co-operating with the international institutions. They believe that

China has integrated successfully to the western economic system and co-operating with the rules set by western nations. According to them, China has peacefully accommodated itself into the US dominated world system without confronting or challenging its dominance. China has merely diversified its relations with other world powers to reduce the US hegemony.

The second opinion is supported by Wu and Lansdowne (2008) and Li (2011). It has two variants--optimistic observers that view China's participation in institutions as a facilitator, maximise-ing its own interests by enhancing its bargaining capacity and indulging in decision making activities. The other variant is opined by pessimistic observers who believe that China has been using these institutions as a 'supermarket' where it accepts and takes what it wants to accept and ignores what it doesn't want (Wu and Lansdowne 2008 and Li 2011: 332-33).

Finally, the third opinion is put forth by J. Mearsheimer (2001) and Martin Jacques (2009). They believe that China's participation in various organisations is driven by its desire to transform the existing international order. They deny any possibility of China integrating with the existing international system and argue that it has been highly mistaken and misunderstood that China would not rival with the US. Rather, with the consistent increase of Chinese influence and power the two powers are destined to be adversaries and certainly China would attempt to overhaul the existing system.

Johnston and Ross (2004) argue that China has evolved itself to be at position where it can either co-operate as a facilitator or disrupt and hamper the entire process of peace, harmony, security and development. For example, China's recent assertions to their claim over South China Sea have initiated an entire international debate about the international sea law and navigation policies which has widening impact. So China's increased as well as responsible participation in the international system has begun to be quite relevant.

Canadian Public Opinion on China

The increasing international as well as national significance of China is itself believed to be a sufficient reason to foster a comprehensive debate about Canada-China bilateral ties. But doing so has become quite challenging because of the rising public

anxiety and negativity among Canadians towards China. Studies and findings reveal that such negative Canadian perception of China is not recent but it has deep roots.

Patricia Roy (2013) provides a very clear and useful account of Canadian perception towards China and Chinese immigrants from 1800 to 1970. She explains that “the nationwide media discourse on China was, if not still is, dominated by the public anxiety that China’s huge population was ‘like a swarm of locusts’, it would gradually overwhelm the white settlers’ places, exploit Canada’s local resources, take over all the jobs by accepting low wages, and were mean spenders who were incapable of assimilating to Canadian culture and did not contribute to local economy but sent most of their earnings back home” (Roy 2013: 118). She further provides the view of Canada’s first Prime Minister John A. Macdonald who did not have any personal contacts with any Chinese but warned against “the overmastering Chinese population who came upon Canada” (Roy 2013: 119).

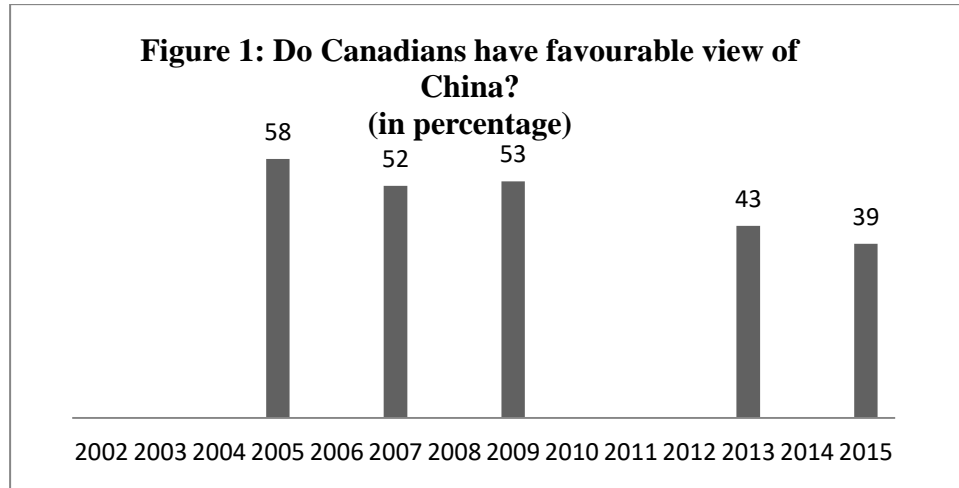
Evans states: “In 1949 only 40 per cent of Canadians supported diplomatic recognition. Even on the eve of recognition in 1969 only 52 per cent were in support. The number opposed was never less than 28 per cent and was at its high point of 44 per cent just before the Diefenbaker wheat sales in 1960” (Evans 2014: 77).

Canadian scholars, policy-makers and business community have long been aware of such negative public attitudes and realised its constraining influence on policy-making (Evans 2014 and Johnston et al. 1992). However, what has become more difficult is the recent swing and changes in Canadian attitudes of trade relations with China. Canada has always emphasised its economic relations with China even before the two countries established their official diplomatic relations (Meehan and Webster 2013; Evans 2014; Lo, 2011 and Burton 2011).

It was assumed that public opinion would gradually evolve with increasing people-to-people interaction, growing presence of Chinese community and their culture in Canada and also with China’s increased stature and trade between the two countries. But in comparison to the past and also with other western nations, Canadian favourability for China has not only declined but their perception of China has increasingly become negative and the situation has worsened in recent years.

In 2015, the US based Pew Research Centre has surveyed opinions of China around the world. Many of the western states considered the growth and development of

Chinese economy as good and beneficial for their own nation, while in contrast Canadians refused to adjust their country’s policies to encourage trade and investments from China (Pew Research Centre 2015). There is a consistent decline of favorability of China among Canadians in the past decade. The figure has dropped from 58% in 2005 to 39% in 2015 (Figure 1).



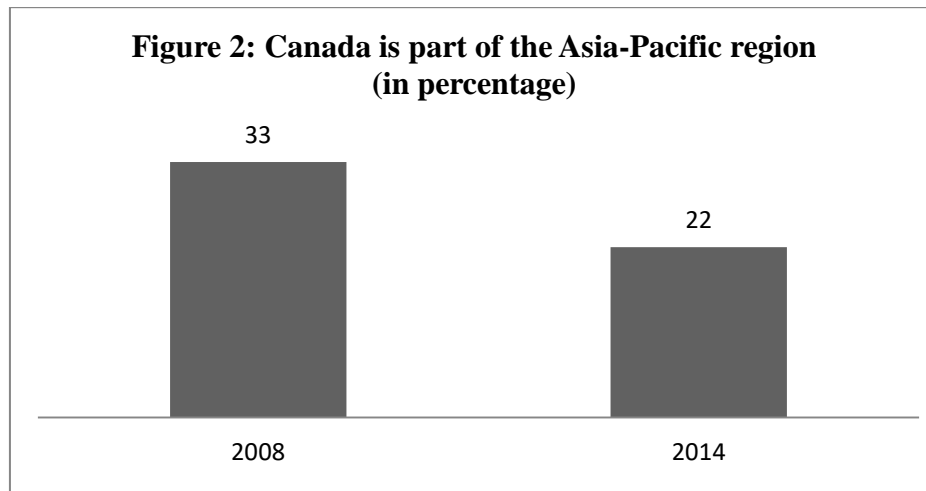
Source: Global Indicator Database in Pew Research Centre 2015

The surveys conducted by Lowy Institute of Australia (2011) and the BBC World Service (2011) show similar trends and beliefs. It reflected the Canadian perception of the vast size of China, significance of its economy and a fact that the opportunity with the rise of China is accompanied with a sense of uncertainty, anxiety and fear at times.

Evans (2014) argues that the general impression of China in Canada is similar to what it is elsewhere around the world but challenge is that the unwillingness of Canadians to trade relations with China is mounting rapidly against the shifting global rebalancing trends. Now the centre of gravity is Pacific-based and the economic growth of China is at the centre. International trade, investments and the global supply chain all revolves around it and Canada needs to be pro-active to claim its fair share of interests in the region and make its presence felt. However, Canada cannot make such presence felt and play an active role in the region with the constrained public opinion.

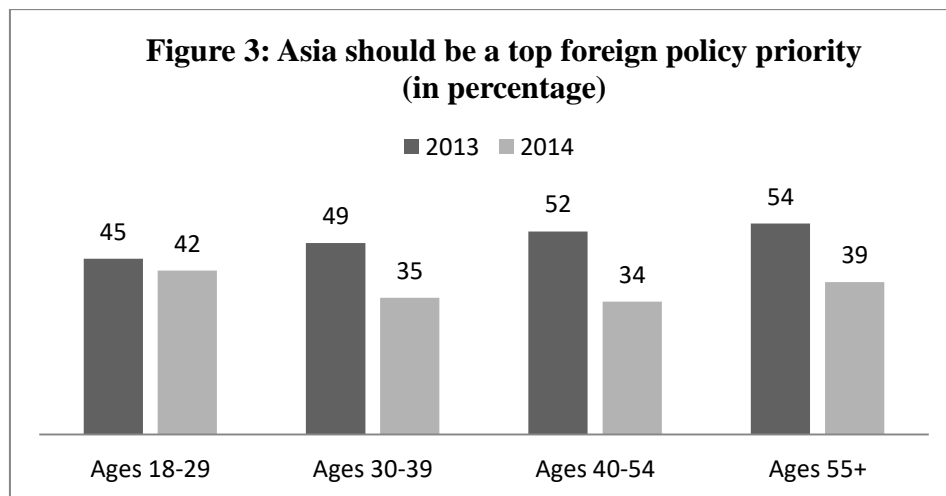
The Asia-Pacific Foundation of Canada (APEC) has been conducting national opinion polls on Canadian views on Asia since 2004. In 2008 opinion polls, 33% of

respondents considered Canada as part of the Asia-Pacific region while in 2014 it was only 22% (Figure 2).



Source: Asia-Pacific Foundation of Canada, 2014 National Opinion Polls

There is also a decline in the number of Canadians who believe that engagements with Asia must be Canada’s top foreign policy priority. In 2012, it was 55% but in 2014 it decreased to 37% only (Figure 3).

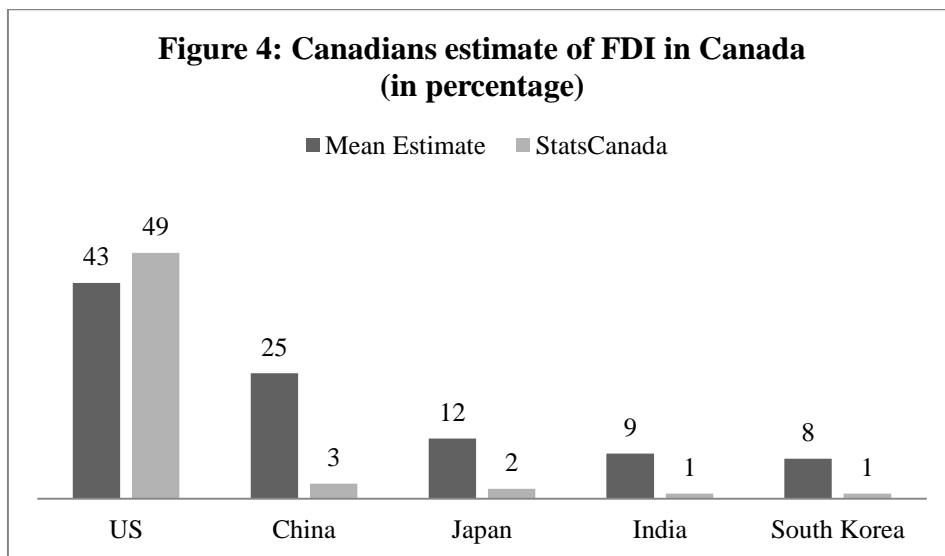


Source: Asia-Pacific Foundation of Canada, 2014 National Opinion Polls

Similarly, the number of Canadians who believed that China’s growing significance is important for Canadian’s economic prosperity has declined from 45% in 2003 to 35% in 2014. Canadians perception of China’s importance has also diminished from 60% in 2008 to 50% in 2012 to 44% in 2014. 67% of Canadians are supportive over the Free Trade Agreements (FTAs) according to the survey in 2014. But the surveys also revealed that such support varies depending on the partner country. In 2014, 60%

Canadians favoured the prospects of signing FTAs with the European Union (EU). Though support declined from the year before for Brazil and Japan, yet 45% and 56% respectively held favourable views. Only 36% favoured FTAs with China in 2014, while a year before it was 42%.

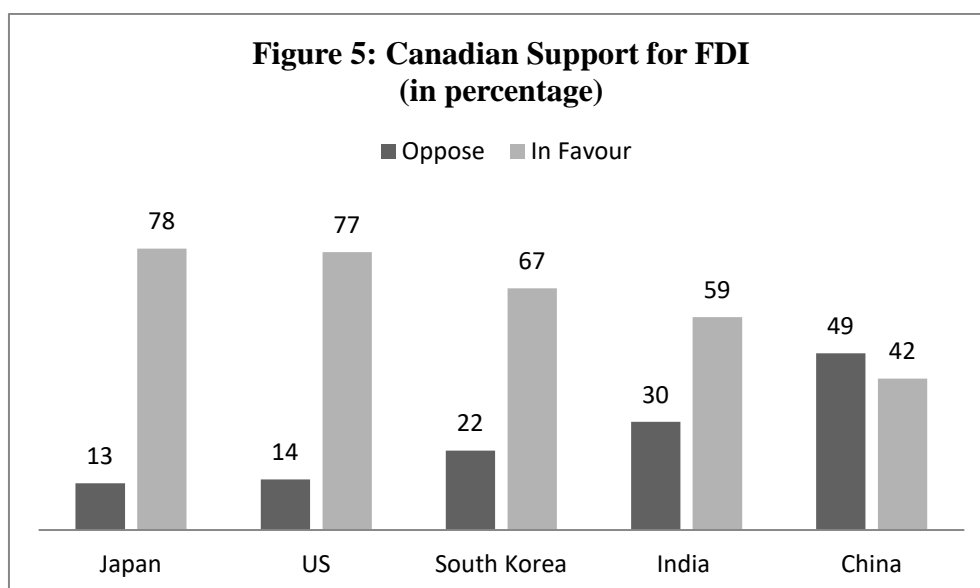
In the area of Foreign Direct Investment (FDI) the Heritage Foundation estimated that Chinese total FDI to Canada has increased from \$113 million in 2004 to \$39.4 billion in 2015. The Chinese embassy in Ottawa released documents that estimated Chinese direct investment in Canada at approximately \$50 billion. However, increased Chinese investment in Canada also increased Canadian’s wariness. It is estimated that approximately 3% of Chinese companies own FDI in Canada but the Canadians believe that such investments are around 25% (Figure 4). It also revealed that in comparison to other countries Canadians overestimated the extent of Chinese investment in their country.



Source: Asia-Pacific Foundation of Canada, 2015 National Opinion Polls

Canadians are anxious about investments from China because 48% of them perceive it as a loss of control over resources; 42% agrees that it would lead to poor labour standards; 40% believe that it would damage the environment; 30% see an increase in corruption and 29% associate it with security risks. In contrast to China, Canadians associated investments from Japan as 66% believed that it would bring new technologies; 39% believed it would increase trade; 39% believed it would lead to economic growth; 30% believed that it would create more job opportunity and 28% believed that it will enhance competitiveness.

APEC opinion polls in 2015 reflected that 49% of Canadians opposed any foreign investment from Chinese companies as against the 42% Canadians who said that they would support it (Figure 5).



Source: Asia-Pacific Foundation of Canada, 2015 National Opinion Polls

Canadians anxiety and suspicion becomes more severe when it comes to Canada’s natural resources. They worry that investments from greater powers like the US and China will lead to “loss of control over Canada’s natural resources” (APEC 2015: 9). A poll conducted by Abacus in 2012, shows that 65% of Canadians are uncomfortable with Chinese investment in Canadian natural resource companies and 73% feel uncomfortable about Chinese company buying or overtaking Canadian resource companies.

Such Canadian public opinion on China, according to Massot (2016) must be taken into consideration very seriously. He argues that Canadian perceptions on China is the result of a mixture of interest-based or normative concerns and also lack of greater contacts or familiarity with the region and country. Interest-based concern implies that Canadians view the emergence of China more as a threat than an opportunity for themselves. For instance, they fear losing control over their resources and loss of job and greater security concerns. Normative concern implies that Canadians believe more in western values, culture and institutions than other. They find the western countries as more liberal, law abiding and friendly than China or other Asian country. Now here, it is largely the responsibility of the government to move along the public

opinion with various policy formulation and implementation. The policies and role of government becomes more crucial with the changing and shifting of global power dynamics.

Conclusion

The theoretical description of Canadian foreign policy via—liberal internationalism; complex neo-realism; and peripheral dependence explain Canada's policies and responses in conduct of its external affairs. Canadians inherently and firmly believe in the principles of Liberal Internationalism. These principles are the foundation of Canada's foreign policy. Complex neo-realism and peripheral dependence are the choices to the Canadian policy-makers. It offers them a chance to pursue a slightly independent foreign policy in certain circumstances or to follow the lead of the US respectively.

In Canada's bilateral relations with China, the principles of liberal internationalism have always remained a determining factor. Canadians strongly believe that a peaceful and orderly world would be favourable for Canada. They also acknowledge that in an anarchic international system the emergence of any major power becomes a stormy political process. It might endanger the world peace if the rise of new power is not managed or balanced with the already existing great powers. The rise of China is one such emergence over the past decades that has puzzled the international community and inculcated a sense of uncertainty. That is why ever since the emergence of PRC in 1949, Canada preferred to accommodate and engage China differing from the US preference of containment. Since the exchange of diplomatic recognition in 1970, Canada's China policy could be observed as shuttling in between the complex neo-realist paradigm to peripheral dependence.

Canada's Asia-Pacific policy emerged as a response to the Canadian requirements of diversification and an urge for Canada's independent foreign policy. The recognition to China and its centrality in Canadian foreign policy as well as in Asia-Pacific policy was partially a response to Canada's requirements and partially it was a personal agenda of Pierre E. Trudeau. Trudeau and his administration gave enough importance to China and formulated policies respectively. However, their strategies and policies were not comprehensive and it failed in implementation. The government not merely ignored the structural and institutional differences between the two countries but also the role and impact of public opinion on its policies were sidelined. The initiatives

have always been taken by the government which leads a “top-down” process and not a “bottom-up” approach. In the recent years too, when the Chinese economy is doing well in the national and international arena and its role and significance has increased exponentially, Canada’s policies and perceptions have not moved in tune with the shifting global patterns. Therefore the role of the government becomes critically important.

It became even more important when the world went through a severe transition with the end of cold war and a transformed international scenario. Then the challenge for Canada was not merely restricted to redefining and re-prioritising its foreign policy outlook, goals and responses but also to revise, maintain and continue its bilateral ties with other nations in a transformed world order.

CHAPTER III

Chrétien Government's China Policy

Pierre E. Trudeau (1968-1979 and 1980-1984) was Canada's Prime Minister from Liberal Party when Canada and China formally established their bilateral diplomatic ties. The exchange of diplomatic recognition was a result of the prime minister's personal policy push and one of the prime agendas of the government. The government's "Canadian formula" giving recognition to China, developed Canada's relations with China. It also influenced and improved China's relations with other countries of the world.

Throughout 1970 to 1989, both Liberal and Conservative governments followed a similar pattern of policies towards China (Evans 2014). Canada respected China's concern over its national sovereignty and integrity. It emphasised on developing multiple layers of connections through various official visits. Establishment of economic ties were the key areas of co-operation and collaboration between the two nations until the 1989 Tiananmen incident.

In 1989, a student-initiated demonstration to bring social reforms in China was brutally repressed by the Chinese authorities at Tiananmen Square. The images of the massacre where tanks were rolling around and crushing down the civilians were captured by the international media. The virtual exposure and transmission of violent measures taken by the Chinese authorities to sustain their hold on power and crush its own citizens conveyed a horrific impression of PRC the world. It sparked an international outcry and came as a major jolt to the special Sino-Canadian bilateral ties. China had become controversial once again after the incident placing the Canadian government's China policy under scrutiny. There were strong emotions, debates and difference of opinions among policy-makers, bureaucrats, parliamentarians, politicians and media. The public response was divided too.

Debates and discussions all around the world including in Canada swung widely between two points of view (York 2007). One view supported an active engagement strategy through economic partnership, trade and investment. It assumed that 'warm politics' would eventually lead to greater economic interdependence and penetration of Chinese society and culture. It would deepen and widen the scope of bilateral ties

and might transform and evolve the existing Chinese socio-political system. The other view argued for coupling economic ties with the socio-political reforms. It believed that trade expansion could only be supported if China was committed to the reforms. In Canada, it became a "pro-democracy and human rights versus pro-business and trade" debate.

The Tiananmen incident in 1989 transformed the international, domestic and institutional context of Canada's China policy (Lefrancois 2016). Internationally, in the aftermath of the crisis, many countries responded with sanctions against China. The economic growth of China and its increasing significance in the Asia-Pacific region was also viewed against the supremacy of the US. Therefore, the international awareness of human rights issues and the fear of a revisionist China transformed the bilateral relations (Sinha 2003). Domestically, public opinion became wary of China. Earlier it was assumed that with the growing economic reforms China would evolve gradually. But such positive outlook of China with its consistent economic reforms turned into suspicion and uncertainty after the incident. Institutionally, the policy-making process towards China too transformed and widened.

Prior to the 1989 crisis, Canada's China policy was a state-centric affair where the Department of External Affairs (DEA) and Prime Minister's Office (PMO) played a key role. After the crisis, the China policy was largely influenced by various interests groups, business lobbies, IGOs, media reports and the concerns of Chinese Diaspora and Canadian citizens. The government had to consider these suggestions and inputs in its institutional process of policymaking. From 1989-1993, Canada's China policy was under stress of whether to continue or discontinue the previous policies and programmes.

While bilateral relations with China became constrained with the Tiananmen incident in 1989, the world was moving towards the post-cold war era. Beginning in 1989, with the failure of communism in Eastern Europe leading to the fall of Berlin wall and reunification of Germany; disintegration of USSR and emergence of newly independent states in 1991 the east-west rivalry ceased and the cold war came to an end. A new world order was evolving, transforming the bipolar structure of the world. The transformed international scenario was ambivalent and complex. To countries like Canada and China, such transformation brought a different set of challenges.

Initially, both countries had to adjust, re-evolve and re-evaluate their foreign policies accordingly to the changing international power structure. Bilaterally while Canada required setting in place some definite course of action in its China policy, China was keen to proceed with its economic reforms considering the incident as a faux pas.

Meanwhile in Canada in 1993, soon after the end of the cold war and five years after the Tiananmen incident, the federal elections took place and the government changed. The Liberal Party of Canada won and Jean Chrétien (1993-2003) became the new Prime Minister of Canada. The Liberal government of Chrétien faced difficult choices and challenges in the foreign and domestic spheres. The China Policy of the government was no exception to this.

This chapter begins by describing the post-cold war changes for Canada as well as for China. It is evident that any nation's foreign policy functions in an international and domestic scenario. The bilateral relations between the two countries are also determined by these two factors. Therefore it becomes necessary to understand the changes of the post-cold war era in Canada and China. How did the two countries respond and adjust their foreign policies? What changes did the post-cold war era bring to the bilateral ties between Canada and China? Further, in the post-Tiananmen incident, the debate on Canada's China policy has been discussed. The debate emerged only after the tragic incident of 1989 and it is still very critical and relevant to the bilateral relations. The debate is broadly divided into two sections: The Hard-Liners, who supported the human-rights issues; and the Moderators, who supported business and trade ties with China. It then looks into the Chrétien government's reaction and response to the China policy debate. Thus, the "Four-Pillar China Policy" of the government is analysed in this context. It explains the four identified key areas of co-operation between the government of Canada and China. The last section, discusses why the debate on the economy and human rights, which began after the Tiananmen incident was prevalent even after the end of the Chrétien years as Prime Minister? Especially after the government had developed a four-dimensional strategy.

The Post-Cold War Changes and Challenges

The end of the cold war saw the failure of communism in Eastern Europe, the unification of East and West Germany after the fall of the Berlin Wall and with the disintegration of the Soviet Union. These events brought significant changes in the international system. The cold war era was a superpower era, dominated by two superpowers—the US and USSR. It was an era of ideological conflict between capitalism supported by the western bloc led by the US, and communism supported by the eastern bloc led by the USSR. With the collapse of the Soviet Union, the US was left as the only superpower in the world.

Nossal writes that “across the globe, the end of superpower confrontation had brought political change as the calculus that had prompted great-power support of despotic, corrupt or authoritarian regimes changes and those regimes collapsed” (Nossal 2003: 77). Francis Fukuyama in his book *The End of History and the Last Man* (1992) described the end of cold war followed by the failure of communism, as the end point of mankind's ideological evolution. He argued that a single model of economic and political development, based on liberal democracy would become the "world's final form of human government" (Fukuyama 1989: 4). The other changes that were prompted by the end of the cold war were—broadening and widening the concept of security; increasingly globalised economy and its interdependence; and the global revolution in Information and Communication Technology (ICT).

Though these were the broad changes in the international system in the post-cold war era, it had ripple effects. The concept of security was stretched beyond the traditional concept of state security. Non-Traditional Security Threats (NTST) such as civil wars, ethnic strife, environmental issues, religious differences and extremism appeared dominantly. But it ushered in other changes where the international community agreed to intervene and co-operate; and multilateralism was revitalised to strengthen global governance. Similarly, the Uruguay Round of Multilateral Trade Negotiations were launched to address the requirements of an increasingly globalised and interdependent economy.

Therefore, the General Agreement on Trade and Tariff (GATT) in 1994 was replaced by the World Trade Organization (WTO) in 1995. There was also growing regionalism which led to the creation of several regional organizations like NAFTA in

1994 by superseding CUFTA (1988) and APEC in 1989. There were various changes for almost all countries around the world, but it had different implications for different countries. This section would briefly look into only those changes and challenges that the post-cold war era brought for Canada and China and was relevant to their bilateral ties.

Changes and Challenges for Canada: During the cold war years, Canada was considered a middle power in the international power structure. The middle power role was established because of Canada's internationalist policies and ideas in the conduct of its external affairs. However, in the post-cold war era when the US became the sole superpower, there was a high probability for Canada to become a satellite state (Dewitt and Kirton 1983; Minifie 1960; Granatstein 1970).

In contrast, it was also speculated that in an absence of any direct threat and US as the only superpower, Canada could act more independently than ever before. But in any case, it was argued that it would be a challenge for Canada to sustain its influential middle power role and continue with its internationalist policies (Cooper 1997; Nossal 1998). The change was not merely occurring in Canada's middle power status, where Canada would have to redefine its role and status in the international system. It also had implications for its policy-makers and institutions. It required overhauling of the international environment, re-examining and adjusting Canada's international policies in such a manner that it could match with Canada's capabilities and also resonate with its role during the cold war years.

In the immediate post-cold war years, Canada's international capability was constrained by its challenges at home. There was a challenge due to the security and economic changes at the global level but these changes were not as determining as were the domestic challenges. Domestically Canada was facing two serious problems— fiscal deficit and the Quebec/national unity crisis. The two internal challenges heavily influenced Canada's behaviour in its external affairs.

Fiscal Deficit: Canadian economy faced some serious challenges in the early 1990s. There were five interrelated economic problems—“lack of growth, high unemployment, high long-term interest rates, high level of foreign indebtedness and excessive government debt and deficits” (Kirton 2007: 152). The Wall Street Journal (1994) commenting on Canada's financial situation declared that “Canada had

become an honorary member of the third world” and dubbed Canadian dollar as “Canadian peso”. Potter depicts that “the number and complexity of the opportunities related to foreign policy had increased but the resources to manage such increased capacity had decreased” (Potter 1996/97: 25). Stopford and Strange (1991) stated that wealth was necessary for preserving a state’s survival and its solidarity from external as well as internal threats. In the absence of wealth or without any prospects of wealth, the state falls apart even without external threat. Thus addressing the economic problem of the nation was one of the biggest challenges for the government of Canada.

Quebec/Nation Unity Crisis: The demand for separatism by Quebec nationalists emerged during the 1960s. In the 1980s and 90s, some important developments took place in Canada-Quebec relations. In 1987, the Meech Lake Accord and in 1992 the Charlottetown Accord came to consolidate the demands of Quebec nationalists and keep it within the confederation. However, these accords failed and the issue of separatism remained unresolved. The issue of separatism heightened in 1994 when the Parti Quebecois returned to power in Quebec and Jacques Parizeau became premier. The Quebec premier wanted a referendum which took place in October 1995. The then Canadian Prime Minister, Jean Chrétien was apprehensive of the success of Parti Quebecois and in the last days of his campaign he explicitly stated that reforms would take place only if the referendum was defeated. . Though the referendum was defeated by a narrow margin where 49.4% of voters supported separation while 50.6% rejected, it brought a serious challenge to Canada’s national unity and integrity.

Changes and Challenges for China: Due to the collapse of the Soviet Union and the failure of communism in Eastern Europe, capitalism gained new momentum both in former communist states and in many developing countries. It constituted a big political and psychological shock to the Chinese polity. These changes and developments in the international arena deepened the crisis of confidence existing among many intellectuals, students and even some workers and officials in China.

In contrast, the leading position of the US in the post-cold war era was described by Chinese scholars as *yi-chao-duo-qiang* which implies “one superpower and several big powers” (Shih and Shi 2012; Brown et.al. 2000 and Koehn et. al. 1999). Jin Canrong, the former Deputy Director of US Government Studies at the Institute of

American Studies, Chinese Academy of Social Sciences argues that “the US became unshakable and its comprehensive national power was unparalleled by any single country in the foreseeable future” (Canrong 2001: 309). Colonel Li Qinggong, director of the Comprehensive Security Research Division of the Second Department of the People’s Liberation Army’s (PLA) General Staff Department (intelligence), described US hegemony as the biggest security challenge in Asia and the world (Brown et.al. 2000). The strategic significance that China enjoyed during the cold war years ended.

It was also speculated that due to the broadening concept of security and blurring of the lines between the domestic and global issues, the US and its allies could intervene in other sovereign but ‘failed’ states on the grounds of addressing the transnational security threats. But the main agenda of intervention is ultimately to spread liberalism. Thus, it became necessary for China to put obstruction to western interference in its internal matter (Chen 1993: 239). Here, the serious challenge came from the revolution in global information and communication technology.

The challenge for the government of China was two-fold—first, it required catching up with the developments in the area of science and technology. It is only then that it could raise its status and narrow the gap with the developed western countries. Second, it required regulating and maintaining a check on such developments in and outside China. The Tiananmen incident got exposed to the world due to the presence of international media in China in 1989. The event was broadcasted all around the world which created a strong public opinion against China. Such strong public support from outside the world could further instigate the internal resistance and protest against the government.

Another serious challenge was observed in the economic sector. In an era of an increasingly globalising and interdependent economy, China wanted to integrate with the global economic system and catch up with the economies of industrialised countries of the west, Asia's Newly Industrialized Economies (NIEs) and the countries of ASEAN. Developing its economy became imperative for China.

The Debate on Canada's China Policy Post-Tiananmen Incident

In 1989, a series of protests were organised to condemn the authoritarian policies of the communist government of China. These protests also initiated a pro-democracy movement to bring socio-political and economic reforms in China. The protests were initiated and organised by groups of students, activists and intellectuals in China. Later, it was supported and joined by Chinese citizens in large numbers.

As the movement developed and rapidly began to spread around the cities, the authorities and leaders within the Communist Party of China considered it a political threat. They perceived it as a challenge to their legitimacy and stability. Therefore, the government sought to resolve the issue with the use of force. The State Council, which is a chief administrative authority in the PRC, declared martial law in the country in May 1989. After declaring martial law, it began to mobilise its People's Liberation Army (PLA) to its capital, Beijing.

On June 4, 1989, the Chinese military authorities ruthlessly suppressed the demonstrators in and around the Tiananmen Square in China. They fired at demonstrators with automatic weapons and made widespread arrests. The events in China were consistently followed and broadcasted by the international media. The outbreak of the news of the Chinese government's violent crackdown at Tiananmen Square shocked the international community. The massacre at Tiananmen Square in China was looked on with great disbelief and horror by the entire world. The Chinese government's response received severe criticism from almost all the countries around the world, especially by western countries.

The international outcry and widespread criticism did not merely come in reaction to the government of China. It also came in response to the policies and programmes of the respective western liberal democratic governments that overlooked the human-rights violations of Chinese authorities and continued with their engagement strategies. The media exposure made it clear that the Tiananmen incident did not happen overnight. It was the result of a long history of Chinese struggle for socio-political reforms.

The ignorance of China's human rights violations by the governments in west and their continued engagements with China questioned the liberal notion that whether the

deepening of economic ties would really help in fostering the socio-political developments in China, especially after the incident of Tiananmen? Frolic points out that "views of China changed substantially, from a vague sense of exoticism before the massacre to a view of the harsh authoritarian regime led by ageing leaders who killed their own citizens" (Frolic 2000: 7). There was a huge demand from all corners of the world to take actions against the government of China.

In Canada also, mass protests were marked by the people of Chinese origins and their supporters in Toronto, Vancouver and British Columbia (Evans 2014). As there was an increasing demand for policy reconsideration, many countries responded with sanctions against the government of China. There also began a debate among the scholars, intellectuals and policymakers around the world about the strategic implications of China. Will China challenge the US hegemony in the East-Asian region because of its rapid economic growth and influence in the region? Or will it bring a balance of power? Another point of discussion was how the liberal international order would sustain itself and accommodate China.

While speculations, debates and discussions continued, the Government of Canada responded immediately to the incident. The Chinese ambassador in Canada was summoned to the Department of External Affairs on June 4, 1989 and Canada's displeasure at the developments in China was conveyed (Gecelovsky 2001). The next day on June 5, 1989, Canada's Secretary of State for External Affairs, Joe Clark delivered a speech to condemn the incident (Department of External Affairs 1989).

In his speech, Clark announced a series of measures such as postponing all high-level visits; suspension of consultation in nuclear co-operation and programmes in defence; and all the events and the signing of the Memorandum of Understanding related with the development assistance programmes were put on hold (State Department Bureau of Intelligence and Research, China, 1989 and Gecelovsky 2001). The government of Canada extended the visas of Chinese nationals. The Canadian ambassador to China, Earl Drake was also recalled for consultation. Canada was the only country to recall its ambassador from China. Nossal explains the Canadian government's action as an "indication of disapproval" (Nossal 1994: 174).

Gecelovsky and Keenleyside (1995) categorise the Canadian government's response in two categories--supportive measures and punitive measures. Supportive measures

were intended to help and assist the Chinese people. It extended the visas of those Chinese nationals residing in Canada and extended the immigration programme to their families too. The government also simplified the immigration procedure for Chinese people. The punitive measures were against the government of China. It cancelled all high-level meetings until an appropriate time, suspended military ties and sanctions were applied in the area of trade and commerce. It advocated enhancing the Canadian monitoring capacity in China with regard to human rights and socio-political reforms. It also advocated discussion in the UN and possibility of taking multilateral action against China.

On June 30, 1989, a statement entitled "China and Canada: The Months Ahead" came from the Department of External Affairs (1989c). It outlined four fundamental parameters to initiate any policy response towards China. First, the nature of bilateral ties between Canada and China was changed therefore the Canadian government could not continue with the "business as usual approach" (DEA 1989c). Second, the bilateral ties were still significant to Canada and there was no "anti-China policy or sentiments" in the government (DEA 1989c). Third, the government in its policies and programmes did not intend to isolate China. Fourth, the government of Canada would attempt to "coordinate the policy responses with other like-minded nations" in order to maximise the effects of measures taken against China (DEA 1989c).

The Canadian response to the 1989 Tiananmen incident seemed much more intense than the reaction of the strategically resourceful countries like US, Japan and the European Economic Community (Gecelovsky 2001). Yet these measures had little substance and have been described as "merely window-dressing" (Gecelovsky and Keenleyside 1995: 590). These measures were mostly ineffective because of the restrained response from other countries; and in any case, Canada, within a month removed sanctions in the area of trade and commerce and resumed its ties with the government of China.

The Canadian government became cautious of its China policy after the incident. It initiated an examination, discussion and exploration of Canada's human rights policies in its relations with China. Keating and Gammer (1993) argue that human rights did not feature in Canada-China bilateral ties prior to 1989. Wilson, Gecelovsky and Keenleyside recall that the groundbreaking decision to recognise PRC and

establishment of diplomatic relations in 1968 was taken at the time when the Great Proletarian Cultural Revolution was at its heights (Wilson 2001; Gecelovsky and Keenleyside 1995). The atrocities associated with the revolution severely damaged the economy, ruined millions of lives and pushed the nation into turmoil, bloodshed, hunger and stagnation.

Again in 1979, when the Xidan Democracy Wall movement² was quashed the Canadian government signed a treaty on Canada-China Economic Cooperation (Holden 2008). It was an agreement to establish a joint committee to review bilateral trade issues and promote trade in high technology goods and services. This implies that the human rights issue was never on the agenda of the government of Canada in its relations with China. It was believed that eventually, these measures would lead to socio-political reforms but intentionally it was never included in the agenda.

Wilson (2001) along with Keating and Gammer (1993) have argued that the issue of human rights did not feature prominently in Canada's China policy and it was a matter of concern for very few officials in the government. Evans (2014) has also argued that occasionally few voices have been raised on the human rights issues in China but neither at the Prime Ministerial level nor as an agenda has it appeared in Canada's China policy. For instance, Mark McGuigan, the Secretary of State for External Affairs in 1981 advocated for legal reforms in China's human right policies (Gecelovsky and Keenleyside 1995).

Similarly, Michel Gauvin, the Canadian ambassador in Beijing from 1980-1982, opposed the Canadian government's initiative of development aid to China (Gecelovsky 2001). He refused to justify the initiative in the absence of human rights. He also questioned the Chinese government's commitment to developing its nuclear weapon capabilities when the economy was in decline and people were living below the standards.

Gecelovsky and Keenleyside (1995) argue that unlike a number of countries in Africa and Eastern Europe, China's human rights violations were not acknowledged and ignored in the annual reports of the Department of External Affairs, Canada. It was also missing in the Prime Ministers speeches on various occasions. Mahoney

² The movement began in late 1978 as a critique of the Cultural Revolution and publicly demanded political reforms and human rights.

describes it as "the biased rather hollow approach" of Canadian leadership (Mahoney 1992: 565). It also perceives the selectivity in Canadian response as based on the cost-benefit analysis (Webster 2010). It has turned a blind eye to countries with which it has had significant political-economic ties while it takes action against those countries where it has less and limited interests.

When the Canadian government's China policy was put to test after the 1989 Tiananmen massacre, it became necessary for the government to conduct a comprehensive review of Canada's relations with China and consider the wide-ranging response from the various sections of the society. The government, therefore, organised a national Round Table conference in Ottawa in 1989 Gecelovsky (2001). It selected "40 people from the business community, the Chinese-Canadian community, the academic community and the officials from various government departments who were involved in the policy-making process".

The outcome of the conference had too many reactions and suggestions which could broadly be divided into two categories—first, there were those who wanted Canada to take serious actions against China's human rights violations; and the second, those who did not want to disrupt the bilateral ties, especially the economic ties. The ones who wanted serious action against China could be described as the 'Hard-Liners' and the others who wanted to continue have been described as the 'Moderators' (Webster 2010; Mahoney 1992; Gecelovsky and Keenleyside 1995).

The Moderators— Pro-Business, Trade and Commerce: The moderators believed that the Tiananmen incident was a political issue and any political issue must not influence Canada's economic relations with China. This view was supported by most of the premiers of Canada's provinces, officials and bureaucrats working on China, members of the Canadian business community and the farming community in Canada.

The major argument forwarded by this group of supporters was that Canada has been striving to develop and strengthen ties with China for last 20 years and one incident could not be the mere reason to disrupt trade linkages. Political issues must be resolved on political platforms and not by interfering and destroying economic linkages. The officials and public servants, who were working on China, including the Canadian ambassador to China, Earl Drake, argued that it was necessary for Canada to respond to the required socio-political reforms in China (SCEAIT 1989). However,

it must not disrupt the key aspects of the bilateral relationship between the two countries.

It was argued that enough time, efforts and financial resources had been invested in China by the Canadian companies and the government of Canada at large. Any stringent measures against China could have wide-ranging impact for Canada and to Canadian businesses in particular. Canadian anxiety over their loss in China—first, the material loss; and second, the trust-deficit between the countries was explained. It was further argued that material loss would mean not only the immediate effects on business as usual, but also the long-term effect on Canada's share of markets due to the stringent measures of their own government. The economic significance of China as a developing economy and the intense competition for markets in China was acknowledged around the world. Major power such as the US, Japan and the countries of Europe and also middle power nations like Australia are no exception to this.

Thus, the Moderators argued that due to co-relating the political issues with economic interests, the Canadian companies would not just lose their markets in China but the companies of other countries would take advantage of such circumstance at the expense of Canada. Pratt while favouring the continuation of trade ties argued that other “less squeamish” countries would eventually take benefits if Canada failed to recognise trade opportunities with China (Pratt 1995: 4). He highlighted the ineffectiveness of sanctions against China in the absence of a collective measure by all the countries.

The business and farming community in Canada lobbied for their interests to the government of Canada. Paul Desmarais, one of the founding chairmen of the Canada-China Trade Council (CCTC)—later renamed as Canada-China Business Council (CCBC) in 1978—and a very close friend of Prime Minister Brian Mulroney, along with 120 corporate members, met the government officials. They pressurised the government to not take any such measures that could influence the financial well-being of Canadian firms and businesses in China.

Similar to the business community in Canada, the farming community also came forward and argued for their interest. The farming community included the farmers and co-operative grain companies like the Prairie Wheat Pools and the United Grain Growers (Gecelovsky 2001) requesting a continuation of their exports to China as

usual. The livelihood of most of the farmers was dependent on exporting their produce to China. Frolic (1989: 4) estimated that "one in three farmer's income is related to their grain exports to China". The significance of wheat sales to China for the Canadian farmers could not be overlooked. Thus, the government of Canada was asked to be very cautious of its actions in its relations with China. It was one of the strong reasons that the Premiers of most of the Canadian provinces advocated continuation of the economic linkages.

The supporters of this stream also acknowledged the fact that the socio-political reform in China is imperative as it would introduce transparency, better institutional and legal reforms in the areas of finance, commerce and investment. However, they opposed the idea of inter-linking political and economic issues. They also believed that economic ties reduce isolationism and broadens the horizons to accept and adapt to the new international rules, regulations, ideas and values.

The Hard-Liners— Pro-Human Rights and Reforms: The Hard-Liners wanted a tougher approach and favoured extensive measures against the government of China. They perceived the communist government of China as a perpetrator against human rights and considered it necessary to interlink the political issues with economic issues. They wanted the government of Canada to take stern political action and impose economic sanctions against China.

This view was widely supported by the Canadian public, the media, and members from different sections of society like academics and politics, and various NGOs and IGOs in and outside Canada. Here, it is important to note that the various groups that supported this stern response against the government of China and advocated interlinking of political-economic ties did not emerge immediately after the 1989 incident.

There were few groups in Canada which were formed in the late 1960s and 70s to lend support to the demonstrations in China and there were some groups which emerged in the aftermath of the incident of 1989. However, it was only after the incident that the pre-1989 groups came to the forefront to suggest and influence Canadian policymaking. Gecelovsky (2001: 87) depicts that one such prominent group of pre-1989 period was the "Toronto Committee for Concerned Citizens". It

supported “the Movement of Democracy in China formed by Joseph Wong, a physician in Toronto” (Gecelovsky 2001: 87).

The Committee had supporters like “John Polanyi who was a Nobel Prize winner and a professor at the University of Toronto. It also had support from the members of Toronto City Council; the Ontario Federation of Labour; Oxfam Canada; and the Canadian Federation of Students” (Gecelovsky 2001: 87). In the post-1989 period, among one of the prominent group was formed in Vancouver, the Canadian-Chinese Committee for Democratic Movement in China. The group had members like Raymond Chan, the former Secretary of State for the Asia Pacific (Nossal 1994: 165).

The major argument presented by this group of supporters was that economic interests were not immune to the socio-political ties. The very liberal notion that the increased level of trade and investments would eventually transform China’s socio-political institutions seemed to be failing (Evans 2014). China was continuing on its path of economic success but the socio-political institutions did not evolve over time. China was an emerging economy, with its largest population and worst human rights violation tendencies in the world (Evans 2014).

Thus it was argued that there is an immediate necessity to interlink the values of human rights and democracy with trade and foreign aid. Many felt that for Canadians it was a great matter of concern that “the repressive regimes which fail to respect the rights of their own citizens may show a similar lack of respect for the rights of their economic partners” (Maclean 1994: 28).

Public opinion in Canada also turned against the Chinese regime. Such strong public opinion was indeed fomented by the media reports and their extensive coverage. Gecelovsky (2001) describes the numerous ways through which the public opinion was expressed. One of the extreme³ ways of expression was sending letters to the government officials and newspaper editors. It is estimated that the total amount of letters received by the Department of External Affairs was approximately 2,074 (Gecelovsky 2001: 86). Among these letters, approximately 1,059 letters had no policy directives but just wanted to demonstrate their protest to the government. Of the 839 letters that suggested a policy directive, 822 letters supported economic

³ It was extreme because in large number, letters were sent to the officials and editors of newspaper. Such extent of protests and concern were never noticed before.

sanctions against China (Gecelovsky 2001: 86). It was an overwhelming majority who called for stern response and the government could not overlook such policy inputs.

The demand for a stern response never intended to sever the ties between the two countries. It intended to advocate serious action against the government of China and stressed on the significance of maintaining and promoting people-to-people ties between Canada and China. O'Brien (1992) explains that there were groups like the Canada-China National Council that worked for strengthening the bilateral ties in the areas of academic and cultural exchange. Such groups argued that Canada must aggressively protest to the Chinese regime through various bilateral and multilateral measures, but in no way, it should disrupt or terminate the socio-cultural and people-to-people ties. It also argued that Canada must use its diplomatic skills and status to convince and persuade the other nations in G-7 and the UN to adopt more critical measures against China (Nossal 1994).

The Four-Pillar China Policy

When the Liberal government of Jean Chrétien came to power in 1993, the 'special bilateral relationship' that was established during the Trudeau years did not exist. Canada's China policy had once again become a contested issue. Unlike before, Canada's China policy was not single-mindedly driven by economic interests. A new agenda of human rights and socio-political reforms were added in the policy directives. The Canadian public, various interest and pressure groups now became more active and involved in Canada's China policy. There began democratisation of Canada's China policy where the policies were not merely flowing from 'top-to-bottom' but there were demands and pressures from 'bottom-to-top' too.

There were more input and feedback for the government's policies and its role. Canadians wanted their government to stick to their values--democracy, liberty, equality, transparency, good governance and respect for human rights--in the conduct of Canada's foreign affairs. The Chrétien government was mindful of these demands of the Canadian public and therefore it attempted to reinvigorate Canada's China policy.

The Liberal government of Chrétien took no time in signalling its enthusiasm for getting the bilateral ties back on track again (Gillies 1996). Soon after the government

came into power, the exchange of high-level visits between the two countries was resumed. In November 1993, China's Minister of Foreign Trade and Economic Cooperation, Madame Wu Yi visited Canada. She was received in Ottawa by the Minister of International Trade, Roy MacLaren. The former Canadian ambassador to China Earl Drake remarked that "Canada is back in the loop" (Gillies 1996: 273).

In March 1994, MacLaren in a statement introduced a China policy which was based on four pillars. It included: economic partnership; sustainable development; peace and security; and human rights and rule of law (Evans 2014). MacLaren outlined a policy which appeared conducive to the demands of moderators as well as the hard-liners. The Canadian Minister of External Affairs, Andre Ouellet in May 1994, argued that "Canada could influence China to move towards democratisation through methodological and diversified contacts based on economic partnership, sustainable development, peace and security, and human rights" (Melakopides 1998: 173). It was also stated that the government's China policy would not sacrifice one at the expense of others.

Economic Partnership: The Canada-China bilateral relationship revolved around trade ties since the wheat sale to China began in 1957. It remained a key aspect of bilateral ties during and after the exchange of diplomatic recognition in 1970. Evans (1993) depicts that the economy is the principal element in Canada-China ties. In the 1980s, the two-way bilateral trade between Canada and China was approximately C\$ 1 billion; in 1990 it was C\$ 3 billion; in 1991, C\$ 3.7 billion and in 1992, C\$ 4.7 billion (Evans 1993: 24). Holden argues that "China is Canada's fastest-growing major trading partner" (Holden 2008: 11).

Since 1990 Canada's total two-way trade with China increased by an average of 17.4% annually whereas with other countries the annual increase was about 6.4% (Holden 2008). The Liberal government of Chrétien was also cognizant of the significance of economic partnership with China. Therefore, it stated that the government was committed to establishing an economic partnership with China "to create jobs and prosperity in Canada and benefit the people of China as well" (Evans 2014: 43).

In 1994, a joint committee report of the Canadian parliament was submitted to the government. It recommended that the Canadian government pursue an overall integrated trade strategy in co-operation with the provinces (Joint Committee 1994). It suggested a long-term plan to create and promote an international orientation for businesses in Canada. In the meanwhile, in March-April 1994, MacLaren along with the representatives of approximately forty Canadian firms travelled to China.

The government initiated a programme for Export Market Development. It declared that the government would financially assist those “Canadian exporters who are attempting to break into the Chinese market” (Melakopides 1998: 173). It concentrated on firms whose sale was not more than C\$ 10 million or had 100 co-workers maximum. It singled-out these pre-organised export firms/companies to travel with the Canadian minister of international trade. It intended to prepare these firms according to the needs of the Chinese market. It believed that these firms could prepare themselves according to the required market intelligence, especially in the service sector. It could also recognise those specific markets which had the highest probability of growth.

Soon, as recommended by the report, the Chrétien government in November 1994 came with an integrated trade strategy, known as “Team Canada”. It was an international business team organised by the government of Canada to strengthen partnerships and establish co-operation at three levels. It included co-operation with the federal government; the provinces within Canada; and with the private sector. The private sector included the larger firms which already had export experience and small and medium enterprises (SMEs) which the government was prepared to assist. The Chrétien government was also willing to integrate the federal policies with those of Canada’s provinces. It stated that the federal government could assist the interested Canadian provinces who wanted to expand their policies, programmes and services in the foreign markets.⁴

In November 1994, Team Canada made its first visit to China. The first delegation was led by the Canadian Prime Minister, Jean Chrétien. He was accompanied two cabinet ministers (one of whom was Maclaren); nine provincial premiers; the

⁴ In Canadian federation, the provinces have the jurisdiction to enter into an international treaty with a foreign country.

territorial government leaders and mayors; and approximately three to four hundred business executives (Cooper 1997; Kwang 2007; and Jiang 2009). It was Canada's largest trade delegation ever. Canada's pragmatic approach was well received by their Chinese counterparts. As a result, approximately fifty commercial contracts were signed by the Canadian and Chinese companies in Beijing amounting to about US\$ 5.3 billion (Melakopides 1998).

Later, fifteen more agreements were signed in Shanghai which was valued at US\$ 330 million (Melakopides 1998). Furthermore, a treaty was signed between Atomic Energy of Canada and China's Bureau of Nuclear Power to purchase two CANDU reactors for US\$ 3.5 billion. Canada's two-way bilateral trade with China increased from US\$ 4.7 billion in 1992 to US\$ 6.5 billion in 1995 (Evans 2006).

In 1996, 1998, 2001 and 2003 the Team Canada sequentially visited China. During all its visits, the delegation consisted of officials and ministers from the Canadian federal government, provinces and business executives. The Team Canada initiative shifted the concentration of Canadian trade from North America to Asia-Pacific. Besides China, the Asian trade tour of 'Team Canada' visited countries like Hong Kong, Indonesia, Vietnam, Philippines, Japan, South Korea, Australia, New Zealand and Thailand. Among all the other nations, China was given the topmost priority. In a detailed foreign policy statement entitled *Canada and the World, 1995*, China was featured as a major market and key economic player not only in the region but in the world (DFAIT 1995).

Roy (2004) argues that due to an increase in exports to China, Canada was able to dilute its conventional dependence from the wheat sale to various industrial goods and forestry products. Until 1992, approximately 60% of Canada's overall bilateral exports to China were dominated by wheat.

However, by 2003, it was reduced to merely 10% of Canada overall bilateral exports to China (Minister of Industry, Statistic Canada 2004). The reduction in the demand for wheat was supplemented by increased demands in the area of seafood, oilseed and meat. The industrial sector marked an increase of approximately 45% with materials such as metal, iron-steel and nickel with a minimal rise of 15.8%, 6.3% and 4.1% respectively. An increase was also noticed in forestry products of approximately 24%

and in capital goods⁵ of 11% (Roy 2004; Gov of Canada 2004). By the end of Chrétien's tenure as a Prime Minister, Canada's total merchandise trade with China increased from approximately \$ 7.94 billion in 1996 to \$ 23.39 billion in 2003. In service trade, it increased from \$ 0.74 billion in 1996 to \$ 0.90 billion in 2003.

Peace and Security: In 1994, a White Paper on Defence was published by the Government of Canada. It stated that Canada's military security is guaranteed by its membership to the North American Treaty Organization (NATO) and North American Aerospace Defence (NORAD) agreement (DFAIT 1994). However, in the post-cold war era, the concept of security was more complex. Though the chances of a direct threat to Canada's territory had lessened, it had not disappeared completely. It identified inter-continental threats with a longer-term problem.

Besides, it argued that there were a wide range of issues from intra-state conflict to mass migration; terrorism and extremism; environmental degradation; trans-national crime and communicable diseases; over-population, hunger and poverty. All of these were a threat to security and were common security interests in the new international environment. Evans (2014) called it an era of shared opportunities and common challenges where every nation's interests were connected with the interest of the international community. Thus, Canada attached great importance to China in order to resolve these common issues with joint efforts. It argued for addressing the issues of peace and security in an integrated manner.

In 1995 and again in 2000, a foreign policy document was released by the Liberal government of Chrétien (DFAIT 1995; 2000). It stated that the promotion of global peace was the key to protecting Canada's security. It emphasised peace and security as a central element in Canada's foreign policy and recognised peace, stability and security as prerequisites for developing and strengthening bilateral ties, especially economic ties. The government believed that Canada's security, including economic security, increasingly depends on the security of others. Therefore, it emphasised on the need of sharing the opportunities together for mutual growth and development rather than competing with each other for resources.

⁵ Capital goods include those goods, which are used in producing other goods instead of being directly brought by consumers.

Canada wanted a peaceful rise of China and its accommodation into the existing world order. However, it was also aware of the fact that China's emergence might increase regional rivalries which could escalate into a conflict. China's expanding military capabilities and its territorial disputes with other neighbouring countries was a major concern for Canada (Evans 1993).

Thus, the Chrétien government designed a strategy to become more active in various regional security initiatives. It supported and participated in regional security dialogues like Asia Regional Forum, the Council for Security Cooperation in the Asia Pacific, and the Canadian Consortium for Asia Pacific Security (Department of Foreign Affairs and International Trade 1995). Canada's involvement in such security and peace-building initiatives was increasingly considered necessary as the government was concentrating its resources more in the Asia-Pacific region. It was felt that Canada and China must co-ordinate and co-operate their policies in the international institutions and multilateral organisations for their mutual benefit.

Unlike the economic partnership with China, no specific agreements or negotiations took place in the area of peace and security. The official documents released by the Liberal government of Chrétien broadly discussed peace and security and did not design any specific policy or programme for China. Any specific policy or programme could not take place due to Canada's commitment to the NATO and its relations with the US; and also because of the differences in the peace and security policies of two nations. Canada considered the issues of peace and security as a global concern. It believed in an integral approach.

In contrast, China believed in pursuing an independent policy of peace and security. It did not believe in an integrated approach while conducting bilateral ties with other nations. Cao (2013) argues that the odds between the policies of the two countries can be noticed while making a Foreign Direct Investment in underdeveloped countries such as Africa. For countries like Canada socio-political reform is a pre-condition for providing any development assistance or making any investments and building any economic partnership. But for the government of China, socio-political reform is an internal affair of any country and therefore it is not any concern for building an economic partnership. Cao (2013) argues that such an independent and segregated approach of the Chinese government has made them more preferable among the

African countries. However, such a narrow perspective also presents a threat to global peace and security from the Canadian perspective.

Sustainable Development: The sustainable development strategy of the Liberal government of Chrétien was based on responsible decision-making in the areas of trade, development and environment. The government's strategy was inspired by the Brundtland Report⁶ which defined sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Hauff 1987: 6).

Chrétien government recognised the economic benefits of development for the developed as well as developing countries but it also focussed on the short and long-term implications of development on the environment. The Canadian government report released in 1994 stated that "sustainable development is important to the well-being of individual Canadians and to our national, regional and global security, it is linked to our trade and economic relations and part of the identity that Canadians project abroad and the basis of Canada's development cooperation" (CCIC 1994: 3).

While defining sustainable development in Canada's relations with China, the government stated that it is a matter of common security and good economy (DFAIT 1995). It argued for co-operation and interdependence in the areas of environment, development and trade. It stated that environmentalists, development specialists and trade economists share a common interest in promoting efficiency. Efficiency in production does not merely restrict the drain on the scarce resource such as raw material and energy resources but also supports and strengthens the regenerative capacity of the environment.

Thus, developed countries like Canada who have the expertise and efficiency in certain areas of production could assist and co-operate with the developing countries like China towards sustainable economic development. It argued that the prime reasoning behind an open trading system is that the most efficient producer could reasonably facilitate its goods and services to the world. It would be the responsibility

⁶ In 1983, the UN set up a commission on environment and development. It was created to find ways to save the human environment and natural resources and prevention of the deterioration of economic and social development. The commission is formally known as World Commission on Environment and Development. It is also known as the Brundtland Commission.

of the producers to ensure that it promotes sustainable development by finding a fine balance between the trade, development and environment.

It argued that “an effective programme of development cooperation, that promotes sustainable development, must address environmental, economic, political and social issues in an integrated way, and must take cultural realities into account” (DFAIT 1995: 40). A sound development programme must be people-centred. It must focus on “human development-- on building capacity, which means helping women, men and children in developing countries, their communities and institutions, to acquire the skills and resources needed to sustain their own social and economic progress” (CCIC 1994 and DFAIT 1995: 41).

Here, it is necessary to mention that the Canada-China environmental co-operation began in the mid-1980s. However, it was only during the Chrétien premiership that environmental co-operation was recognised as one of the strategic pillars of Canada's relationship with China. The Chrétien government, therefore, decided to collaborate through several bilateral and multilateral mechanisms. Bilaterally the government decided to continue with the previous policies and programmes with China through the Canadian International Development Agency (CIDA).

In 1992, the former Canadian International Development Agency (CIDA)⁷ provided assistance for the establishment of the China Council for the International Co-operation on Environment and Development (CCICED) (Government of Canada website 2016). “It is a high-profile international advisory body to the Chinese government for collaboration and exchange on matters of sustainable development” (Government of Canada website 2016). CCICED has been a cornerstone in Canada’s engagement with China in the realm of sustainable development and environmental policies.

Besides CCICED, in 1994, an agreement entitled as “Country Development Policy Framework” (CDPF) was designed to review the policies and provide a new strategic vision to the development policies and process in China (Wilson 2001). “CDPF was adopted and officially approved by Canada's minister of foreign affairs Mr. Andre Ouellet and China’s Minister of Foreign Trade and Economic Cooperation, Madame

⁷ The Agency was merged into the Department of Foreign Affairs, Canada, in 2013 by the federal government of Stephen Harper from the Conservative Party.

Wu Yi, in 1994” (Wilson 2001). In 1997, there was another programme designed by the Chrétien government “China Programme Self Assessment” and also a CDPF Assessment Programme from 1994-1999. In 1998, another bilateral agreement was signed on “Canada-China Framework on Environmental Co-operation”. In 2003, Canada-China signed a Joint Statement on Climate Change. All these programmes were designed in an integrated way to collaborate with China in several socio-political and economic areas of development. The Chrétien government’s strategy to engage China on sustainable development succeeded partially. It succeeded because there were major agreements between the two governments and they also agreed to cooperate with each other bilaterally as well as multilaterally.

However, these agreements could not be implemented successfully due to the institutional differences between the two countries. The Chrétien government emphasised that to “achieve this goal of sustainable development Canadian partners include NGOs; the private sector; universities and colleges; youth, professional organisations; and federal, provincial and municipal governments” (DFAIT 1995: 12). It also stated that “the government of Canada would like to work with a number of international organisations and institutions and, most importantly, with the people and institutions of China as well” (DFAIT 1995: 15). But the Canadian government remained focused on the public sector and could not collaborate with any other non-state actor.

Thus, there could not be a wide-ranging impact of Canada's sustainable development programme in China and it remained limited to the government only. Though the government of China agreed to the idea of sustainable development yet it was quite selective in its approach. It wanted to continue with its pace of economic growth and did not want to compromise with it. The Canadian government also argued for co-operation at multilateral level but in its policies, it mostly preferred to negotiate and collaborate bilaterally instead of multilaterally.

Human Rights, Good Governance and Rule of Law: The Liberal government of Chrétien stated that its four-pillar China policy would certainly be incomplete without incorporating the elements of human rights, good governance and rule of law (DFAIT 1995; 1997). It stated that the promotion and protection of these values have always been an integral part of Canadian accomplishments abroad. The government,

therefore, stated that “Canada champions the values of--inclusive and accountable governance; peaceful pluralism and respect for diversity; and human rights including the rights of women and refugees” (DFAIT 1995; 1997; 2000).

While describing Canada’s relations with China, the government stated that since 1989, there is a serious concern about China's human rights policies and the establishment of rule of law and good governance. Such concerns are in continuous conflict with the economic interests of the two countries. The government of Canada believes in the economic and security interests of two nations (DFAIT 1995). It also respects and does not intend to interfere in the domestic issues of other nations. However, it argues that economic and security interests could only be better served if there is respect for human rights and democratic values.

Though the Chrétien government recognised the significance of addressing the issues of human rights, good governance and rule of law in its relations with China, yet it could not design any specific strategy to engage China constructively till 1996. In 1996, Canada’s Minister of Foreign Affairs, Andre Ouellet was succeeded by Lloyd Axworthy. Axworthy was regarded as one of the strong advocates of human rights in Liberal’s history (Evans 2014: 45). He played a key role in addressing Canada’s human rights concerns in its relations to China. In 1996, Australia refused to co-sponsor resolutions that were critical to China at the multilateral level. Instead, it argued for opening a bilateral human rights dialogue to discuss the issues.

Following the same, on April 14, 1997, Foreign Affairs Minister, Lloyd Axworthy and Secretary of State, Raymond Chan, on behalf of the Government of Canada stated that “Canada would not co-sponsor a resolution on China's human rights situation at a meeting of the United Nations Commission on Human Rights (UNCHR) in Geneva” (Burton 2009: 5). The government also released a document entitled as “Canada Decides against Co-Sponsoring Human Rights Resolution on China at UN Meeting and Announces Bilateral Package of Human Rights Initiatives” (Burton 2009: 5). The Canadian government also reached an agreement with their Chinese counterpart to establish a joint committee on human rights. Webster (2011) argues that Canada's move from multilateral to bilateral mechanism was an unusual process because of its continued emphasis on multilateralism.

In April 1997, the Canada-China Bilateral Human Rights Dialogue was established to encourage China to make progress on various human rights issues ranging from— freedom of expression and religion; right to development; rights of the child; freedom from torture; right to education; the rights of self-determination; women's right; labour right; militarisation; rule of law and environment protection etc (The Canada Tibet Committee 1999).

There were two feature elements in Canada-China bilateral human rights dialogue— bilateral and regional. Bilaterally – The Joint Committee on Human Rights (JCHR) would meet annually. The meeting would take place alternating in Canada and China. It would consist of delegations from both the countries, Canada as well as China. The delegation comprised officials from various ministries and agencies, NGOs and members from academics (Burton 2009). Regionally, a plurilateral human rights symposium was inaugurated. It included Canada, Norway and China. It was decided that alternatively an annual meeting would be hosted by these three countries. The meeting must include more than 20 North Eastern, South and Southeast Asian countries. It intended to exchange the views and discuss the range of human rights issues (Burton 2009).

Bilaterally the committee met annually and held 9 meetings until it ended in 2005 (see Appendix V). While the JCHR dissolved in 2005, a report on the assessment of working of the bilateral dialogue was submitted by Charles Burton. It described the meetings as “ritualistic and hollow” in their approach (Burton 2006: 10). It stated that the government of China monitored and executed all the programmes with no participation from non-state actors. It also depicted Chinese distaste towards Canada’s “missionary attitude” (Burton 2006: 8).

Webster (2011) argues that due to a lack of transparency in the mechanics of Bilateral Human Rights Dialogue, it could not meet with the stated goals. The very limited inclusion of non-state actors filtered out those actors which were critical to maintaining the human rights record of the Chinese government. The Montreal-based Rights and Democracy (2001) organisation in its critique of the Human Rights Dialogue stated that “the bilateral human rights dialogue has not achieved its objectives, the situation of human rights in China has deteriorated, and Canada’s access to China’s markets has not yet increased” (Webster 2011: 49).

Along with the JCHR programme, a simultaneous programme was also conducted by CIDA. These programmes were intended to support the human rights dialogue by initiating reforms in criminal law, the legal aid system; training for senior judges; conducting research projects on topics like international organisations and women's law; collaborating reforms in public sector and also focusing on the religious practices of the community and individuals (Burton 2006; 2009 and Evans 2014).

However, the impact of these programmes remained limited because of the authoritative nature of the Chinese government. Burton writes that the Liberal government policy on promotion of good governance, democratic development and human rights was managed in an “ambiguous way that sent out mixed signals to the Chinese authorities on Canada's commitment to this aspect of the bilateral relationship” (Burton 2011: 41).

Canadian Values and Economic Interests: Engaging China

The Liberal government of Chrétien took no time in revealing its intentions towards the renewal of Canada's China Policy. The four-pillar China policy, therefore, was a response. It argued for a multidimensional approach which could bring a balance in Canada's China policy. It argued that the government would attempt to balance its China policy between a robust commercial agenda and the promotion of Canadian values.

Canadian Values: In Canada's relations with China, the human rights issues became prominent only after the Tiananmen incident. However, it was also an era of transition when the world was transforming from the cold-war era to the post-cold-war era. Non-Traditional Security Threats (NTST) was recognised as a new challenge to international security, stability and peace. Inter-state conflicts were replaced by intra-state conflicts. The major reasons behind an increase in the intra-state conflicts were the demands for secessionism, issues of governance and absence of rule of law. During an inter-state conflict, peacekeeping, diplomacy and negotiations were the key instruments to resolve the conflict and prevent it from escalating into a major war.

However, due to the concept of sovereignty and non-interference, such measures could not be taken to resolve an intra-state conflict. It was also realised that at the bottom of such intra-state conflicts lies the loss of human lives. It is assumed that it is

the responsibility of the state to protect the lives of its citizens but what to do when the state fails to protect its own citizen or the state itself becomes the perpetrator of the violence against its citizen. The issue of human rights, therefore dominantly appeared in this context in the post-cold war era. It was considered necessary to have widespread respect for the rights of the individual and promote stability, good governance and rule of law around the world. "Low" level policy issues such as social development, security of individual and environmental protection became equally significant to the "High" level policy issues such as military security and defence alliance (Cooper et.al. 1993: 15).

In the post-cold war era, Canada was also striving to find a suitable role for itself which could carry forward its cold-war legacy and simultaneously match with its capacity. Canadians took great pride in their country's influential and successful role during the cold war years. They wanted their government to create and maintain a peaceful and stable world order. Kirton describes that a very distinctive feature of Canadians is that they increasingly demand a great deal of their leaders in the domain of foreign policy. They have long set standards to implicitly assume that Canada can and therefore must, make a desirable difference in the world. It is a high responsibility for their government to ensure the protection and promotion of an improved and better international community (Kirton 2006: 12). The Liberal government of Chrétien was familiar with such aspirations of their citizens.

Therefore after assuming power in 1993, a detailed foreign policy review document entitled as "Canada and the World" was released by the government of Canada in 1995. The document identified three key objectives for Canada to conduct its relations in global affairs. "These objectives were—the promotion of prosperity and employment; the protection of Canadian security, within a stable global framework; and the projection of Canadian values and culture".

In 1995, in the foreign policy review document, Canadian values were defined as "respect for democracy; rule of law; human rights and the protection of the environment" (DFAIT 1995: 11). The document argued that the promotion and projection of these values would be critical to the struggle for international security in an era of new threats to stability. The international adoption of these values would also be essential to ensure that they are viable in Canada itself. It argued that "Canada

is not an island able to resist a world community that devalued beliefs central to Canadian identity” (DFAIT 1995: 11). It depicts that vitality of Canadian values and culture is also essential for Canada’s economic success.

The Liberal government of Chrétien in its official documents in 1994, 1995 and in 2003 carved a role for itself. It associated itself with the "low" level policy issues in the international affairs and co-related such issues with Canadian values. Further, it argued that these values lie at the core of Canadian identity and therefore the promotion and protection of these values are very critical for Canada's stability and security. In 2003, foreign policy document it was again argued that “we (Canada) cannot sustain our values and quality of life if we do not defend these values across the globe. Canada is not an ‘island’. We cannot stand alone. We (Canada) have to be more aware of our total interdependence and work within various global agencies to promote Canadian values abroad” (DFAIT 2003: 17).

Now, the issues of human rights, good governance and rule of law are broadly considered as a part of Canadian values and these values were articulated as an essential aspect of Canadian identity in the post-cold war era. Thus, it is from this juncture that the very domestic debate on "human rights versus trade issues" in Canada's relations with China, transforms into a broader debate on “Canadian political values and Economic interests”. It is argued that the long-established and cherished Canadian political values introduce an identity and recognition to the country. It explicitly reflects Canada’s sustainable, democratic, peaceful and humanitarian roles and beliefs in the world. Canada’s international policies must be guided by these principles and values. Similarly, the economic interests are vital to any country's stability, prosperity and sustainability. It is also imperative for Canada to have healthy economic ties with a rapidly emerging China as a fully-fledged global player.

Canadian Values and Economic Interests in China: The four-pillar China policy of the government was inspired by the three key objectives of the foreign policy review document, 1995. The first objective of promoting Canadian prosperity and employment was reflected in Canada's Team Canada approach to China. The second objective of protecting Canadian security within a stable global framework was reflected in Canada's peace and security policy and collaboration in the area of

sustainable development. And finally, the third objective of projecting Canadian values and culture resembled Canada's China policy on human rights, good governance and rule of law.

However, despite the four-pillar China policy of the Liberal government of Chrétien and multidimensional approach, its China policy did not remain immune from the criticisms and debates. The human rights versus trade debate even became more intense during the Chrétien years because of the government's immense emphasis on the establishment of trade ties with China. It also became intense due to various contradictions in the government's foreign policy statements and its implementations.

Since the Liberal government came into power in 1993, the Canadian Minister of Foreign Affairs, Andre Ouellet stated that "the key priority of this government is to create jobs at home...and vibrantly it will pursue trade initiatives in a number of countries irrespective of their human rights records" (Evans 2014:42). Such a statement was viewed with great disappointment because the Liberals in their election manifesto stated that they would continue to support democracy and respect for human rights worldwide.

Liberals believed that Canadians want their national government to reflect these values in their foreign policy (Liberal Party of Canada 1993). Webster explains that in 1993, "Liberals came into power with promises of stronger human rights advocacy... however, far more important was another aspect of foreign policy—the prosperity of Canada. It was embodied in a push to promote Canadian exports through Team Canada trade missions" (Webster 2011: 45).

Canada's then, Minister of Trade, Roy McLaren argued that "trade sanctions on China were a blunt and often ineffective instrument for encouraging reform... there is little Canada can do in isolation to persuade China--or any other country accused of abusing its population--to liberalise its human rights or labour rights policies" (Evans 2014: 43). It could be argued that the trade agenda of the government was very clear from the moment Liberals released their election manifesto.

The election manifesto released by the Liberal party during the 1993 federal elections declared that "a strong economy is the essence of a strong society.... The role of government in economic policy is two-fold—to establish the overall framework

which includes monetary and fiscal policy, federal-provincial fiscal relations and trade policy; and to work in partnership with provincial governments, business, labour and non-governmental institutions to achieve national economic objectives" (Liberal Party of Canada 1993: 15). It already stated that if the Liberal party would come into power, it would "adopt two track fiscal policies, matching a drive for jobs and growth with a comprehensive approach to regulating debt and deficits. The two tracks would run parallel: fiscal discipline would support economic growth and jobs would enhance government revenues" (Liberal Party of Canada 1993: 16).

The Chrétien government was determined to address the fiscal crisis of the nation during the initial years. It emphasised on establishing trade ties and creating job opportunities. It also wanted to address the national unity crisis—Quebec Crisis. Therefore, it sought a strategy where it could make a partnership with the provincial governments and collaborate with other state and non-state actors as well. Thus Team Canada was an integrated approach to resolve Canada's domestic issues and strengthen a country's economic presence and prosperity around the world. Hillmer argues that in this changing world, Canada's foreign policy and its China policy is an "extension of domestic policy" (Hillmer 2003: 12).

However, the emphasis on trade in Canada's relations with China was not as disappointing as the Liberal's retreat from their third key objective of promoting and projecting Canadian values and culture abroad. Scholars believe that the Liberal government's assertion of projection of Canadian values and culture was "purely an instrumental dimension of Canada's foreign policy and it was not foundational" (Stairs 2003: 242). The instrumental dimension implies that the government of Canada would use these values as an instrument to influence the behaviour of other countries. It would not be the foundation of Canada's relations with other countries.

A major blow to this instrumental dimension of Canadian foreign policy came when in 1994 in a speech at the University of Moncton the Canadian Prime Minister Jean Chrétien stated,

We have never linked trade absolutely with Human rights [...] I'm not allowed to tell Saskatchewan's or Québec's Premiere what to do. Am I to tell the president of China what to do? [...] He's the president of a country of 1.2 billion if I were to say to China 'we are not dealing with you anymore', they would say 'fine' (Evans 2014: 47).

The Prime Minister's statement received severe criticism. Gee (2008), a columnist for *The Globe and Mail*, criticised the statement and argued that "Canada is a member of the Group of Seven and it has the world's ninth-biggest economy" (it is ranked tenth by World Bank Report 2018). Canada enjoys a reputation for fair dealing in international affairs that has made Canada a respected voice in the world. It argued that Canadian voice matters and the government of Canada must raise it whenever it can. "It should not make any difference that China is the world's most populous country. If anything, Ottawa should speak even louder, because more is at stake" (Gee 2008).

The government's Team Canada approach was also criticised for two reasons. Firstly, it was argued that due to Canada's various involvements in multiple areas of international co-operation, the Canadian economy was getting burdened and there was a fiscal crisis too. Thus the government had to make the major policy cuts in the very significant areas of Canada's international involvements like peacekeeping, development assistance and foreign aid. But the criticism came when there was no budget cut in the government's Team Canada initiative.

Cohen shows that while the government was making severe budget cuts, there was "no expense spared on Team Canada as it became the face of Canada abroad" (Cohen 2003: 113). Second criticism came due to the absence of the human rights agenda during the Team Canada visits. The Liberal government of Chrétien argued that it would project Canadian values and culture while conducting its external affairs. During the Team Canada visit to China, such projections of Canadian values were negligible. Douglas Ross stated that "Canada's foreign policy is brought down to Team Canada trade missions to communist and ethnically repressive states. These initiatives are passionately well-motivated but consist of highly insignificant speeches on disarmament and peacekeeping" (Ross 1996: 2).

Costas Melakopides, a professor at the University of Cyprus who has extensively worked on Canada's human rights policies, argues that "Canada chose to adopt a tactful approach toward human rights in China during the Chrétien era" (Melakopides 1998: 179). He argues that the government chose quiet diplomacy to influence Chinese officials discreetly on such issues during bilateral events and in multilateral meetings. Evans (2014) argues that notwithstanding with the Chinese elusive

responses, human rights remained an agenda during the official visits and efforts were made to persuade the Chinese officials to soften the treatment of certain political dissidents.

In 1995, Li Peng, then Chinese Prime Minister made a visit to Canada. He visited to celebrate the 25th anniversary of Canada-China bilateral relations. His visit caused sporadic public protests in Canada because he was a central figure in the events of Tiananmen Square. Evans (2014) argues that such protests and criticism eroded the cold war rhetoric of the 1950s. It emphasised the need to form a democratic alliance of nations to counter the rise of China.

A journalist, David Van Praagh (1998) argued that Canada's engagement strategy with China equalled appeasement. He described China as a "police state that has not yet cracked, and that seeks to emerge from Asia's chaos as the undisputed lord of 60% of the world's population" (1998). Ross Munro denounced Canadian engagement as "pathetic Pretensions" (Evans 2014: 44). The statement came in a response to the Liberal government's decision in 1998 against the decision of the US government. The government of Canada decided to grant the Most Favoured Nation (MFN) status to China as it became a member of the World Trade Organization in 2001. Unlike the US, Canada refused to link human rights to trade policy.

A major shift in Canada's foreign policy and particularly in its human rights policy came when Lloyd Axworthy became the Canadian Minister of Foreign Affairs in 1996. Axworthy was regarded as the minister who was committed to the issues of human rights. He introduced the concept of human security⁸ in Canada's foreign policy while advocating for the ban of Anti-Personal Landmines (APL) in 1997. APL is popularly known as "Ottawa Process". Under his guidance, Canada actively supported the creation of the International Criminal Court (ICC) in 1998. It is popularly known as "Rome Statute for an International Criminal Court". It also forwarded the concept of "Responsibility to Protect" (R2P) which itself was an introduction to 'Trans-national' Security in Canadian foreign policy (Kirton 2006).

Canada's cold war legacy, its middle-power role and its diplomatic manoeuvring to resolve the international issues, was rejuvenated in the post-cold war era under the

⁸ Mahbub ul Haq first introduced the concept with the United Nations Development Programme (UNDP) report on Human Development Report in 1994.

leadership of Axworthy. However, such activism in the areas of human rights could not significantly be noticed in Canada's bilateral ties with China. Axworthy argues that Canada's policy toward China must be analysed comprehensively. Its economic policies and interest are not separate from its values and culture. It must not be segregated. It is an inclusive approach to engage a nation to discuss various aspects of bilateral ties one by one. In his words, "trade creates a relationship within which we can begin to speak about human rights" (Webster 2011: 46).

It is evident that the Liberal government of Chrétien, as Evans writes, was driven by "trade-first approach" but the human rights agenda was not completely ignored. The government made efforts in making such policies and programmes that could engage China constructively. Canada preferred an unusual bilateral mechanism, instead of multilateralism, to establish a dialogue and engage China. Though it could not achieve the expected success, it was not a complete failure. Webster (2011) argues that since 1989 the Chinese government's human rights stance has shifted consistently. He explains that "initially China rejected any foreign interference in its internal matters, then it denied the violations of human rights and then it agreed to discuss the issues of human rights through bilateral dialogues" (Webster 2011: 48).

In the later years of the Liberal government, Chrétien also expressed Canadian concern to their Chinese counterparts in his public statements. In 1998, during his Team Canada missions, Chrétien for the first time made a public statement on human rights in a speech at Tsinghua University, in Beijing. He stated: "I would be less than frank if I did not say directly to you that many Canadians are disturbed when we hear reports from your country of restrictions on the right to free expression of different political views. And particularly when we hear of people being harassed and imprisoned for expressing political views different from the government" (Chrétien 2007: 343). He emphasised again Canada's human rights agenda while delivering a speech to the East China University of Politics and Law in 2001 (Evans 2014: 48).

According to Frolic "trade began to emerge ascendant and the human rights agenda was consciously softened and directed into manageable initiatives such as legal reform and support to women's organisations" (Frolic 1997: 325). Burton describes the trade policies during the Chrétien era as "very proactive initiatives" (Burton 2011: 41).

Raymond Chan, was a former secretary of state for the Asia Pacific during the Liberal government of Chrétien and a staunch democracy and human rights advocate at the time of Tiananmen Square. Chan, in his speech in the House of Commons, stated that "systematic and wide-ranging contacts are at the forefront for greater openness and freedom. Trade reduces isolationism. Trade broadens the horizons of international law and fosters required growth to sustain social change and development. The lesser a society involved with international trade and investment the lesser it is open to the new ideas and values... There have been considerable human rights improvements in the day to day life of ordinary citizens since 1989" (Evans 2014: 48-49).

Conclusion

Just as it had been in the post-WWII era, Canada was once again caught with the question of defining its role and status in the post-cold war era. A change in the international structure brought a challenge to Canadian foreign policy. However, unlike the post-WWII era, Canada had limited capabilities and resources which meant that Canada could not continue with its previous internationalist policies. Such limit was largely caused by Canada's domestic challenges that extensively influenced its external policies.

Thus, addressing the domestic challenges was at the bottom of Canada's foreign policy. It was only after resolving such issues Canada could address its foreign policy issues. The economic concerns were at the core of such domestic challenges—the fiscal crisis and the Quebec crisis. For China, the major challenge did not come from the change in the structure of the international system. Rather, it came from the rapid changes in the economic and information and technology sector. Developing China's economy and its growth became critical for China's stability and sustainability. The economic issues have always remained a critical aspect of bilateral ties but in the post-cold war era, the economic issues emerged as crucial for each other's security and stability.

Due to the Tiananmen incident in 1989, economic co-operation came into conflict with the socio-political issues. In Canada, a widespread debate emerged on human rights issues and trade ties. The government's policy response to China became significant because the policies would further define and set a course of action towards China. In the midst of it all, when Canada was facing a challenge in its

foreign policy and role, its China policy was uncertain and became a contested issue and economic security was at stake, federal elections took place and the Liberal government of Chrétien came to power in 1993.

The government responded with a policy that had four cornerstones. But it was accused of giving immense emphasis to economic aspects only. The emphasis on economics emerged because of the historical context and significance of Canada's trade ties with China. Government policy response on other matters of bilateral relations such as peace and security; sustainable development; and the issues of human rights was slow. The government was hesitant to discuss these issues with their Chinese counterpart but it did not completely ignore them either.

It is also due to the role of the Liberal government of Canada that the 'human rights versus trade debate' on China was transformed into a broader context of 'Canadian Values and Economic Interests'. The China policy of the Liberal government was immensely criticised for sidelining Canadian values and emphasising economic interests. However, the government argued that it never considered the two as different goals of Canadian foreign policy. Its purpose was simply to engage China and bring prosperity to Canada.

Chapter IV

Harper Government's China Policy

Canada had built a special relationship with China from the 1970s, but it received a grave setback due to the Tiananmen incident in 1989. A breakthrough in the bilateral relations was made with the Liberal government of Jean Chrétien (1993-2003) giving substantial importance to developing and strengthening relations with China. It emphasised on constructive economic engagement with China and took initiatives to address Canada's concerns on China's required socio-political reforms. Efforts were made to establish comprehensive and co-operative partnership with China. So much as, Canada was described as "China's best friend in the world" by Chinese Premier Zhu Rongji in 1998 (Evans 2014: 50).

In the federal elections of 2004, Paul Martin replaced Jean Chrétien as the Liberal party leader and as a Prime Minister. While the Liberal government of Martin lost its majority, it was able to form a minority government and continued with the policies and programmes of the previous Chrétien government. Engagement with China remained a high priority for the Government of Canada. In 2005, the bilateral relations were further elevated to establish a "Strategic Partnership" (Embassy of the PRC in Canada 2005).

The Liberal era ended when a minority Conservative government under Stephen Harper came to power by defeating Liberal Prime Minister Paul Martin in February 2006. After coming to power the Harper government announced its commitment to following a 'principled' foreign policy. Such a foreign policy approach neither incorporated China nor considered it among those democratic and economic partners in Asia with whom free trade agreements should be negotiated. The unfriendly and less cordial gestures became evident with the criticism of Liberal policies of appeasement and compromise for small business interests. The emphasis on Canadian values was recognised as one of the key priorities of the government.

However, as is discussed in this chapter, the Harper government's critical and hard-line approach towards China softened and shifted gradually with his consecutive terms as Prime Minister in 2009 and 2011.

The ‘Principled’ China Policy: A Critical Approach

In 2006, the Conservative Party of Canada released their election manifesto “Stand up for Canada”. The manifesto barely discussed the country’s role abroad and its outlook on major international policy issues. It was a decisive break from Canada’s proud foreign policy tradition (Ibbitson 2014; Smith 2012; Plouffe 2014). The manifesto briefly mentioned Canadian values in a sub-section titled, “Advancing Canadian values and interests on the world stage” (Conservative Party of Canada 2006: 5).

It argued that “quite often, Liberal foreign policy has compromised democratic principles to appease dictators, sometimes for the sake of narrow business interests” (Conservative Party of Canada 2006: 44). It was a criticism of Liberal government’s Team Canada initiatives and their robust economic agenda. It further criticised the policies and programmes of Canadian International Development Agency (CIDA) alleging that “foreign aid has been used for political purposes and not to ensure genuine development” (Conservative Party of Canada 2006: 44). It then argued that if the Conservatives were voted to power it would “ensure that Canada’s foreign policy reflect true Canadian values and advances Canada’s national interests” (Conservative Party of Canada 2006: 44).

In January 2006, the Conservative government of Stephen Harper won the federal election and came to power. It was a minority government with 124 votes out of 308 votes in 2006. In 2008, it continued with slightly stronger minority government with 143 votes and finally in 2011, the Conservative Party of Canada came to power with a majority government with 166 votes. Ever since the government came into power in 2006, it attempted to transform the discourse and outlook of Canadian foreign policy.

The government’s move towards transforming its foreign policy also influenced the government-to-government relations between Canada and China. Evans (2014) and Burton (2015) argue that due to the minority status of the Conservative government, it had an alliance with the Reform Party of Canada and its ideological inclination viewed socialist regimes as undemocratic and ideologically incompatible. It had “anti-communist sentiments, if not anti-Chinese” (Evans 2014: 61; Burton 2015: 47).

The first official statement regarding Canada’s China policy, after the Conservative government was formed, came from Peter Mackay, the Minister of Foreign Affairs in April 2006. Mackay in his statement emphasised a ‘principled foreign policy’ and argued that the Conservative government would define Canada’s relations with China

and other countries through the lens of freedom, democracy, human rights and rule of law (Nossal 2013; Burton 2015). The principled foreign policy of the government was detrimental in deciding Canada's policies and behaviour towards other countries. Therefore an attempt is made in the following section to briefly describe the 'principled foreign policy' of the Conservative government of Harper.

Principled Foreign Policy

During the premiership of Harper, Canada began to distance itself from the multilateralist and liberal internationalist tradition of its predecessors. Canada's middle power status, its mediation role and practice of 'quiet diplomacy' to build consensus was sidelined. Instead, it preferred a more muscular approach, taking pride in the use of its military and increasing its budget on defence. Harper argued for obtaining equivalent capability—politically, economically and militarily—with the country's increased stature and commitments in the international affairs. It acknowledged that the centre of power had been shifting away from the US and towards Asia. It also identified that the rising security challenges of extremism, terrorism and economic uncertainty made the world a dangerous place to live in.

Therefore, in response to such a world, strength was not an option; rather it was a vital necessity. It preferred confrontation and explicit support for democracies over neutrality or mediation (Robertson 2011). Canada's unquestionable support for Israel and muscular militaristic approach towards Palestine; extension of Canadian forces in Afghanistan; and the militarisation of the Arctic—land, water and seabed all the way to North Pole—were some of the examples of preferred militarism. Canada's defence budget reached its highest levels since World War II under the Conservative leadership (Smith 2012). The primacy of 'high-politics' was a major transformation during the Conservative government of Harper (Bratt 2007). Granville et al. (2014) depict a decidedly 'hawkish' approach in Harper's speeches on foreign policy issues.

The Conservative government of Harper adopted a 'neo-continentalist approach' in contradiction to the internationalist policies. Continentalism, in Canadian context refers to Canada's colonial ties with France and later with Britain. However, neo-continentalism, emphasises Canada's special relationship with the United States along with France and Britain. Massie and Roussel (2012) argue that by this neo-continentalist approach, Canada committed itself as a vigorous and authentic partner

to Washington within North America and overseas. Massie calls it “North Atlantic Quadrangle” of the United States, the United Kingdom, France and Canada (Massie 2008/2009: 87). Massie argued that in past Canada’s relationship with these countries signified their colonial ties with Canada.

But under Harper’s leadership Canada’s relationship with these countries became more about the shared commonalities of values and security concerns (Massie 2008/2009). It was due to such commonality of purpose among the “North Atlantic Quadrangle” that Canada chose to participate in Afghanistan, Libya and upgrade its defence sector by adopting a more militaristic approach (Massie 2008/2009). It supported value-based western universalism and alliance of ‘Anglo-sphere’ nations.

During the Harper years Canada’s relationship with the US was reinvigorated (Kirton 2014). Harper focused on maintaining closer ties with Canada’s closest geographical and economic partner. He also considered George Bush, the former president of the US as his ideological partner. The government’s willingness for a co-operative relationship with the US was evident in Canada’s American-like stand on the Middle East. It also had a confrontational attitude that criticised and questioned the significance of international organisations like United Nations (UN), La Francophone and Commonwealth. Harper compared involvement with multilateral organisations as “club membership” and “talking shops” (Nossal 2013: 22). Irrespective of Canada’s allegiance to Britain and France, the government viewed sceptically the significance of La Francophone and Commonwealth. Though the Conservative government’s disdain for multilateralism was evident, it utilised its membership of such organisations to the extent that they could advance Canadian interests and support their agenda.

Granville, Scotto, Reifler and Clarke explain the ‘continental’ and ‘neo-conservative’ perspective in defining Canada’s foreign policy during the Harper years (Granville et al 2014). Neo-conservatism refers to a particular set of political ideas, values and interests that are pro-US capitalists and right wing Christians. Such ‘neo-conservatism’ is defined as “ideological” and propagates right wing thoughts and practices in the conduct of external affairs (Nossal 2014). It considers economic interests and trade policy as its top priorities (Plouffe 2014). It was influenced by the views and ideas of a group of academicians and students from the University of

Calgary that favoured minimalist state, tax curtailment, focused more on domestic level and believed in greater allowance for market forces to run the economy.

The neo-conservative approach led to the eventual replacement of Canada from its former centrist foreign policy to a policy that settled at the very far right of the political span. Engler (2012) argues that “such an approach was adopted to entertain and engage the most reactionary, short-sighted sectors of the Conservative coalition—the ideological right, evangelical Christians, right-wing Zionists, Islamophobes, old Cold War Warriors, the military-industrial complex as well as the mining and oil executives”.

Restrained Political and Diplomatic Ties with China

A government at the very right of centre such as the Conservatives that had politicians, members and supporters with anticommunist sentiments, favoured a hard-line approach toward China. Canada’s relationship with China under the Conservative minority government of Harper started off on very precarious grounds. In April 2006, soon after forming the government, the Minister of Foreign Affairs, Peter MacKay expressed Canadian disquiet about China’s campaign of industrial espionage in Canada (Kwan 2007).

Mackay’s concern was further approved by Richard Fadden who was the head of the Canadian Security Intelligence Service (CSIS) during the Harper government. He claimed that China had invaded Canadian political circles through various intelligence agents at federal, provincial and municipal levels. A supporting statement also came from a Conservative Member of Parliament (MP), Rob Anders who stated that two other members of the House of Commons had been approached with business incentives and sexual services from Chinese agents.

Reg Whitaker, a retired political scientist at York University and Olivia Chow, a former member of the House of Commons from the New Democratic Party (NDP), dismissed such accusations of Chinese espionage and security threats in Canada (Lo 2008). The two argued that the allegations against China were unspecified and misguided. CSIS must not make such public statements without consulting the issue at the provincial and federal government level. They called the act irresponsible.

Lo (2008) and Loh (2010) argue that such allegations against China and Canadian anxiety over their security emerged due to China’s ‘united front’ strategy that

intended to win the hearts and minds of Chinese and non-Chinese alike. Many of those in the Conservative government were cynical that China was attempting to befriend foreign officials, politicians, overseas Chinese and also Chinese compatriots in Hong Kong, Macau and Taiwan. China was pursuing it as part of its Chinese political tradition, enhancement and projection of its soft power.

The propagation of Chinese culture, language, literature and art remained an influential factor that shaped the perception of people overseas and since 2004 the government of China started to establish Confucius institutions. By 2015, it has established seven such institutions in Canada. These institutions and propagation activities were politically acceptable and supported by Chinese government but the independence and reliability of such activities were questioned during the Conservative government.

Jiang (2010) and Houlden (2012) have pointed out that Conservative government's concern for their security and agitation about potential Chinese espionage was obvious. They explain that Canada is a neighbour to the United States and its strategic importance and abundance of natural resources have always been one of the key reasons for any nation to establish and strengthen relations with Canada. Hence, China's ability to influence Canadian policies, utilise its skills in high-technology advancement, getting access to its commercial knowledge and energy resources has been an absolute necessity to increase China's robustness not only in its relations with Canada but also with the US.

Indeed, the assertions and agitation over security implications were exaggerated by Canadian politicians and media. Yet it never emerged out of the blue—rather it was affected by the shared anti-communist and anti-socialist sentiments of the US too. Harper's Conservative government, since its beginning, was perceived as being too close to the Republican administration of George W. Bush in the US. Thus, following similar policies and patterns had led to China being assumed as a threat instead of a co-operative partner. However, a gradual change occurred in Harper government's attitude when power shifted from Republicans to Democrats.

Canada's Foreign Minister, Peter Mackay's concern over the security of the nation reflected an uncompromising and principled stand of the Conservative government. The government snubbed China by delaying to schedule a meeting between Canada's

foreign minister and PRC's ambassador to Canada, Lu Shumin (Evans 2011). The PRC's ambassador to Canada complained against Mackay for violating diplomatic protocol by refusing to schedule a meeting with him for months after he assumed his role as Minister of Foreign Affairs (Laghi 2006).

It had almost been a year since the Conservative formed the government in 2006 but an official visit to China by Canada's foreign minister, Mackay could not take place till April 2007. It was also noted that the much touted and celebrated terms such as 'strategic partnership' and 'engagement' were abandoned in the official speeches and statements by the Conservative minority government of Harper (Jiang 2009). These terms were used during the previous Liberal government to define the special relationship between Canada and China. The Harper government spoke of a "constructive and comprehensive relationship" (Nossal 2014: 3).

The most prominent difference between the Canadian and Chinese government manifested on the issues of human rights. It was also the most distinguishable issue between the Liberal party of Canada and other political parties like Conservative Party (CP), National Democratic Party (NDP) and Bloc Quebecois (BQ). The government's repeated emphasis on the significance of human rights, the rule of law, democracy and freedom in defining Canada's relations with other countries, including China, had sufficiently indicated the differences.

In October 2006, the government acknowledged the long awaited requests from various human rights organisations by publicly suspending the bilateral human rights dialogue with China. Department of Foreign Affairs and International Trade (DFAIT) was functionally removed from any policy making role. The task of assessing the situation and holding the hearings on situations in China was transferred to the "Subcommittee on International Human Rights of the Standing Committee on Foreign Affairs and International Development". It was chaired by Jason Kenney in October 2006, a Conservative minister of parliament since Paul Martin's government in 2003. He developed special interest in the human rights issues since the Tiananmen incident in 1989. After some assessment and hearing about the socio-political issues in China, Kenney expressed the government's intentions to resolve such issues between Canada and China in a way that facilitates and expresses Canadian values.

Moreover, on the issues of trade, investments, commercial interests and bilateral business relations, Kenney stated that the government could continue its relations with China in an accommodative and thoughtful manner without selling out Canadian belief in human rights and religious freedom (Kwan: 2007 and Evans 2014:63).

Previously in February 2006, Kenney was appointed as Harper's parliamentary secretary and Secretary of State (Multiculturalism and Canadian Identity). He became endeared to Chinese Canadians while advocating for compensation for the discriminatory "head tax" on Chinese immigrants from 1885 to 1923. While responding to the immense demand and pressure by the Chinese Canadian community, the government of Canada under the Conservative leadership, issued an official apology and announcement for the entitlement of a settlement of \$20,000 Canadian dollars (CAD) to the surviving head tax payers and their spouses. Jason Kenney became instrumental in determining the cause of human rights between Canada and China.

According to Evans (2014) and Burton (2015) the principled foreign policy approach of the Conservative government had two significant implications to its China policy--first, strengthening of ties with Taiwan and second, engaging and negotiating more with democratic nations like India. Evans (2014) and Burton (2015) argue that preference was given to Taiwan and attention shifted from Beijing to New Delhi to develop closer ties. It was convenient and conducive to the Conservative principles due to their anti-communist and anti-socialist stance. It also distinguished them from the policies and programmes of the previous Liberal government.

The Conservative minority government irked the government in Beijing when it took up a sensitive political initiative of extending honorary Canadian citizenship to Tenzin Gyatso, the fourteenth Dalai Lama. In June 2006, a motion to make Dalai Lama an honorary citizen of Canada was introduced in Canadian Parliament by David Sweet, a Conservative Member of Parliament (MP). The proposal received unanimous support in the House of Commons. Further, for the first time, on October 10, 2006 Taiwan's national day celebration was attended by four cabinet ministers.

In October 2007, the Dalai Lama made a visit to Canada where Prime Minister Harper received him in his Centre Block office with a Tibetan flag displayed on the desk. Advocacy about the Taiwanese independence and the advantages of self-

determination was openly discussed by Conservative MPs and ministers. The actions by Canadian government and the warm reception of Dalai Lama enraged China because the government of China held him responsible for fostering separatist sentiment in Tibet. The Chinese Department of Foreign Affairs accused Canada of conspiring against China with Tibetan separatists and also described the meeting between the two leaders as disgusting conduct.

From the Canadian perspective, the closeness with Taiwan must not be viewed against PRC but a reconsideration of Canada's policies towards Taiwan, an old ally, with which they found more closeness and sympathy. However, an inconsistency could certainly be observed in Conservative government human rights policies and practices in Canada's relations with Taiwan during the Chinese President Hu's visit to Canada in 2010. The Harper government attempted to appease the Chinese authorities when it prohibited the New Tang Dynasty TV and the Epoch Times from attending and making coverage of President Hu's public appearance in Ottawa (Delacourt 2010).

In November 2006 a series of political meetings were held in Vietnam, between the 21 member economies of the Asia-Pacific Economic Co-operation (APEC). Leaders from all the member countries met from 18 to 19 November 2006, in Hanoi, Vietnam. It was speculated that Harper would meet the leaders of other countries, including China. But before leaving for Hanoi, Harper made a statement that "he was aware that Canadians want their government to promote Canada's trade relations all around the world and his government, therefore, was committed to increase and expand the trade ties and strengthen the Canadian economy" (Nossal 2013: 4 and Evans 2014). He further argued that "Canadian values were of equal significance as the Canadian economy and Canadians did not want their government to sell Canadian values for the sake of all mighty dollars" (Nossal 2013; 4; Evans 2014; and Burton 2015).

The statement was a clear indication that the Conservative government of Harper did not intend to compromise with their Canadian values for promoting Canada's economic linkages with other countries, especially China. His statement also signalled the hard-line approach of Canadian government during Harper's meeting with the leaders of other member countries of APEC. In his statement, Harper bluntly

accepted that confronting China on the issues of human rights has always been right and popular.

Evans (2014) argues that nevertheless, however popular and right the policy of confronting China was, no realist foreign policy could ever downplay the significance of China. Evans (2008) also argued that diverting Canada's attention by engaging and negotiating more with democratic nations would also not serve the purpose because the vast size of Chinese economy has always been very critical to ensure Canada's future economic prosperity. Burton (2015) and Wolf (2012) compare the significance of China with India or with the other rapidly developing group member countries of Brazil, Russia, India and South Africa (BRICS) or with any other such organisation. They argue that nothing could displace the discrete vitality of China in Canada's foreign relations priorities.

Another expression of Canadian government's restlessness and disquiet on China's socio-political policies were noticed when in 2006, the Conservative government under Harper granted asylum to Lu Dencheng. Lu Dencheng was among one of three offenders who was to be taken into custody by Chinese authorities for splashing paint on the portrait of Mao Zedong in Tiananmen Square. Lu absconded to Thailand where he had been caught by the authorities. The government of China made several attempts to deport Lu from Thailand to China. However, PRC's attempts to deport him to the country were prevented by the Canadian government's intervention.

Similar was the case of Huseyinca Celil, who was a Canadian citizen of Uyghur origin and detained in Uzbekistan in March 2006. He was extradited to PRC on the suspicious grounds of terrorism. Harper gave enough emphasis to these cases in his statements and became personally involved. Nossal (2013) and Evans (2014) argue that the previous Liberal as well as Progressive Conservative governments had granted asylum and were involved in such cases of Chinese dissidents but under the Conservative minority government of Harper such issues were hyped by the officials.

While discussing about Celil's case, Harper co-related the economic linkages with China's human rights issues. He asked the Chinese officials to pay attention to their large trade surplus with Canada and the necessity to be careful about its human rights policies. Canada had trade deficit with China which increased from \$-1.92 billion USD in 1996 to \$-32.16 billion USD in 2008 to \$-45.48 billion USD in 2015

(Annexure I). Harper stated that ignoring major issues like human rights had not given enough opportunities as Canada had run a massive trade deficit with China. He further argues that his government disapproved the idea of short-changing Canadian values to get anywhere. Thus, the Conservative minority government strategy of making individual cases a prior condition for discussing other issues with Chinese leaders was definitely unusual to the bilateral relations.

Further in February 2009, the authorities from the government department of Immigration, Refugees and Citizenship Canada issued a permit to Jiang Weiping (Lo 2011). Jiang was a Chinese dissident journalist who had been imprisoned in China in 2000 because of his interrogative reports on a corruption case against the Mayor of Shenyang, a city in north-eastern China. He was later, released from detention in January 2006. The case was thoroughly followed by the Chinese human rights activists in Canada as it generated deep concern for Jiang and his family. Efforts were made by activists on Jiang's behalf to successfully help him and his family to immigrate to Canada. Jason Kenney, Canada's Minister of Citizenship, Immigration and Multiculturalism consistently advocated for Canadian government's intervention into such cases and insisted that these cases did not really affect the Sino-Canadian relations and the Canadian government need not to be excessively subservient to get results.

Canada had a very special relationship with China over a long period of time but since Harper became the prime minister in 2006, he had not visited China. It was anticipated that the Beijing Olympics in 2008 would be an opportunity where the leaders of two countries would meet and work towards closer ties between the two nations. However, such high hopes were shattered when Harper announced that he would not attend the opening ceremonies of the Beijing Olympics.

Nossal (2013) and Evans (2014) have viewed Harper's decision as a strategic move to raise international concern over the suppression of protests and demonstrations in Tibet. However, Harper in his statement specified that his absence was not associated with China's relations to Tibet. But the incident did not remain unnoticed by China. In China, the prime minister's decision to boycott the games was perceived as disrespectful. It seemed to be a result of lack of understanding of Chinese culture and tradition by the Canadian authorities.

The anti-communist and anti-socialist sentiments of the government became evident when a Conservative member of parliament, Rob Anders from Alberta associated Beijing Olympics to the Berlin Olympic in 1936 and compared the *Falun Gong*⁹ to the Jews. Anders was an outspoken critic and vitriolic in his dislike of China and its human rights record. His remarks were later disavowed by Conservative party's leadership but such vociferous members against the Chinese human rights practices were no secret in the government (Cuthbertson and Rynor 2008).

Burton (2015) and Evans (2014) point out that there had been no such tradition of Canadian prime minister attending the opening ceremony of international sports meet. Kenney, the minister in Harper's cabinet also justified the decision by arguing that it was not a political event and the Canadian prime minister was not bound to attend any non-political meeting. These consistent small slights from Harper's Conservative minority government pointedly caused the deterioration of government-to-government ties.

Sustaining and Maintaining Economic Ties

Indeed, Canada's political and diplomatic engagement with China under the Harper government was intermittent and conflicted in the early years but the economic relations between the two countries sustained and developed over the years. In 2006, "Canada's exports in merchandise trade were \$7.8 billion and \$34.51 billion USD imports, which consistently increased in 2008 to 2015 from \$10.41 to \$20.17 billion USD exports and \$42.63 to 65.66 billion USD imports" (Annexure I).

The share of "the total value of Canadian trade (in %) with China also increased in exports from 1.77 in 2006 to 3.85 in 2015 and imports from 8.69 to 12.24 in 2015" (Annexure II). This data reveals that though no new programmes, policies or any such major initiatives were taken during the early years of Harper government the trade relations continued and were sustained as a part of global supply chains and as per the trends in international markets.

By 2009, China became Canada's third largest export market and second largest import market. Between 1996 and 2009, "Canada's export to China more than doubled from \$3.01 billion USD to \$11.15 billion USD. During the same period,

⁹ Falun Gong, means "law wheel practice" in Chinese. It is a spiritual discipline which is a set of meditation exercises and texts that preaches the virtues of truth, benevolence and forbearance. It was founded in 1992 and later it was banned by the government of China in 1999 (The Economist 2018).

Canada's imports from China grew by almost 550 %, from \$4.93 billion USD to \$39.66 billion USD" (Annexure II). However, this increase was measured absolutely in bilateral trade between Canada and China and relatively at the international level, Canada's share of trade and investment did not increase. Rather, Canada was lagging behind many other countries including the USA and Australia in the Chinese economy. Canada fell from the position of China's tenth largest trading partner to its thirteenth in 2009 (China Commerce Year Book 2009).

Despite the severe criticism and demonstrations of Chinese violation of its human rights policies in Taiwan, the Conservative government of Harper never pulled out from any of its aid programmes to China and continued its One China Policy. Canada provided aid to China through bilateral and multilateral mechanism which had two objectives—first; "it promoted environmental sustainability in China by extending support for Chinese efforts to manage environmental issues associated with rural poverty in China's western regions". Second, "it promoted human rights, democratic development and good governance by focusing on the rule of law".

The Conservative government despite its objections and critical approach to the Chinese socio-political system believed that it could manage economic relations with China. The government continued with the previous Canadian government's policies and programmes. For instance, the Liberal government's "Gateway Strategy" embodied in the Bill C-68, which supported the Pacific Gateway Act, was embraced by the Conservative government of Harper. However, the government while including almost all the article of the previous Liberal government's strategy, rebranded the programme as the Asia Pacific Gateway and Corridor Initiative (APGCI).

The APGCI was formulated by the Canadian federal government to facilitate comprehensive investment and policy measures to focus on trade with the Asia Pacific Region (DFAIT 2012; and Canada's Asia Pacific Gateway and Corridor Initiative, Government of Canada 2006). The corridor initiative was led by the Minister of International Trade and Minister for the Pacific Gateway, David Emerson and in collaboration with Minister of Transport, Infrastructure and Communities, Lawrence Cannon. It "sought to boost Canada's commerce with the Asia Pacific region; increase the Gateway's share of North America bound container imports from

Asia; and improve the efficiency and reliability of the Gateway for Canadian and North American export” (Evans 2014: 62).

It was a system of transport infrastructure that was designed to extend its best services in transport network to accelerate global supply chains between North America and Asia. It has been equated with cultural projects as well as an infrastructure and commercial projects. The strategic infrastructure projects include provinces like British Columbia, Saskatchewan, Alberta and Manitoba. It represented the federal government strategy to provide enough opportunities to express new conceptions of national interest in the spirit of Canada as an ‘energy superpower’.

The programme sought to build collaboration between the provincial and federal government where the government of Canada announced investment of a total of CAD \$2.5 billion in infrastructure construction. From 2.5\$ billion CAD, the federal government decided to invest nearly 900\$ million CAD (Liu 2011). The government resisted any protectionist measures to limit the Chinese exports and supported Chinese investment. As part of a global commerce strategy the Canadian government through the initiative also established new trade offices in China without setting any clear guidelines or rules.

Canada and China, both the countries viewed the APGCI positively but it was also evident from the remarks of China’s vice Minister of Foreign Affairs, He Yafei that “the economic relationship goes hand in hand with the political relationship” (Evans 2011: 22). He was of the view that Canada’s speaking out on China’s human rights would have economic consequences. He continued that he “could not say whether Canada has been squandering the relationship with China but in practical terms, certainly the country was lagging behind” (Evans 2011: 22). The Chinese minister of commerce, Bo Xilai, also observed that the established mutual confidence and respect was lacking and there was room for improvement as the bilateral relationship “have moved backward under the Harper” (Evans 2014: 55).

During its early years, the Conservative minority government was critical and maintained a position that seemed to transform the entire Canadian approach of engagement with China but it managed to mark the government’s official diplomatic presence in China and sustain its policy towards Taiwan. The political snubbing, public jousting and cold shouldering on China’s human rights records and practices

had not completely frozen the bilateral relationship. Rather, in comparison to Canada's previous government's ostentatious trade missions and elaborative high profile visits and grand welcoming in China, the Conservative ministerial visits and statement were modest and given restrained attention until the Canadian Prime Minister Harper made his visit to China in 2009.

Prior to 2009, there were several ministerial visits (approximately seventeen ministerial visits until Harper made his visit to China) which began with the visit of minister of agriculture in October 2006, followed by the minister of natural resources a month later. Davis Emerson, the minister of international trade and Jim Flaherty, the minister of finance also made their visit in January 2007. The minister of Finance emphasised the importance of bilateral relations; requirement for both the countries to work together for strengthening the relationship; Canada's need to engage with China as an emerging economic power; co-operating in international institutions and working on IMF reform; promoting and facilitating economic freedom; and establishing and recognising Canada's rising role and significance as an energy superpower.

In a Canada-China Friendship meeting, in Ottawa in January 2008, Chinese Ambassador to Canada Mr. Lu discussed the developments in the bilateral relations. He also warned about the increasing contradictions and unfortunate setbacks between the bilateral ties. He spoke to the audience that Canada has always been well regarded and perceived as a friendly western nation by the Chinese but unfortunately the statements and actions of Canadian government and agencies left a sour impression among the public. Such feelings had spread around in China.

Bilateral relations had higher stakes than the government level interaction and exchanges. The Chinese delegation also approached the government by insisting that ideological differences should not come in the way of good relations. The "whole-of-government" approach and considerable efforts of previous two prime ministers were put on hold and the 'China chill' was experienced across the ministries and agencies (Evans 2011). The already discussed Approved Destination Status (ADS) for Chinese tourism to Canada was also put on hold by China.

Burton (2015) points to the inefficacy and lack of expertise of Canada's minister of foreign affairs which resulted in an incoherent China policy. He depicts that Peter

Mackay was succeeded by Maxime Bernier and later Bernier was succeeded by Lawrence Cannon but none of them could bring about a difference. They did not enjoy any significant support in the Harper's cabinet and Prime Minister's Office. The major difference appeared when John Baird became the foreign minister in 2011.

Until then the PMO had to take control of the significant foreign policy decisions and downsize the role of ministry of foreign affairs and their respective ministers. DFAIT was kept out of any significant policy formation task and execution of any China strategy. Ministers and their actions were severely constrained by the directions of the PMO. The policy making became immensely concentrated around the Prime Minister and some of his cabinet ministers in office and rest of the specialists in academics, business and China experts were completely excluded from any policy discussions. The decision making and communication became extremely centralised in the Harper years that confiscated the entire China policy.

There were no formal instructions given to halt or ramp down the interactions with China, but due to the frigid attitude of the government and centralisation in the policy making, no new programme could be initiated. The unresponsiveness of the Conservatives made the consequences clear in form of missed opportunities as many new programmes, policy initiative, interactions and visits were put on hold till the relations normalised. There were lost deals, lost momentum and lost opportunities. Harper government's abandoning of an active China policy singled out Canada from many of the western countries, where every other country in the world tried to engage China with greater passion and techniques. It contributed to a major trust deficit. Jiang writes that as "the world is busy making strategies and finding mechanisms to engage China, for the obvious reasons, Harper's managing of China policy has been, by design or default, exactly the opposite" (Jiang 2009: 21).

Evans describes how the academicians, business leaders, media and officials in their private conversations, highly criticised the approach that led to several missed opportunities in its relations with China. It categorised the approach as being distant; introverted; unsettling; disorganised; chaotic; obstructive; immature; wobbly; incompetent; a colossal mistake; uncreative destruction; out of sync with allies and friends; and a toxic mix of ignorance, ideology and certainty. However, the federal government's underperformance was attempted to be covered up by the provincial

governments. The provincial leaders tried to fill the China gap by making and organising their individual visits and discussing issues that had been in the domain of the federal government. The political persuasion across party lines was to discuss the compelling economic conditions of the country and not to lose grounds in China.

Pragmatism towards China

The Conservative government's critical approach to China did not last long and by the fall of 2007 the tone and topic of ministers and officials switched from political moralism to focusing on economy and energy. The government began to look for solutions to the compelling economic situations and problems that it brought to itself (Nossal 2012 and Evans 2011).

At the international level, there was a financial crisis of 2007-2009, which also influenced the ground level reality of the bilateral relationship between Canada and China. The global financial crisis refers to the period of extreme stress in global financial markets and banking system from mid of 2007 to early 2009. The crisis heavily damaged the economy of the US and other significant economies of the European Union. It had relatively lesser impact on the economies of Asia. Even the Canadian economy performed well in comparison to all the other countries of the G-8 (Woo 2010). However, the crisis exposed the fundamental weakness in the US economy. It also had different implications for Canada and China.

Woo (2010) argues that the crisis led to the collapse of demand in the US and EU which meant that China had sharp decline in its export and massive layoffs. China had an alternative to balance its economy by increasing the domestic demands, but again it was challenging as China was still a developing economy with huge unemployment rates in rural areas and high fear of social unrest. Canada, which overwhelmingly relies on its export to the US, had no alternate of increasing the domestic consumption. Therefore, it had to diversify its market. However, Woo (2010) believes that though diversification is mandatory for Canada, "selling more to China or India is only part of the story".

Woo (2010) explains that "the global crisis had accelerated the shift in global economic weight away from North America and Europe to Asia". Thus,

The point about a fundamental power shift in the world economy was not simply about rapidly growing markets in Asia and other developing regions. It is about their increasing impact of their respective economies and enterprises have on every link in the supply chain, about upward pressure on the prices of raw materials and downward pressure on the prices of finished goods, about the global competition for talent, about research and innovation, and, above all, about the deployment of capital globally (Woo 2010: 124).

The financial crisis seemed to increase the significance of China for Canada during the Conservative government of Harper. In January 2008, while speaking at the University of Alberta, Secretary of State Helena Guergis reminded everyone of the bilateral commitment between the two nations for “sustained high level engagement”; “result based co-operation”; the need to restore mutual confidence and respect; and significance of China as a top priority for two-way trade and investment (Evans 2014: 69). From bilateral “partnership” to emphasising on bilateral “engagement” was a breakthrough.

Later in July 2008, at G-8 meeting in Japan, the two leaders--Harper and Chinese President Hu Jintao--also found time to interact with each other. The change in approach and pragmatism in the Conservative government China policy went high on display as the series of visits began to take place. It led towards the exchange of meetings between the head of the states consecutively in December 2009 by Stephen Harper and in June 2010 by Hu Jintao.

Prior to the exchange of visits between the two leaders, a series of confidence building measures were discussed between the Canadian and Chinese officials to improve bilateral ties. The government of Canada mounted its efforts to increase the visibility and official diplomatic presence in China, thus, six new trade offices were opened in April 2009 (DFAIT 2009). Economic measures were promoted and became an active part of government’s “Prosperity Agenda for Canadians”. APGCI was expanded to promote business and Chinese investment and diversify its markets in Canada. The former Progressive Conservative and Liberal government’s approach in Canada’s relations with China appeared to partially retreat.

The breakthrough in the frosty bilateral relations was further noticed by the Chinese foreign Minister, Yang Jiechi’s visit to Ottawa in June 2009. He made his visit to formally extend a Chinese invitation to Canadian Prime Minister to make a visit to

China. The Conservative government of Harper accepted the invitation and made the prime minister's first visit to China in December 2009. In between the duration, in September 2009, the Dalai Lama again visited Canada.

However, unlike before neither the prime minister nor the foreign minister received or met him. The governor general of Canada met him. The Canadian prime minister's first visit to China was long awaited and it had significant implications in restoring a normal and harmonious relationship between the two countries. In China, the visit was widely observed by the Chinese leaders, commentators, academia, and various interests groups and media.

Harper's Visit to China in December 2009

From December 02 to 06, 2009, Canadian prime minister Harper, made his first official visit to China, where he visited Beijing, Shanghai and the Hong Kong special administrative region. On his visit, Harper had meetings with Chinese President Hu Jintao. When the Prime Minister Harper met President Hu, he said that "his visit would help increase mutual understanding, extend pragmatic cooperation, and raise Sino-Canada relations to a new height" (Evans 2014: 55; Jiang 2010; and Woo 2010). Harper also held talks with Chinese Premier Wen Jiabao.

While Harper's meeting with Chinese Premier received some criticism for Canada's tardiness in sustaining friendly ties with China and not making a visit earlier. He also remarked the Canadian prime minister's visit as a success. He emphasised on the utmost importance of the leaders of two states to trust each other. He stated that "Without mutual trust, other aspects of bilateral relations will be impacted as well." He remained hopeful that Harper's visit could be a brand new start in fixing their bilateral problems and overcoming the trust deficit issues" (Evans 2014: 56; Burton 2014; 25; and Nossal 2014). Harper also met with Chairman of the Standing Committee of the National People's Congress, Wo Bangguo.

The several meetings and talks between the Canadian and Chinese leaders brought a great deal of consensus between the two countries. There were exchange of opinions on Canada-China bilateral relations; its future prospects and areas of mutual co-operation and collaboration. The visit resulted into a series of agreements in the areas of bilateral co-operation in climate change, mineral resources, culture and agricultural

education. The details of the meetings were soon released in a Canada-China Joint Statement (2009).

The joint statement had “enough political significance because it was not merely the result of the visit but it was the first official document released together by the Government of China and Canadian Conservative Party Administration since 2006”. In the released statement the two sides recognised distinct points of view on certain issues and reaffirmed the underlying principle of “respecting each other’s sovereignty and territorial integrity, core interests and major concerns”. Chinese counterparts accentuated their deep concern over Canada’s stance on the Taiwan issue and China’s sovereignty and territorial integrity. Considering the Chinese concerns, the Canadian side reiterated of its continuous and long-standing support and commitment to the “One China Policy”. The Joint statement was reflection of revitalising of mutual trust and respect and beginning of a new chapter in advancing the strategic partnership between the two countries at least after the completion of an entire tenure (4 Years) of Conservative minority government of Harper.

Both sides recognised the significance of exchange of ministerial level visits, including at the leader’s level, to develop closer ties between the two nations. They also agreed to enhance the role of Strategic Working Group, for facilitating regular high-level bilateral exchange of meetings between the officials. The Strategic Working Groups were established since 2005 and 40 bilateral consultation mechanisms already existed. Therefore it was decided to completely utilise the already existing mechanisms in reinforcing dialogues and communications in all the fields ranging from trade and investments; energy and environment; health and governance.

The two sides—Canada and China--also recognised the existing strong economic and trade complementarities between Canada and China. They also agreed to co-operate to increase the level of trade and investments between the two countries. They emphasised on their commitment to maintain an open system for trade and investment and opposed protectionist policies and reduce trade barriers. The necessity to quickly accomplish the negotiations of a Canada-China Foreign Investment Promotion and Protection Agreement (FIPA) was also discussed. The expedited negotiations of FIPA would benefit the two countries by providing a predictable and stable legal framework

to increase investor confidence. Canada and China also agreed to strengthen their bilateral ties in science and technology and enhance cooperation on clean technology.

The visit was marked with a distinguished accomplishment over the long negotiated Approved Destination Status agreement which promoted the increased flow of tourists, students and business persons between the two countries. Also, to increase the people-to-people interactions China opened a new Chinese Consulate General in Montreal, Canada. Canada also secured Chinese concessions on the export of beef and pork (Canada-China Joint Statement 2009).

During his visit, Harper accepted Canada's belated acknowledgement of China's rapid economic growth and global rise and emphasised the change in the orientation of Canada's trade to East Asia. He stated that promotion of free trade was the priority of government's policy. He recounted the construction of Canadian Pacific Railway and the positive and significant contributions and role of the Chinese community in Canada and also between the two countries. All these efforts were made to reorient Canadian trade policy toward the global China that had become a lucrative market for Canadian business. Harper announced the opening of four additional trade offices in China by Canada and a second round of funding for the Asia Pacific Partnership on Clean Development and Climate. The government became far more pragmatic in its approach to engage China than before (Canada-China Business Council 2010; and Canadian Chamber of Commerce 2011).

Harper, in his speech in Shanghai explained the significance and relevance of the corridor initiative (APGCI). He stated that "the economic engine of China needs fuel, resources to power and supply its factories, food to feed their workers and Canada has abundance of natural and agricultural resources to share with China" (Jiang 2011: 179). To facilitate the bilateral trade and to ensure the fastest way to ship goods between North America and Asia, Canada's Asia Pacific Gateway would prove to be advantageous. An enthusiastic and warm response also came from the Chinese government stating that the government of China welcomed and supported the Canadian initiative. China has expertise in the construction of infrastructure such as seaports, railways, high ways and telecommunication networks, and the country has been looking forward to play an active role in Canada's APGCI (Jiang 2011).

In December 2009, the Government of Canada on the basis of their Joint Statement and on the remarks of Canadian Prime Minister in China formulated a China policy that has emphasised four foreign policy goals (Embassy of The PRC in Canada 2009):

- 1.) “Work with Beijing towards China’s greater adherence to internationally accepted standards on human rights and the rule of law”;
- 2.) “Ensure that China’s economic rise benefits Canada by increasing two-way trade and investment in goods and services”;
- 3.) “Work with China to advance shared interests such as health, the environment and regional peace and security”; and
- 4.) “Establish Canada as a preferred destination for Chinese immigrants, students and visitors” (Embassy of The PRC in Canada 2009).

Chinese President Hu Jintao’s Visit to Canada, in June 2010

The Canadian Prime Minister’s visit to China prepared the grounds for Chinese President’s visit to Canada in June 2010. In June 2010, Canada was hosting the G-20 Toronto summit. The summit was co-chaired with South Korea. Barry Carin and Gordon Smith (2011) argue that the G-20 summit could be the route to establish diplomatic strategic partnership with China.

Carin and Smith (2011) explain that Canada could assure China that in its co-chairmanship, the G-20 would work as a mechanism to build consensus on major trans-national issues. The G-20 would not work as an executive or decision-making body. Thus, it would be a more inclusive group which would serve as a pre-negotiating forum where all the stakeholders could come with their ideas and opinions. Carin and Smith (2010) also suggest that Canada could approach China with the proposal to work closely together to build the agenda and prepare the pre-negotiation process for the G-20 summit.

In the same year, the two countries Canada and China, were also celebrating the 40th anniversary of the establishment of their diplomatic ties. The Chinese President made his state visit to Canada in June 2010 where he celebrated the 40th anniversary of establishment of bilateral relations and also attended the fourth summit of the G20 in Toronto. The two sides took the opportunity to push forward the bilateral ties to the new starting point where they agreed “to foster educational, cultural, business and people-to-people links and promote mutual understanding between the two countries”. It would enrich the long-term development of Canada-China relations. Both sides reaffirmed the significance and vitality of bilateral relations.

The two countries acknowledged that the shared interests far exceed their differences. It would require the joint efforts from both sides to understand each other and accept their socio-political and cultural differences. The 'strategic partnership' between Canada and China could also be developed further through an extensive joint effort. The Chinese President, during his visit to Canada, proposed five areas to push forward the collaboration and cooperation between the two countries (Ministry of Foreign Affairs of Peoples Republic of China 2010). These areas were further explored and discussed by the top two leaders, which includes:

First, the President of PRC proposed to increase the level of interaction and contact between the officials at the high level and other levels of government as well. The President stated that China welcomes more visits from Canadian government, parliament and political party leaders. He also extended an invitation to then Canadian Governor General, Michaëlle Jean to attend the Canadian National Pavillion Day of the Shanghai World Expo in July 2010. The Chinese president expressed his desire to cooperate and collaborate more with each other in every aspect of their bilateral and multilateral relations. He emphasised on enhancing the role of Canada-China Strategic Working Group and other such bilateral consultation mechanisms to increase bilateral dialogue and exchanges covering different areas (Ministry of Foreign Affairs of PRC 2010).

Second, China considered Canada a major cooperation partner. It had placed the two-way trade and investment as the top priority of their diplomatic agenda. It insisted on expansion in bilateral trade and investment to approximately US \$ 60 billion till 2015. Noteworthy was the emphasis on closer cooperation in areas of high technology, energy and resources. Developing and strengthening long-term and stable partnership in the areas of mineral resources development, oil sand, natural gas, nuclear energy and new energy helped to further advance coordination between the two countries.

The necessity to complement and assist each other in their respective areas of comparative advantages and set the new levels of cooperation in science and technology, agriculture, environment, health, transportation, aviation, infrastructure and financial services were also realised. The two sides must avoid and disapprove any attempts of protectionism in order to develop their comprehensive economic and trade relations. Any trade frictions or disputes, between the two countries must be

managed through bilateral dialogues and established consultation mechanisms. In sum, there were five proposals on promoting Canada-China trade relations that included—“increasing bilateral trade volume; promoting two-way investment; deepening cooperation in energy and resources; exploring new areas of cooperation; and opposing protectionism in various forms” (Liu 2011: 162).

During the visit, “approximately 300 Chinese entrepreneurs from various industrial sectors such as mining, water treatment, alternative energy, construction, real estate and automobiles as well as agricultural sector accompanied the Chinese President” (Liu 2011: 162). An economic and trade cooperation forum was also held between Canada and China where they exchanged opinions on investment opportunities, market access, and innovation strategies. These discussions were conducive for making a blueprint for their future course of two-way trade and investment (Ministry of Foreign Affairs of PRC 2010).

Third, enough emphasis was placed on expanding cultural and people-to-people ties. The president insisted on promoting exchanges on culture, education, sports and media with enough attention to youth exchange programmes. It would help in mutually understanding and building friendly ties between people from both sides. It was proposed to establish a China Cultural Center in Canada. A formal invitation to a certain number of officials, headmaster and school students to attend summer camp in China was also proposed in 2010 and a year after that. Relevant departments of the two countries were called to officially sign the agreement to name Canada as a destination of overseas travel by Chinese citizens and extended an invitation to Canadian citizens to make more visits to the Shanghai World Expo (Ministry of Foreign Affairs of PRC 2010).

Fourth, the Chinese President sought bilateral co-ordination and cooperation on the significant issues of global and regional affairs. Some of the identified key areas included—“reforms in the United Nations; sustaining and preserving environment and working on climate change; nuclear non-proliferation, disarmament, international peace-keeping and global public health”. The president called the two nations to work together to build a more prosperous, equal and peaceful world (Ministry of Foreign Affairs of PRC 2010).

The final point was related to recognising, understanding and respecting each other's major interests and core concerns. It appreciated the reaffirmation of Canada's commitment and continuation of its "One China Policy" and respecting China's sovereignty and integrity. The president finished his statement on a positive note stating that China expected Canada to understand and support the country's stance on major issues and manage the sensitive issues carefully. It had always remained a crucial requirement to the long-lasting healthy and stable development of bilateral relationship.

At President Hu's invitation, the Canadian Governor General, Michaëlle Jean made her visit to China from June 30 to July 5 for attending the Canadian Pavillion day at Shanghai World Expo in July 2010. As the first Canadian Governor General to visit China in 15 years Jean stated that "It is with pride that I will tell the people of China, on behalf of all Canadians, how much we cherish the strong, historical ties that unite us" (Xingbao 2011: 829).

The exchange of visits was quite "accomplished and fruitful as the economic co-operation and trade promotion rapidly expanded" (Xingbao 2011: 829). Following the visit of Chinese president in June 2010, the third Canada-China Business Forum was held in Toronto, in September 2010. Approximately 400 Canadian and Chinese entrepreneurs participated in the Forum.

Similarly, in October 2010, the Canada-China forum on infrastructure was held in Vancouver with the participation of almost 70 companies. The 21st Canada-China Joint Committee meeting on economy and trade was also held in Beijing. The working group on infrastructure also held its meeting in Ottawa in the same year. All these meetings implied that there were immense opportunities for two-way trade and investments in the future. Until 2010, there was significant Chinese investment in Canada that amounted to nearly \$14 billion USD and Canadian investment in China that was almost \$ 4 billion USD (Library of Parliament 2016). However, Liu (2010) argues that Canada-China trade only represents a small fraction of the two countries' total foreign trade volume— 1% for China and 6% for Canada.

Conservative Majority Government: Moving Forward

In 2011, federal elections took place in Canada where Conservatives won the majority. As Conservatives won the majority government, its approach towards China shifted significantly and accelerated the pace of engagement (Nossal 2013; and Evans 2014)). John Baird was appointed as the new Minister of Foreign Affairs under the majority government of Harper. Burton (2015) points out that John Baird was the only Minister of Foreign Affairs that enjoyed the marked confidence of the prime minister. Such confidence helped Canada to rapidly further its interest internationally.

Soon after assuming the office, Baird emphasised that “China was a clear priority of his government and economy” (Evans 2011: 26). He stated that “since 2006, there had been 40 ministerial visits to China where issues such as law enforcement, legal cooperation, impediments to business, air transport, tourism, education, commercial ties and people-to-people engagements” had been discussed (Evans 2011:26). He reaffirmed the government’s commitment to further discuss these issues to continue and sustain the high-level engagements with China.

In 2011, Canadian foreign minister made his visit to China which was identified as another major step in the warming of the relationship between Canada and China. Wenran Jiang (2011) believes that foreign minister’s visit to China had signalled that China was back at the top of Canada’s foreign policy agenda. The foreign minister’s pro-active approach and his reference to China as “a friend” and as “an important ally” were strategic and commendable (Clark 2011; Nossal 2013: 6). Baird’s visit to China was also relevant because it galvanised the pace of government-to-government negotiations on multiple issues so that when Harper would make another visit to China in 2012, then he could announce some of the “deliverables” (Nossal 2013: 6).

In 2012, Harper made another official visit to China at the invitation of Chinese Premier, Wen Jiabao. During the visit, various negotiations and discussions held on the issues such as

Foreign Investment Promotion and Protection Agreement (FIPPA); the Uranium trade; avoidance of double taxation; air transportation and civil aviation; quarantine and food inspection; cooperation on canola disease mitigation; fisheries cooperation; cooperation on sustainable development; transnational crime, extradition, and dealing with the proceeds of crime; student mobility, exchanges and scholarships; parks and other protected areas; multiple entry visas for Chinese citizens; the upgrading of Canada’s mission in Chongqing (Nossal 2013: 12).

More than twenty commercial agreements worth \$ 3 billion USD were signed. There was also an agreement to loan two giant pandas to Canadian zoos—Toronto and Calgary zoos—for ten years for collaborative research on conservation (Harper 2012a). The rental agreement (approximately \$ 1 million USD per annum) on the pandas was considered quite significant in several ways. Pandas are China’s national treasures that have some symbolic values. It was an honour that China entrusted Canada with. China has restrictive loan practices and previously only few countries like Australia, Austria, Japan, Singapore, Spain, Taiwan, Thailand and the United States had such long-term panda loans from China. It also signified the warming of relations between the two countries and was perceived as a reminder of deep friendship and goodwill.

There was also an official announcement of the conclusion of negotiations on Canada-China Foreign Investment Promotion and Protection Agreement (FIPA). It was characterised as further testimony where Canada-China were approaching the next level of bilateral relations and strengthening their strategic partnership (Government of Canada, Office of the Prime Minister 2012a). At the end of the prime ministerial visit in Guangzhou, Harper made a speech where he spoke of his eagerness to

Strengthen our (Canada-China) partnership, in fact to take the partnership to the next level . . . Canada is not just a great trading nation; we are an emerging energy superpower. It has abundant supplies of virtually every form of energy, and you know, we want to sell our energy to people who want to buy our energy, it’s that simple (Government of Canada, Office of the Prime Minister 2012b).

Harper’s statement contradicted with his previous statement where the government had argued that it was not going to sell its Canadian values for the all mighty dollar. It was a noticeable shift in Conservative government stand and policies towards China. While analysing relations between the two countries and the hype given to the exchange of visits between the two leaders, Burton has stated that “objectively these rather weak explications to demonstrate that relations were ‘flourishing’ appear more aspirational than objectively factual” (Burton 2015: 49).

The Canada-China FIPA negotiations started from 1994; however, it was only in 2012, that the negotiations were concluded successfully. It still had to be ratified by the parliament of Canada. FIPA was ratified by the parliament of Canada in 2014 therefore its implications for two countries could not be measured during the Harper

years. Though it was argued that without FIPA, China had already become Canada's second largest trading partner in 2009 but there remains a huge trade deficit¹⁰ (see Appendix I and II). Also Canada's trade is still dominated by its trade with the US and Canada's percentage of trade with China is quite below the mark as compared to other countries like the US or Australia.

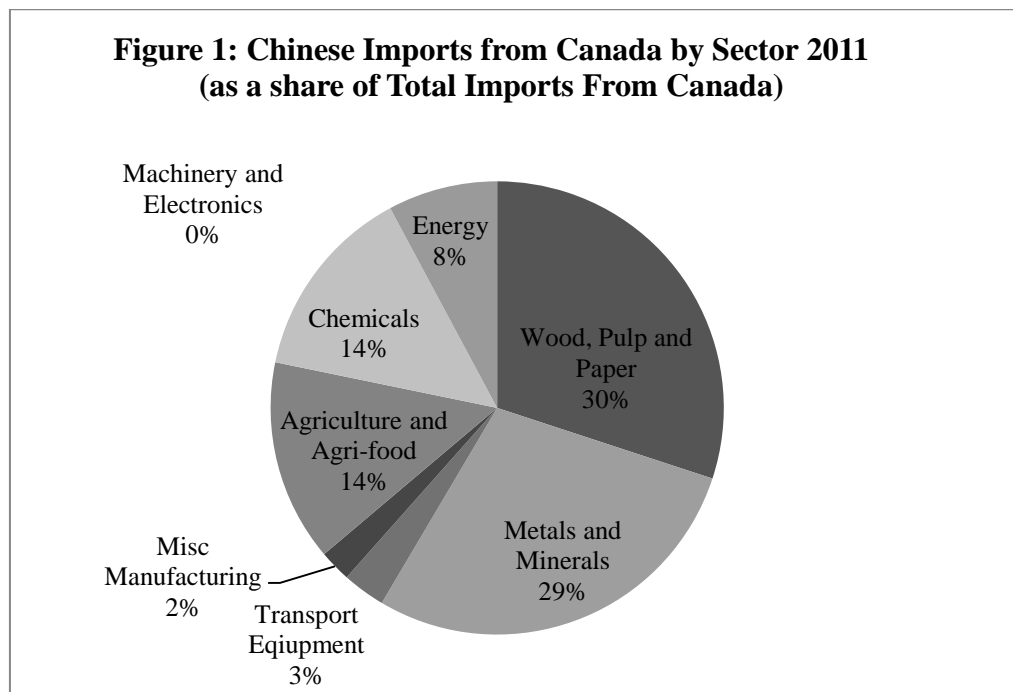
The Canada-China Foreign Investment Promotion and Protection Agreement (FIPA) is a Bilateral Investment Treaty (BIT). Carter (2011) defines BIT as the most common legal mechanism to develop stronger trade and investment relations between the two countries. It has two fundamental principal and inter-related functions. First principal consists of substantive provisions. It includes a number of protections to each signatory state and implies that the host government must provide certain standards of treatment to the investors. Such protection and standards of treatment are—'national treatment', which means equal treatment as afforded to state's own nationals; "most favoured nation" treatment, which means equal treatment as afforded to nationals of another state; 'fair and equal' treatment, which means treatment as per the establishments of international law. Second principal consists of procedural standards provisions. It provides foreign investors the right to claim against the host states if any rules and assurances have been breached.

As FIPA negotiations were concluded in 2012, it was also during the same period that the outcome of a jointly established 'Canada-China Economic Complementarities Studies' were released. During the 2010 meeting between Canadian Prime Minister Stephen Harper and Chinese President Hu Jintao, a joint study was undertaken to analyse and evaluate the potential bilateral economic complementarities between the two countries in certain identified areas. Economic complementarities were defined as the "interests and requirements of one country that could be matched with a capacity to supply in the other country" (Ministry of Commerce of the PRC and Foreign Affairs and International Trade 2012: 3). The established joint study was completed in 2012 during Harper's visit to China. It was argued that the completion of joint study would further help the two countries to launch exploratory discussions on deepening economic and trade ties.

¹⁰ China is Canada's second largest export market (excluding EU) and second largest source of imports, while Canada is China's 20th largest export market and 19th largest source of imports.

The joint study identified seven sectors—reflecting specific interests on one side or the other—which had strong economic opportunities. These seven sectors were “agriculture and agri-food; clean technology and environmental goods and services; machinery and equipment; natural resources and derived products; services; textile and related products; and transportation, infrastructure and aerospace”. An analysis of bilateral economic complementarities also enabled the identification of limits and challenges of growth in such recognised sectors. The report analysed the bilateral trade relationship in terms of merchandise and services trade.

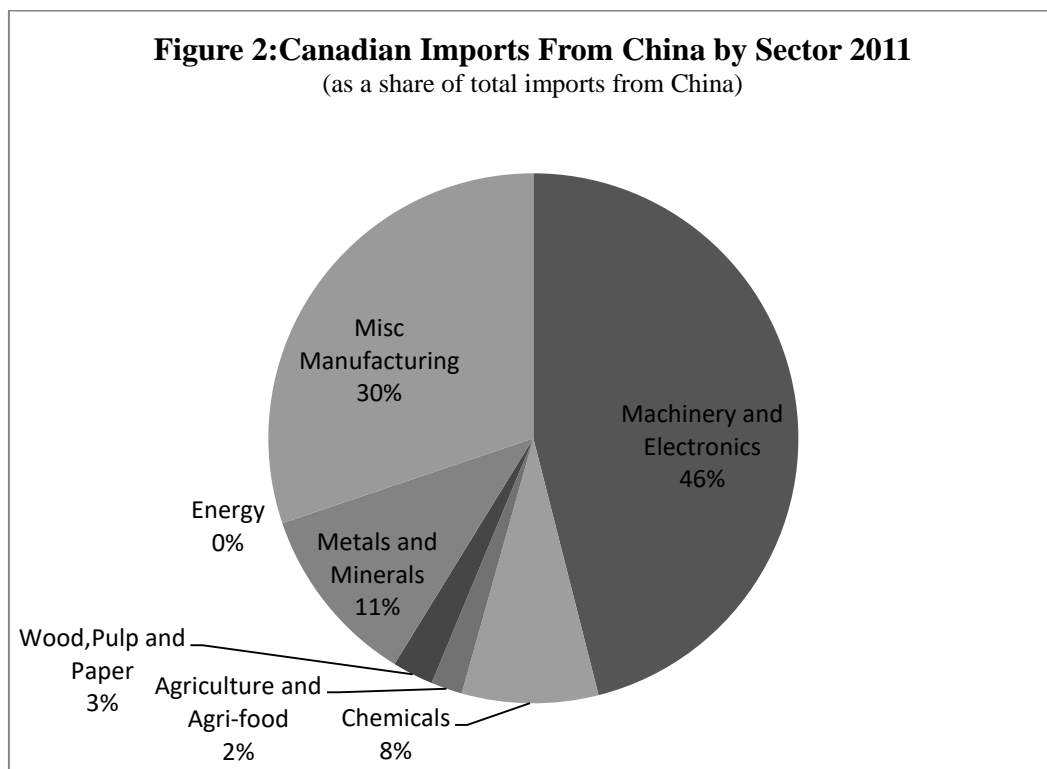
In merchandise trade, China is the third largest importer of Canadian products with US\$ 21.6 million imports in 2011 (Canadian exports to China). The majority of China’s imports from Canada included resource related goods such as wood products; pulp and paper; metals and minerals. The detailed description of Chinese imports from Canada by sector is given in Figure 1 below.



Source: Canada-China Economic Complementarities Study, Ministry of Commerce of the Peoples Republic of China and Foreign Affairs and International Trade, Canada 2012

Agricultural imports to China from Canada were also substantial, particularly oilseeds, fish and seafood. The report also found that though there had been an upward trend in some sectors like those in high value-added manufacturing exports such as machinery and equipment, aircraft and medical instruments, yet the primary driver of trade from Canada to China remained the resource related goods.

The Canada-China Joint study report (2012) emphasised that in 2011, Canada's merchandise imports from China have increased rapidly to US\$ 48.6 billion. After the United States, China had become the second-largest supplier of merchandise to Canada. Canada's imports from China have been concentrated in consumer goods like textiles and apparel, bags, footwear, toys and furniture. The report identified the emerging product segments of Canada's imports from China that included electronics, machinery and plastics. Given below is the detailed description of Canadian imports from China (Figure 2).



Source: Canada-China Economic Complementarities Study, Ministry of Commerce of the Peoples Republic of China and Foreign Affairs and International Trade, Canada 2012

The joint report on economic complementarities also stated the significance of tourism and travelling services between the two countries. It estimated that travel services were China's leading service imports from Canada which accounted for 33% of total imports of Canadian services in 2009. Since China has granted ADS to Canada in 2009, there remains a huge potential for growth in this area. In 2011, Canada received approximately 248,887 travellers from China, which contributed nearly C\$ 390 million to the Canadian economy. It was also estimated by the experts that ADS could increase the annual rate of travel to Canada from China by up to 50% by 2015.

Though the service sector contribution in trade between the two countries is an emerging element and the report committee found it difficult to accurately quantify the numbers yet it stated that it has significant scope of growth (see Appendix II). Financial, engineering, communications and management are some of the source of services from China to Canada.

The government's transformed approach and policy reversal was widely recognised and appreciated by academicians and business community including the Canadian Council of Chief Executives and Canada-China Business Council. But as the economic interests were taken into consideration, anxieties grew in the minds of many Canadians--politicians and public alike. Such anxiety and negativity came into forefront during the sale of Nexen to China National Offshore Oil Corporation (CNOOC) in 2012. Nexen was a Canadian oil and gas company which was taken over by CNOOC in approximately US\$ 15.1 billion (Burton 2015).

A national debate emerged in 2012 about the purchase of Nexen by CNOOC. The debate exposed the limits of strategic partnership and deeper economic engagements with China due to widespread negativity and distrust among Canadians towards China. Evans (2014) argues that though the takeover of Nexen by CNOOC was widely supported by the government of Alberta, the board members of Nexen and its shareholders and majority of the investment experts in Canada, yet three-quarters of Canadians opposed the deal. The opposition had two prime arguments.

First criticism was based on the risks associated with the engagements with State-owned Enterprises (SOEs). There were several arguments such as SOEs were less profitable than private sector competitors; questions raised about the specifics of the deal; the necessity to protect Canada's leading firms in the energy sector; the enforceability and scope of the undertakings promised by CNOOC; the willingness for reciprocity in promoting Canadian business opportunities in China. Evans argued that "free-market ideology and economic nationalism conjoined in an unlikely if potent combination" (Evans 2014: 78 and Burton 2015).

Second criticism revolved around China itself. CNOOC was a state owned enterprise (SOE) and so it was accused for its connections with Chinese intelligence and espionage; the Chinese military and the Chinese Communist Party (CCP). Such criticism was driven by the popular narrative that engagements with Chinese SOEs

means dealing with Chinese State. Chinese state is governed as well as controlled by the CCP, and the state violated the basic human rights of its people and oppressed them. The signing of the FIPA was also dominated by such arguments and due to same reasons it took two years to ratify the agreement from 2012 to 2014.

There were immense criticisms and anxiety which constrained the policy making process. As the Conservative government of Harper was proceeding towards wider economic linkages and deeper commercial transactions, it also was sensitive enough to the critiques of China. The criticism of China was not merely limited to the behaviour of firms in their own country but there was concern over China's core institutions of its governance structure, the CCP.

After the controversy, though the Harper government approved the Nexen deal, it made provisions and came with new guidelines that would substantially limit the capacity of any SOE to make majority-ownership purchases in future in the oil-sands except for 'exceptional circumstances'. The government also stated that investments from SOEs would have larger purposes that would go beyond the commercial objectives of privately owned companies. Thus it would be looked differently from the private companies. The government reaffirmed its commitment to 'free market economy'.

Burton (2015) argues that Canada and China are complementary to each other for comprehensive development of mutually beneficial relations. However, there are serious challenges due to the institutional political and economic incompatibility between the two countries. The meaningful widening and deepening of relations between the Conservative government of Canada and the Chinese Communist Party state was constrained by the issues of incompatibility. He explains that the meaningfulness and substance of Canada's achievement of ADS became debatable when more than 120 countries around the world have achieved this status ahead of Canada.

Similarly, FIPA negotiations remained unratified for two years by the parliament of Canada. Due to institutional incompatibilities, Chinese investors already enjoy the protection in Canada as it has a fair and impartial judicial system that does not discriminate against the foreign investors but for Canadian investors in China there are no incentive or any established impartial institutional mechanism. The Chinese

regime could not guarantee the protection of the rights of Canadian investors in China because of the absence of effective rule of law. The negotiations were also become problematic because of lack of reciprocity which means that China received some concessions from Canada without really providing the same assurance to Canadian investors in Chinese market.

Conclusion

The Conservative government of Harper developed its relations with China on an uncertain ground. It followed an incoherent policy where the government initially adopted critical and hard-line approach towards China. The government argued for a 'principled foreign policy' that eventually developed a principled engagement policy for China. It could be noticed that the government's critical approach towards China emerged primarily because of the domestic factors like—the Conservative's desire to differentiate itself from the previous Liberal government and its policies; the minority status of the government; lack of interests and experience in the issues of foreign affairs; and a belief in western universal value system dominated by the US.

Though the government was critical in its approach to China, yet it never pulled out from any policies and programmes and continued with business as usual. The major difference could be noticed in the adoption of 'public diplomacy' in accusing China for its human rights policies. Liberal's 'quiet diplomacy' was replaced by Conservative's 'public diplomacy'. However, no significant difference in China's socio-political reforms could be noticed in any of the approach. But, it reduced the pace of engagement between the two countries. From 2006 to till the end of 2008, there were no significant initiatives from Canada or any such active engagement strategy to engage China.

It was only from 2009, after the Canadian Prime Minister's visit to China that two countries came together on the negotiating grounds. The Conservative government of Harper took a u-turn and began to follow policies similar to its predecessors. The transformation in the approach could be noticed due to the global factors like the financial crisis and the necessity to engage with China and also the increasing demands within Canada. The change in the government's approach also implies that while engaging China, Canada did not have enough choices. It cannot bring reforms and transform the socio-political situation in China by snubbing the nation. The only

choice it has is to recognise the significance of China in the global affairs and identify the potential areas of growth in bilateral relations. The government could only realise this during its second tenure.

However, realising the potential of bilateral relations was not enough as the previous governments also identified those areas. It was required to make a strategy for active engagement and reduce the constraints in bilateral relations. The Conservative government's engagement strategies with China succeeded when it achieved the deals on ADS, Panda Act and FIPA. But it remains a matter of debate as none of these programmes were considered to be new and it was pending from the time of Liberal government of Chrétien. It took years to achieve these goals by the government of Canada. There remained issues of institutional incompatibilities and the government was also not able to influence the Canadian opinion towards China. Canada's China strategy under the Conservative government of Harper remained on the same periphery where the Liberal's left. It travelled from one periphery to another but could not move ahead as there was no coherent strategy of engagement.

Chapter V

Evaluation of Chrétien and Harper's China Policy

Canada was one of the first few western nations to establish diplomatic relations with the PRC in October 1970. Wong recalls that “Canada was a pioneer, a global first-mover that set into motion a series of processes that eventually led to the opening of China to the world” (Wong 2016:1). Since 1970 it has been, now, more than 45 years that Canada had developed its ‘special relationship’ with China.

The bilateral relations between the two countries therefore, have come a long way from providing development assistance to China, to signing the bilateral Foreign Investment Promotion and Protection Agreement and co-operating in various areas of development, trade and investment; science, information and technology; sustainability, peace and security. The global significance of China and its relative importance for Canada have also increased considerably over the period of time. While describing the vitality of China for Canada, Evans writes that in the 21st century “Canada’s relations with China and its policies, faces a complex set of choices that in scope, depth, and significance are second only to managing relations with the United States” (Evans 2014: 83).

Despite the increasing significance of China for Canada, the policies under any of the Liberal or Conservative governments of Canada have been uni-linear; one-dimensional; short-sighted and non-dynamic. From 1970s, the Canadian governments’ policies towards China has been dominated by the ‘mercantilist approach’ of engagement and constrained by the ‘moralistic principles’ of rights, governance and democracy. The Canadian government policies have not shifted or evolved accordingly with China’s expanding global presence and influence in economic, diplomatic and security spheres. Canadian governments have always considered and recognised the relevance and significance of China, but the bilateral ties between the two countries remained noticeably confined. Canada’s relationships with China over the past decades have gone through warm phases at times and cold during others.

During the Liberal government of Chrétien (1993-2003), Canada vigorously promoted engagements with China by pursuing closer economic ties. The federal government’s

commitment was demonstrated by the 'Team Canada' approach. It was designed and developed to increase the competitiveness of Canadian markets in the rapidly globalising market economy and promote Canada's economic and trade links across North America and Europe to Asia-Pacific.

The government also articulated a 'Four-Pillar China Policy' that focused on promoting economic ties but also identified some other socio-political areas of co-operation. The bilateral relations expanded under the Liberal leadership from "Trans-Century Comprehensive Partnership" in 1997; to "Co-operative Relationship" in 2003; and "Strategic Partnership" in 2005 (Paltiel 2016: 28). However, the Liberal government's efforts of active engagements with China fell short because it failed to create mechanisms to defuse the frequently emerging differences and challenges due to the distinctive nature of political, social and economic institutions and values between the two countries.

Contrary to the Liberal China policy, the Conservative China policy under Harper were observed to have an unfriendly and disengaging approach during his initial years in power (2006-2008). The government was slow in understanding and acknowledging the strategic shift in international order brought about by the rise of China. The government perceived China as a threat and miscalculated the interconnectedness of China's prosperity and stability to the global prosperity, development, stability, peace and security.

Such ignorance of China and its significance, led the government to make unannounced but apparent changes in its China policy which was considered inadequate and developed narrow interests. The policies and political maneuvering revolved around the western values and traditional allies in the North Atlantic Alliance. The Asia-Pacific region was identified as a voracious consumer of Canada's abundance of natural resources in the official statements of the government but put on the margins when it came to the core Canadian values and political concerns of the nation (Paltiel 2011).

The Canadian approach towards China was stiffly ambivalent and moved around from cold to warm phases under the Conservative leadership of Harper from 2006-2015. The government refrained itself from defining the bilateral ties as 'strategic

partnership' in 2006, but then it sought 'constructive and comprehensive partnership' with China till 2009. Again, after Harper made his first prime ministerial visit to China in 2009, the bilateral relationship was further characterised and acknowledged as 'strategic partnership' from 2010. The government's China policy pendulated from suspicious antagonism to a warm welcoming of trade and investment opportunities. But even during the times of closer economic ties and warmth in the relationship the underlying foundation lacked mutual trust, confidence and was superficial.

Canada therefore, has underperformed on its China policy in any of the regimes under study. China's emergence to global prominence and its multifaceted implications at domestic, regional and global levels require serious attention by the Canadian policy-makers and its executors. A comprehensive, dynamic and progressive approach in Canada's China policy is essential to manage and elevate the bilateral ties according to the shifting global and regional paradigms. This Chapter will identify the major determinants of China's policy under the Liberal and Conservative governments of Chrétien and Harper respectively. It attempts to explore how these factors influenced the policies of two leaders. The constrained bilateral ties between the two nations are further discussed and how these constraints led to an incoherent China policy. In the final section, an attempt is made to recalibrate the China strategy of the government of Canada.

The China Policy Determinants in Chrétien and Harper Government

The foreign policy of a nation is formulated and implemented by its policy-makers. In doing so, the policy-makers have to consider and take into account various factors such as "the national interests of the nation; the internal and external environment; the national values; the goals of foreign policy; decision of the other nations and the international power structure". The policy-making process is a collaborative and collective effort of various institutions/departments and individuals. There are several factors that influence and determine the foreign policy of any nation and Canada is no exception to this.

Canada's China policy has also been part of such policy-making processes where various domestic and international factors played a crucial role in determining the policy choices and responses of two of the Prime Ministers--Chrétien and Harper. Therefore, to deconstruct the various China policy preferences and responses of two

prime ministers under the study, it is necessary to identify the factors that influenced Canada's policy towards China.

Scholars writing on Canadian foreign policy like Nossal (1983; 2008 and 2014), Pratt (1983), and Dewitt and Kirton (1983 and 2006) have identified various approaches to study the determinants of Canadian foreign policy. These determinants are broadly divided into two paradigms— external determinants and domestic determinants. This section would discuss these approaches in brief and the relevance and significance of these approaches in determining Canada's China policy. Apart from the international and domestic factors, the individual and governmental factors have been also considered and analysed to understand the China policy responses of Canada in the leadership of Chrétien and Harper.

Approaches to the Study of the Determinants in Canadian Foreign Policy		
	(External Determinants)	(Domestic Determinants)
High Level Of State Autonomy	(i) Liberal Internationalist (ii) Complex Neo-Realist/ International Realist	(i) Statist (ii) Dominant Class/Structuralist
Low Level Of State Autonomy	(iii) Dependency/ Peripheral Dependency	(iii) Pluralist/Liberals (iv) Dominant Class/Instrumentalist

Source: Pratt (1983-84) and Nossal (1983-84)

External Determinants

In the study of international politics, Realists assert 'the primacy of global politics' in shaping the foreign policy of any nation. Leopold von Ranke , a German historian and founder of modern source-based history, forwarded and favoured the idea of *Primacy of Foreign Policy*, which signifies the salience of external factors and global politics in shaping of the foreign policy of a nation (Nossal 2014). Like Ranke, the Realists believe that the nature of the international system derives the behaviour of states. Kenneth Waltz (1979), the proponent of 'Structural Realism', in his work *Theory of International Politics* argued that it is the structure of the international system that determines the behaviour of a state towards other states of the world.

In Canadian foreign policy, scholars like Pratt (1983-84); Nossal (1983-84) and Kirton (2006) have identified three approaches to describe the extent of international determinants in influencing the foreign policy of the nation. These approaches are— Liberal Internationalism (LI); Complex Neo-Realism (CNR); and Peripheral Dependence (PD).

The Liberal Internationalist approach views Canada as a ‘middle power’ in the ‘international power structure’. It believes that Canada seeks to contribute to global peace and security by advocating and promoting the increasing institutionalisation of international relations. It would ensure the maximum participation of countries around the world and ‘middle power’ nations like Canada could have a major role to play. The Complex Neo-Realist approach, views Canada as a ‘major power’ in a largely anarchic international system. It believes that Canada seeks to maximise its influence, advantages and security around the world. The Peripheral Dependence approach, views Canada as a ‘satellite state’ to the US. It depicts Canada’s economic, cultural and military dependence on the US. It believes that Canadian policies in external affairs are heavily influenced by Canada’s reliance to the US.

These theoretical interpretations have been already discussed in detail in *Chapter II* of this thesis. It finds that the principles of Liberal Internationalism remains an inclusive and most determining feature of Canada’s foreign policy.

While analysing these approaches to the China policy of two leaders—Chrétien and Harper, the study finds that during the Chrétien years, the Canadian government’s China policy was heavily influenced by the values and principles of Liberal Internationalism and Complex Neo-Realism. In contrast, during the Harper years, Canada’s China policy was influenced by Peripheral Dependence and Liberal Internationalist approach.

Apart from the theoretical interpretations, Nossal (1997) emphasised on the importance of an ‘international setting’ as a source of foreign policy for any state. He writes: "there are two distinct, but interrelated, aspects to the international setting-- first is the environment in which the state must operate; and second is the condition of state in an international environment" (Nossal 1997: 7). The first aspect, described by Nossal, echoed the Realist viewpoint and gave primary importance to the international environment in which a state had to survive. While describing the second aspect, he

further writes that “a consideration of the state's condition in this system would include the state's geographic location, its status relative to other states, its external economic linkages, its alignments in international politics, and its capabilities and power” (Nossal 1997: 7-8).

Though the influence of international environment cannot be ignored, it is still a matter of considerable debate that how much the international environment influences the foreign policy of any nation. A country has to consider the international environment while formulating its foreign policy. Several external factors play a significant role in influencing the foreign policy of a country. One such factor is the power structure of the international system. A country's foreign policy changes as per the changes in the power structure of the international system. For instance, the emergence or demise of any powerful country in the international system influences and transforms the foreign policy responses, priorities and behaviour of other countries. In Canadian foreign policy, the focus of international politics shifted from Europe to America in the post World War II years. The bi-polar structure of international system and the centrality of US in Canadian foreign policy heavily influenced and restrained Canada's preference for recognition to PRC from 1949 to 1969.

In the post-cold war era, the focus of international politics began to shift from America to Asia-Pacific. The increasing significance of the region due to its role in global economy, security and politics made the region the focus of every nation around the world, including Canada. Since 1993, when Chrétien government came to power, the government of Canada has constantly recognised China as the top most priority in the region. Even during the initial years of Prime Minister Harper, when the Government had a critical approach towards China, the change in the attitudes of government officials in Canada could be noticed after the global financial crisis of 2007-09. The global financial crisis had worldwide impact but it varied in its extent and implications. The economy of China and Canada had relatively lesser impact than the economies of Europe and America. In the 21st century, the rise of China has become unprecedented and a global reality. The countries around world, including Canada might have political differences with China but its economic factor and security implications cannot be ignored.

The process of globalisation is identified as another external factor that influences the foreign policies of a nation more than ever before. Globalisation is marked with systemic process of global change that includes trade liberalisation and economy, technological change, spread of ideas and ideologies, expanding of international agenda and blurring of the lines between the domestic and international issues (Donaghy and Rouseel 2018). It is a dense system of institutional networks and interdependent relationships that has wider and larger impact in speed, scope and scale. Globalisation has left relatively ‘small or middle power’ nations like Canada, Australia and Scandinavian countries more vulnerable to the external determinants. The foreign policy choices of these countries are likely to be driven by the changes abroad.

Evans (2006: 42) notes that “globalisation has increased Canada’s connections around the world through the multiple bands of diplomacy, commerce, migration, culture, and communication”. The emergence of a dynamic Asia is already having an effect on the political economy of Canada. The rise of China in an era of globalisation has led to various global opportunities and deepening inter-connections with Asia. Globalisation has helped China to connect to the global supply chains, production networks and various foreign investment programmes that have both regional and global implications. Evans writes that “the recent prosperity seen in higher growth rates in western Canada is in part driven by Asian imports of natural resources and the increase in commodity prices fuelled by Asian demand” (Evans 2006: 296-97). He writes that British Columbia and Alberta are trading almost as many goods with Asia by value as the rest of the country combined.

However, there is debate among scholars like Kirton (2006); Clarkson (2001); and McBride (2001) between the impact of globalisation and the autonomy of Canadian state in the making of Canada’s foreign policy. Stephen McBride (2001) in his book *Paradigm Shift: Globalization and the Canadian State* emphasises on the relevance and importance of society and state in the globalised world. He argues that the state and society still plays a greater role in influencing Canada’s foreign policy than the external determinants.

International and regional organisations like UN, WTO, APEC; and a country’s existing equations in the world politics about polarity or alignment are some of the

other factors that could influence the foreign policy of a nation. Canada has been always a great supporter of international and regional institutions to promote the peace, security and prosperity of the nation. Multilateralism is one of the key features of Canada's foreign policy.

Canada has played a very crucial role in the development of several international laws such as—Universal Declaration of Human Rights (1948) which was an attempt to protect the fundamental rights of human beings, United Nations Convention on the Law of the Sea (1982), Rome Statutes (1998) etc. Such active role and advocacy at the international and regional institutions also has an implication on Canada's bilateral relations with other nations. It becomes a compulsion for countries like Canada to follow such laws and obligations while maintaining and conducting their relations with other nations.

Addressing the human rights issues with China therefore became essential for the government of Canada after the Tiananmen incident in 1989. In the post-cold war era, such socio-political issues became more severe and Canada's active role and participation in various global institutions, indeed influenced Canada's bilateral ties. The establishment of Canada-China bilateral human rights dialogue was considered mandatory because of Canada's role and advocacy for the protection of human rights by placing a 'Ban for Anti-Personal Landmines' and restriction on the sale of small arms.

Similarly, Canada's socio-cultural and economic relationship with the North Atlantic Alliance; its membership and security commitments with NATO has always influenced the country's foreign policy choices and responses. The Harper government's belief in a western value based system and its closeness to the North Atlantic Alliance led to a critical China policy. The government of Canada has also failed to project its security interests in the Asia-Pacific region due to its security commitments and alliance with NATO (Evans 2014).

Domestic Determinants

The existing domestic environment in the society is also crucial element in influencing the decisions of policymakers. The local internal factors are essential in transforming the course of foreign policy making of any liberal democratic nation. Kim Richard Nossal, Stephane Roussel and Stephane Paquin in their book, titled

International Policy and Politics in Canada argued that the “relationship between the state and society is particularly important in a liberal democratic country like Canada, where the relationship between governors and the governed is shaped and conditioned by the normative principles of liberal democratic theory” (Nossal, Roussel and Paquin 2011: 84).

The ‘normative principles of liberal democratic theory’ implies the equality of all citizens, the consent to be governed, the supremacy of common citizens and the accountability of the government. The scholars of Canadian foreign policy like Nossal (1983-84; 1997); Pratt (1983-84); Stairs (1977-78) and Kirton (2006) have identified some theoretical approaches to analyse the impact of domestic sources on Canadian foreign policy. These theoretical approaches are—Statist Approaches; Marxist Perspective—Dominant Class/ Structuralist and Dominant Class/ Instrumentalist; Liberal/ Pluralist Approach.

Statist approach is a state-centric approach which assumes that the government, politicians and bureaucracy enjoys a significant autonomy in determining government policies. The Statists, therefore “concentrate upon the dynamics of the decision-making process within the government”. It explains the policies as an outcome of “intra-government bargaining and discussion”. The state, according to the Statists, plays a crucial role in initiating and identifying desirable policies through its own internal procedures. The state has considerable autonomy that enables it to pursue ends which it determines itself. Promoting and supporting these desirable policies, and then executing them becomes an agenda of the government. The preferred policies by the state are later, presented as it represents the interest of the nation.

The Marxist approach believes that a democratic state has an inexorable relation with the capitalist mode of production. Such democratic states also have “an inherent conflict between the dominant or hegemonic class—those who retain the capital—and the other classes of the society”. These are the fundamental feature of a democratic state and its policies and behaviour are shaped by it. The policies of the state reflect and perpetuate the interests of the dominant class. Dominant class is the capital owning class in a democratic country. There are two identified dominant variant of a Marxist approach of the state—Dominant Class/ Structuralist; and Dominant Class/ Instrumentalist (Nossal 1983-84).

Dominant Class/ Structuralist approach explains that the state often adopt policies which helps in maintaining and promoting the structure of the state machinery. In this approach, the state is solidly embedded, structurally and functionally, within capitalist relations of production. The state has its own interest which is defined in the preservation of the capitalist mode of production and the maintenance of the structures necessary for capital accumulation and reproduction. It implies that within a state, there are conflicts and clash of interests among the dominant class. The state recognises the conflict and considers it as a challenge to the unity and conditions of production. In such situation, state has to assume a 'relative autonomy' among the dominant class, to mediate the intra-class conflict and perpetuate the dominance of the dominant class as a whole.

It explains that the state safe-guards and ensures the long-term interest of the capitalist system and does not respond to the short-term interest of the dominant class or some of its segments. The state's long-term strategies and policies might appear to be in contradiction to the interests of the dominant class at the first glance but it actually extends legitimacy and reassertion of authority of the dominant class in the eyes of other class. For instance, the approach depicts the social welfare legislation as against the putative interests of the dominant class but such welfare schemes avert the collapse of the system and protect the long-term interest of the dominant class.

Dominant Class/ Instrumental perspective views the state as a governing instrument of the interests of the capitalist class. It believes that those who are in authoritative capacity to execute power in a state come from a section of the dominant class. Thus, instrumentalism implies that state does not act on the instruction of the dominant class but the government officials share a similar background as the dominant class. The bureaucracy or the officials are largely absorbed into the capitalist class and their wealth and power is used to influence the policy-making process for their advantage.

The Pluralist or Liberal approach views the behaviour of the state as a mediator or aggregator of diverse interests and preferences of civil society. It assumes that in a democratic state, various institutions and structures have been established by the citizens or the groups of citizens or individuals to pursue their interest. These groups or the members of civil society in the state have an equal opportunity to influence the policy of the government. This approach emphasises the active role of civil society

and various interest groups as an input in policy-making process of the government. The government policies, therefore, is considered to be a passive response of these societal demands.

Due to the limited impact and explanatory capacity of Pluralist/Liberal and Dominant Class/ Instrumentalist approach in Canadian society, these two approaches have been discarded by the scholars of Canadian foreign policy in analysing the domestic influence (Pratt 1983-84 and Nossal 1983-84). Both approaches are similar in a way that does not recognise the government as a key factor in determining government policies. The Pluralist/Liberal approach identifies the civil society and interest groups as a major source that influences the policies of the government. The Dominant Class/Instrumental approach views the dominant class as a major factor that influences the state's behaviour and therefore, state acts or coheres to the interests of the dominant class.

On the contrary, in Dominant Class/ Structuralist and Statist approach the state behaviour is perhaps influenced by various factors but the government has a relative autonomy in the decision-making process. However, the difference between that Statist approach and Dominant Class/ Structuralist approach is that in Statism, despite the various inputs from civil society the policy-making process solely remains an intra-governmental process, where the means and ends are solely decided by the government. In Dominant class/ Structuralism, the various policy alternatives are presented by the dominant segments of the society and the government then uses its relative autonomy in the decision-making process. Here, the end is suggested by the dominant class and the government decides the means.

Looking through the China policy of two leaders—Chrétien and Harper, Chrétien's China policy due to its pro-business approach and policies favourable to Canada's economic interest seems to be much influenced by the Dominant class/ Structuralist approach. Harper's China policy was more of an outcome of the intra-government policy process, which is similar to the Statist approach.

Canadian provinces are one of the most important domestic actors with global interest in Canadian foreign policy. In Canada, the provinces have the autonomy to pursue their interests domestically as well as internationally. Canadian federal government while making its policies has to consider the interests of various provinces. The

federal government during the Chrétien years attempted to collaborate and co-operate with the provinces to balance the regional as well as national interest of the nation in its 'Team Canada' initiative. Similarly, during the Harper years, the government considered the interest of the western provinces of Canada. There are various groups—business, human rights, labour and other interest groups—in Canadian society that constantly attempts to influence the foreign policies of the government. 'Corporate' sector is one of the most prominent and recognised segments in Canadian policy circles than the others such as—environmentalists; or human rights groups (Pratt 2010). Such groups attempt to persuade and influence the policy choices of the government. The business community in Canada has always supported the government of Canada for an active China strategy and greater engagements with the nations. Such influence was evident throughout the Chrétien and Harper years.

The role of Canadian media is also important in shaping the policies of the nation. In context of Canada's China policy the role of media is quite critical because it not only influences the policy choices of the government but also influences the public opinion. It acts as a facilitator between the government and the public. The rise of China has not received significant attention from Canadian media. The media remains quite negative and dismissive about the emergence of China (Ruan and Yan 2016). Like media, public opinion is equally important in the making of Canada's China policy but it remains wary. The Canadian perception on China has not evolved in parallel with the rebalancing of global shift of power to the Pacific and most of the Canadians still perceive China as a threat more than an opportunity.

Canadian national values form another group of factors that influence Canada's foreign policy. In 1995, during the Liberal regime of Chrétien years 'Canadian values' were projected as one of the prime objectives of Canada's foreign policy. During the Harper years, Canadian values were defined as "the things Canadian live by; those are the things that give us the prosperity and peaceful and pluralist society that Canadian enjoy" (Nossal 2010: 5). Denis Stairs (2003) explains that these values specifically include equality, democratic governance, tolerance and respect for diversity and sustainability. Nossal (2010: 3) makes an argument that "Canadians had allowed values to turn into Canada's foreign policy objectives instead of just determining them". Canada's China policy under the leadership of Chrétien and Harper was manifested to be hugely influenced by these values.

Individual and Governmental Determinants

Canada has parliamentary form of government where the Prime Minister is the head of the government. He appoints ministers in his cabinet which plays a crucial role in policy making process for the country. The Prime Minister is the chief executive in the parliamentary system and the executive branch of the federal government controls the legislature. Thus, the Prime Minister occupies a central position in influencing and determining the Canadian foreign policy. While describing about the role of Prime Minister in Canadian foreign policy, Kirton (2006) describes six significant factors that influence the beliefs of Prime Ministers.

The first factor includes the interest, expertise and experience of the Prime Minister. The second factor is the presence of strong and influential personalities in the cabinet. If there are some influential and strong-headed ministers and personalities in the cabinet then it becomes challenging to dismiss their opinion on certain issues. The third factor is bureaucracy. A capable, co-operative and determined bureaucracy lays the foundation of success on behalf of the policy-makers by effectively implementing the policies. The failure and incompetence of bureaucracy constrain the effective policy implementation. The fourth factor is the election mandate, which gives autonomy to the functioning of government. A majority government enjoys more autonomy in the making and executing of a foreign policy than a minority government. Less autonomy and post-poll alliance hampers the decision-making ability of the government. The fifth and sixth factor is domestic compulsions and international system respectively. On the role of Prime Minister in Canada's foreign policy, Nossal had argued that "Prime Ministers tend to put their own stamp on foreign policy, even if they come to the office without intending to do so or having much interest in international affairs" (Nossal 1997: 189).

Chrétien's China Policy Belief System: Jean Chrétien came into the office in 1993 as a Prime Minister with his firm established foreign policy beliefs. His beliefs at the early stage were shaped by his own opinions and family background and further restructured and evolved by his more than two decades of experience as a member in the Liberal caucus; Member of Parliament in 1963 during the government of Pearson; and Minister of Finance during the government of Trudeau in 1977 (Kirton 1993 and 2007).

Chrétien's belief system and his family experiences were reinforced during his personal experiences in his political career and he viewed the USA as the great assimilator of French Canadians. He perceived the USA as a threat to the Canadian identity. He had an unabashed, patriotic conviction that Canada was the best country in the world. He was a great supporter of Canada's national unity and to maintain the integrity and unity of Canada and francophone community in North America, Chrétien preferred distance and differentiation from the USA. He believed and favoured left-wing liberalism that stresses on individual freedom as well as social equity. He considered the pragmatic usefulness and flexibility of this approach that allows Canadians to believe and take pride in having a different and more desirable society than that of the South.

Chrétien was brought up in a non-metropolitan town in Quebec, where the local economy, including his family's income was dependent directly and completely on markets access to the US. From his childhood, Chrétien was aware about the trade-dependent nature of Canadian economy and the significance of exports and availability of markets for Canada. When he became the Minister of Industry, Trade and Commerce in 1976, his beliefs were repeatedly reinforced by his experiences where he acknowledged the critical role of export in Canadian economy and its relationship with generation of employment in Canada. He sought to reduce Canada's economic dependence from the USA and so, his prime focus shifted from North America to the Asia-Pacific region, where he focused more on China than Japan.

Chrétien always had his interests in the economy therefore his prime focus was on trade during his years as Prime Minister. He took initiatives to institutionalise Asia Pacific Economic Co-operation (APEC) into a Plurilateral Summit Institution (PSI) where Canada could participate, facilitate and promote its interests in the region.

With regard to Canada's China policy, Chrétien was quite a realist in his approach. He formulated strategies to engage China where it considered China as one of the major economic players in the global market. He recognised the vast market opportunities in China for Canada's economic prospects and interests in the short and long run. He also acknowledged the emerging security concerns with the rise of China. Therefore, Chrétien advocated involving and engaging China in more political and security negotiations at the international as well as bilateral level, where China would be an

equal stake-holder. Chrétien believed that collaborating and partnering with China in such a way could support and direct the country and its civil society towards democratic measures.

Chrétien never believed in lengthy, idealistic--philosophical discussions but quick and concrete results. Chrétien believed in quiet diplomacy to deal with China's human rights issues; extended material aid instead of punitive sanctions; and sought active engagement than isolation. Chrétien enjoyed an upper hand in foreign policy making, he had strong convictions and his cabinet and bureaucracy during his tenure supported him, he also enjoyed populism among the Canadians. But his government's back stand on human rights and governance issues drew staunch criticism. Also Chrétien's China policy belief system seems not to be much determined by his party's inclination than his reinforced personal experiences and choices.

The presence of Lyod Axworthy in Chrétien's cabinet was one of the most determining factors that led to the establishment of Canada-China Bilateral Human Rights Dialogue in 1997. Axworthy was the strong supporter of human rights around the world and in Canadian foreign policy too. Alan Gotlieb, Canada's Ambassador to the USA observed that, during Chrétien years, Canadian foreign policy seemed divided between two agendas—"pursuing trade promotion around the globe" and "crusade for humanity", the two goals of Canadian foreign policy never seemed further apart (Gotlieb 2004: 24).

Harper's China Policy Belief System: Stephen Harper came into office in 2006, with a minority government and later in 2009 moved towards a stronger minority government with slightly more hold on power. The minority status of the government was a major impediment that led Harper towards making a long-term strategy to establish the Conservatives as a "natural governing party" of Canada (Nossal 2014 and Burton 2015). Burton finds the minority status and inexperienced cabinet as a major impediment in the early years of the government. Due to this, the government paid less attention to its China policy in the early years of governance. Later with stronger hold on domestic power and being more secure the government paid enough attention to China.

Nossal (2014) explains that the minority status of the government offered a 'third possibility' of "primacy of ballot box" that suggest that apart from "primacy of

foreign policy” and “primacy of domestic politics” a country’s foreign policy is primarily and purely shaped by its electoral considerations. The primary objective of the government was to sustain the power by focusing on the domestic issues and policies and delivering on the promises. The foreign policy came after this. Therefore, unlike Chrétien, for Harper, Canada’s foreign policy was not the prime focus of his government.

Harper was from Alberta and as per the choices and preferences of western provinces his personal preference was too, tied to the western values—the loyalty to the crown and closer economic ties with the US. Harper had a very small cabinet which consisted ministers with similar orientation, therefore there were no such compelling requirement of vibrant Canadian foreign policy or relations.

It was also not a secret that his foreign policy revolved around his ideological orientation and electoral preferences. The policy preferences under Harper government were quite different, not only from his Liberal predecessors but also from the predecessors of his own Conservative party. He came into the Prime Minister office with almost no experience and little interest in the foreign affairs. From 1993-1997, Harper represented the Reform Party of Canada and emerged as a prominent member in the party’s caucus.

Post-1997, instead of seeking re-election, he joined and led the National Citizens Coalition (NCC), a Conservative lobbyist group in Alberta. His service in NCC as a policy analyst developed his understanding about the international affairs. It was the first instance where Harper encountered the issues of international affairs. Harper’s years as an analyst and leader of NCC, exposed him to the economic and energy affairs of the province and its crucial role in Canada’s prosperity. Harper’s experience and knowledge was further manifested when the Conservative government under Harper expressed a new conception of national interest that depicted Canada as an ‘energy superpower’.

Harper acknowledged his ignorance in the realm of foreign affairs, yet he placed himself at the locus of the decision-making process in Canada’s foreign policy. Despite placing himself at the commanding position, he was open to suggestions from those whom he had faith as having sufficient expertise and understanding of international affairs. Harper consistently appointed foreign ministers who had limited

interests, understanding and experience in international affairs until 2011, when Conservatives formed a majority government. These ministers did not enjoy the Prime Minister's confidence. It highly centralised the foreign policy decision-making system that empowered the Prime Minister. Harper hand-picked the members of his foreign affairs team, which had representation from almost every political party of the major regions in Canada but it failed to formulate a unified international strategy and policy choices. Harper never had an organised and coherent approach to Canada's foreign policy and a disorganised China policy was such an example.

Due to the centralisation of decision-making and directives from the Prime Minister's Office (PMO), there was a frustration and demoralisation among the bureaucrats working in DFAIT, especially those who were working on China. The bureaucrats who had already worked under the Liberal government for promoting Canada's bilateral ties with China could not agree with the Conservative government's critical and fragile approach. Burton argues that "there were noticeable disagreement and tensions between the civil servants responsible for overseeing administration of Canada's China policy and the Conservative government to which they were answerable" (Burton 2015: 48). Nevertheless, an award winning journalist Nikiforuk (2015) writes that no Canadian Prime Minister has put his personal stamp on foreign affairs more than Stephen Harper and neither parted so radically with the country's traditional past.

The Role and Influence of Political Party: Political parties hold a great deal of power and influence over the functioning of government and their conduct of domestic and foreign affairs. Political parties function in a certain domestic and international context with constant pressure and influence from various interest groups. They also have their own social support system, patronage relationships, leadership techniques and electoral strategies. Indeed, the government policies and programmes are executed by the head of the state, yet the rationale behind the decision must be taken and influence by the respective vision, principles, mission and values of the political party (Gagnon and Tanguay 2007).

In 1957, a document was released by the Liberal Party of Canada that explained the origin of Liberal and Conservative party in Canada and the major differences between the two political parties. It described that the Conservatives/Tories favoured a strong

British presence in Canada. Following their instinct and interests, the Conservatives accepted the dependency and subjection of the new settlements to the Mother country. The Liberals, in contrast, came with a reform tradition and believed that free-born Englishmen did not lose any of their rights by crossing the Atlantic. They believed that the settlement should be governed for the benefit of the settlers. They also considered and integrated the aspirations of the Francophone community in Canada.

The leaders of Conservative party had greater closeness and loyalty to the United Kingdom and the British Empire. Therefore pro-British imperialist policies were pursued and 'continentalism' and 'continentalist policies' emerged in this context under the Conservative party. Canada considered itself to be the part of British continent and its empire. Conservatives were supportive of British Empire and had anti-American sentiments. In contrast, Liberals used the term 'continent' to define Canada as part of North America. Liberals were left leaning and pursued policies which were more favourable to the United States.

Over the period of time, the 'Imperialists vs. Continentalists' debate transcended over the Anglophone-Francophone divide within Canada and their relationship with the US. The main thrust of debate in Canada between the political parties, resided in Canada's place in the North American continent and its deeper economic, societal and cultural relations and integration with its mother countries and its southern neighbour, the United States.

From 1890s to 1960s, the two parties shifted their position and the debate was elevated from 'Imperialists vs. Continentalists' to 'Continentalism vs. Internationalism'. Continentalism revolves around a discourse of exclusivity that included bilateralism and ad-hoc arrangements which typically promoted Canada's interest, specifically Canada's corporate interests. It insisted on free trade policy within the North American continent, particularly with the US where Canada could have closer economic and trade ties. Internationalism is inspired with a mirage or discourse of the collective spirit, such as belief in multilateralism, seeking global co-operation, promoting trade and investment from all around the world and acting as an honest-broker. Though there is no definite division, yet it is believed that policy of Continentalism was supported by the Conservatives and Internationalism was supported by the Liberals.

The Liberal policy of Internationalism is often confused with anti-Americanism. In the aftermath of WWII, the Liberal government of Canada sought bigger and active role for their country in international affairs and differentiated the Canadian identity from the US. After the 1960s, Liberals had perhaps emerged as the most strident anti-American group, and Internationalism or Liberal Internationalism emerged as the most prominent feature of Canadian foreign policy under the Liberal regime. There was also a noticeable shift in Conservative party's stand and belief from 'Imperialist' and 'Nationalist' to 'Continentalist'. Conservative Prime Minister Diefenbaker and Mulroney both adopted a Continentalist position and favoured American investment; Continental and Joint Military Planning and Practice; and the Free Trade Agreement. The Conservative Prime Minister Stephen Harper proved to be even more Continentalist in his perception, statements and policies.

The support for Internationalism by Liberals and Continentalism by Conservatives explain the China policy context of Chrétien and Harper. As a political principle 'Internationalism' transcends 'nationalism' as well as 'continentalism'. It advocates greater political and economic interaction and co-operation among the states around the world. The election manifesto of the Liberal Party of Chrétien in 1993 promised to focus more on the developing countries of Asia-Pacific and Latin America. In Asia-Pacific, it placed enough attention on China. The promise was fulfilled via various trade delegations and ministerial visits to China throughout the Liberal era from 1993-2003.

The Liberal government of Chrétien also acknowledged the significance of World Trade Organization in an era of globalisation and liberalisation. It also emphasised on the inclusion of various developing countries such as China that offered a huge market of opportunities to trade dependent countries like Canada. The Liberal government of Chrétien believed that the developing countries would improve their economic performance in the coming years and then Canada could have more opportunities to effectively participate in emerging markets of these countries (Liberal Party of Canada 1993, 1997 and 2000). The form and practice of the policy of Internationalism has been changing from time to time but it has been evident in the policies of every Liberal party prime minister from Pearson, Trudeau to Chrétien and now in the current Prime Minister Justin Trudeau.

Economic vitality and diversification of Canada's trade was one of the prime agenda of the Liberal government of Chrétien. The government shifted its focus to most of the newly emerging economy and markets of developing countries. It favoured closer ties with China over Japan, one of Canada's oldest allies in Asia. Chrétien was firm in his beliefs and decision to advance the idea of a strengthened and competent economy. He believed that without a sound economy, there is no real security and society, therefore a state could not sustain itself without its healthy and flourishing economy. The Liberal party in its election manifestos during the Chrétien years, claimed to be a strong champion of liberalisation, trade and investment promotion (The Liberal Party of Canada 1993; 1997 and 2003).

Chrétien while commenting on the issues of human rights and economic interests stated that isolation is the worst recipe for curing human-rights problem and it is only through the dialogues and active engagements among the countries that prosperity arrives. The economic openness opens the door for political reforms; possible growth and developments makes good governance possible including the respect of human rights and rule of law.

The Liberal government performed well on its economic promises. Now it became a challenge for the opposition parties to put forth an alternative to the policies of Liberals and differentiate their agendas. The opposition parties, especially the Conservatives had to move beyond a purely economic agenda of the Liberal era.

The coming into power of the Conservative party and Prime Minister Harper initially with a minority and later with a majority resulted in a clear advent of Continentalism and restructuring in the inherent norms, values and identity in Canadian discourse. The arrival of the government was symbolised with the legitimisation of a specific sort of Continentalism in Canadian foreign policy discourse. This specific Continentalist discourse steadily located Canada among the liberal democracies of west; challenged its claims of uniqueness and no longer distinguished the US as a threat to its identity.

The Conservative government of Harper embraced the Continentalist agenda that led to an extensive and unilateral restoration of Canada's foreign policy goals and its identity. For instance, Prime Minister Harper's acknowledgment of Queen Elizabeth II of Britain as the head of Canadian state and re-launching of the word "Royal" to the

Canadian defence forces reflected a pro-monarchical stance of the government. The government of Canada under Harper's leadership identified Canada's foreign policy goals which were consistent with the policies of the US. Canada's advocacy for the tactful use of military as an instrument to reimagining Canada's history and its values; the government's decision to actively participate in military combat role such as in Afghanistan; and the government's stand on middle east were some of the instances where the government followed an American-like stand.

The China policy was also an example of American-like policies and stand under the Conservative government of Harper. The government consideration of China as a threat during the initial years was similar to the US perceptions of China under the Republican administration of George Bush. However, the Canadian government approach shifted towards accommodating and co-operating with China as the government changed and the Democrats under Barack Obama came into power.

In December 2003, the Progressive Conservative Party merged with the Canadian Alliance Party to form the new Conservative Party of Canada. The merger with Canadian Alliance had supporters from western Canada, who were inspired by the social conservative populism of the Reform Party's first leader and founder Preston Manning. Harper was also a supporter and member of the Reform Party. In 2000, the Reform Party evolved into Canadian Alliance Party. The merger between the Progressive Conservatives and Canadian Alliance Party took place only in December 2003, thus "residual awkwardness; resentment; and mutual suspicion were obvious between the two political elements that came together for a common motive of political expediency" (Smith 2012: 32).

In 2006, only after three years of merger, the Conservatives formed the minority government and Stephen Harper became the Prime Minister. It had been not too long for Harper in 2003, when he became the leader of the newly emerged Conservative Party, with two divergent political ideologies that had some considerably evident complicated tensions and in 2006 when he became the head of the minority government.

Nossal (2014) identifies the centrality of ideology in Harper's foreign policy. The ideological shift essentially emerged from the government's minority position as well as Harper's own belief in free market and a conservative ethos. Nossal's argument

was supported by Jordan Michael Smith (2012), Paul Heinbecker (2011), Collin Robbinson (Campbell 2013) and Haroon Siddiqui (2012). It was the Conservative's unique coalition and their electoral considerations that primarily shaped Canada's foreign policy. The 'ideological' connotation of Harper's foreign policy has been described in negative sense according to Nossal (2014). Such a term was never used before to describe the foreign policy postures of any of the opposition parties or any other political element.

The usage of the term 'ideological' defines the eventual replacement of Canada's centrist foreign policy to a policy that settled at the very far right of the political span. The ideological connotation of Harper's foreign policy also referred to a specific brand of politics that was typically inspired with right-wing and neo-conservative thoughts and practices. Such sort of politics was conducted to entertain and engage the most reactionary, short-sighted sectors of the Conservative coalition—the ideological right, evangelical Christians, right-wing Zionists, Islamophobes, old Cold War Warriors, the military-industrial complex as well as the mining and oil executives (Engler 2012).

The China policy, during the early years of Harper, was influenced and driven by the right-wing, neo-conservative and conservative ideas that gave preference to order and status quo, traditionalism, national interests and remained sceptical to international institutions. The rigid and ideologically driven policies merely sustained until the government did not suffer the risk of alleviating certain group of voters. The government had a critical approach towards China, but it never interfered in its trade ties with China. The Conservatives have their strong support base from western provinces of Canada and these provinces have greater economic linkages with China. Also, when the Harper government realised that Canadians of Chinese extraction--a key demographic target of Canadian political strategists--were not favourable to the government's China policy and it had not been received positively, the government changed its discourse. Thus, in February 2012, when Harper visited China for the second time, the visit was devoid of any toughness or restlessness as it was during Harper's early years in power.

Often, it has been argued by various political parties that past decisions and policy attitudes of the government would have varied with a different party in power and

decisions taken would be reversed if the government changes (Bow and Black 2009). Thus, in this way there has always been plenty of space for a political party to play a pivotal role in the determination and influencing of foreign policy. For instance, when the negotiation for the North American Free Trade Agreement (NAFTA) began with the US under the Progressive Conservative leadership of Brian Mulroney in 1988-89, and then the Liberal party in opposition criticised the government's stance, procedures and attitudes. It accused the government of sub-serving Canadian national interests to the US and promised for renegotiation over the agreement if voted in power in 1993. That's how the party in opposition attempted to provide an alternative by challenging the prevailing policies and attitudes of the government.

Similarly, after the Tiananmen incident in 1989, the Liberal party of Canada accused the Conservative government of Mulroney for its lukewarm response to China and apathetic attitude for the gross violation of human rights and mass murder. But when the Liberal government of Chrétien came to power, the government had to consider the national interests of the nation which required the government to move beyond the partisan politics. However, when the Conservative government of Harper came into power as a minority government, it so wanted to differentiate their policies from the Liberals that they focused more on the 'principles' and 'values'.

The Conservative's focus on trade, economy and investment would have seemed to be the continuation of Liberal's policies. Thus, to differentiate themselves, they focussed on the Canadian values and principles such as human rights and rule of law in Canada's relations to China. The emphasis on Canadian values and principles changed the attitude and discourse of Canada's China policy but the Conservative government never diverted or pulled back from continuing the policies and programmes of previous Liberal government. Evans (2014) defines it as 'cool politics and war economics' between the two countries—Canada and China.

The phrase 'cool politics and warm economy' is frequently used to define the bilateral ties between China and Japan. The two countries had political differences, they also fought against each other in the Pacific War but later they sidelined their political differences and developed greater economic linkages. In Canada's relations to China, warm economy explained the government's continuation of trade ties and business as usual. The nature of Canadian economy compelled the government to safeguard

Canadian interest by making economic and trade relations an all time priority. Cool politics was new to Canada's relations with China because Canada never had any political differences with China. However, under the Conservative leadership of Harper the political relations with China came to the periphery. The government's policy of 'principled engagement' constrained the bilateral socio-political relations between Canada and China.

Kirton (2008) identifies few distinctive party-based traditions in Canada's foreign policy during the governance of Progressive Conservative and Liberals Party's Prime Ministers since 1948. The noticeable differences observed by Kirton between the Liberals and Conservatives are that Conservatives support human rights rather than trade; prefer Japan than China; NATO over the USSR; Israel over the Arabs and Palestinians; and strong defence spending. While these features and traditions stood out to be distinctive, yet it remains questionable whether it solely lies in accordance with a party-based agenda? Or these features emerged due to other domestic and international elements?

Nossal (1985; 2014) observes an enduring pattern of over-riding party differences. He explains that apart from some instances and statements by the leaders of two political parties, no major political differences could be found in foreign policy practices of any of the political parties. The economy and trade have been always acknowledged as the nerves of the country. The issues of human rights, good governance and rule of law have been also identified as an inclusive feature of Canadian society. Thus, there was never any stark principled difference between the two major political parties of Canada—Liberals and Conservatives. No particular set of party agenda could be found in the policies of Liberals or Conservatives under the leadership of Chrétien or Harper. The blurring of the party lines and switching of their respective stand have mostly been the case.

Incoherent and Constrained Bilateral Relationship

Canada in its China strategy has always favoured an engagement policy which is accommodative of China. The government of Canada has repeatedly asserted that inclusion and integration of China into the international community to promote the peace and stability remains a prime objective of Canada's China policy. Frolic writes, "Canada's relations with China over most of the past forty years have been premised

on a single idea: in partnering with China, a major power outside the mainstream of international society where Canada could play a valuable, even principal role in improving China's integration into international society and global governance, and might thereby advance Canada's own international stature" (Frolic 2011:268). The Canadian perception of China as a country outside the mainstream of international society is identified as one of the problem areas of Canada's China policy (Murloney 2016).

The government of Canada had a conviction that it solely determines the nature of Canada's engagement with other nations except the US. However, the rise of China has left Canada perplexed. Paltiel writes that "Canada's evolving approach to China policy conundrums would have demonstrated that an absence of overriding strategic objectives was generally the rule" (Paltiel 2011: 32). Mahoney (2000); Hall and Taylor (1996) explain the concept of 'historical trajectory' and 'path dependence' in understanding the evolution of government policies. It implies that Canada's China policy is embedded in historical trajectories that themselves are the result of past decisions and policies. It constrains the capacity of decision-makers to look beyond and make some significant changes in the policy choices of the government. The dependency on previous policies limits the outlook of the decision-maker and increases the risk of any new transformative decision or innovative policies.

From the Trudeau years, when Canada recognised China in 1970 to the Harper years in 2015, Canada's China policy decisions and choices are heavily influenced by the then historical trajectories. The China policy objectives have not evolved with the contextual transformation in the international and domestic scenario. The past decisions have been reinforced with mere policy modifications. Despite the rise of China and its increasing significance for Canada, there is no overhauling of the government strategy towards China.

Engaging China was necessary for the government of Canada during Chrétien and Harper years but there was no engagement strategy. The government policies simply focused towards Canada's economic interests with China. Due to the narrow interests of the Canadian governments and their dependency on the past policies, Canada being a first-mover among most of the western nations has failed to utilise the opportunity

and lags behind as the relationship has not touched the assumed potential (Burton 2011).

Canada's relative position in the international power structure as compared to China and the capability of two nations in shaping the bilateral agendas has changed over the years. In the international power structure Canada is a middle power and China has emerged to be a significant global power. The policies pursued by the government of Canada during Chrétien and Harper years, has failed to come to terms with the changing power dynamics in which Canada is no longer a senior or an equal partner of China. China as an emerging economy and rising power has left no choices to Canada on whether to engage or not. China is capable enough to engage Canada and influence the agenda and policies according to its own objectives (Mulroney 2016).

China seeks to establish closer economic ties with Canada, where it could find markets to exports and make investments in areas critical to China's economic requirements. Manicom and O'Neil opine that "regardless of their ambitions, rising powers change the world by virtue of their very existence and present a wide array of challenges and opportunities for middle powers" (2002: 202). The evolution of China as a major power and its integration into the international society and institutions, Canada and especially Canadians has become more skeptical about China. Canada's hesitance on partnering with China to enhance its own global role or China's effort to invest in Canadian economy has generated enough suspicion and anxiety that proved to be a major impediment in strengthening the ties between the two nations (Paltiel 2016).

During the Chrétien years (1993-2003), the government in its 1995 official document formulated a four-pillar strategy of engagement—prosperity; security; sustainability; values and culture. Stairs (2003) argues that these defining pillars of Canada's behaviour in external affairs reflect the Canadian willingness to be rich, safe and to be seen as virtuous around the world. The Canadian government's emphasis on promoting and protecting the economy, security and sustainability was reflective of Canada's national interest.

However, the projection of Canadian values is an idealistic and aspiration aspect of Canada's foreign policy which was repeatedly presented as one of the prime objectives during the Chrétien as well as Harper years. The difference between

Chrétien and Harper was that Chrétien, in his China policy never projected the two issues—economic issues and Canadian values—as a diverse agenda. Chrétien believed that these are the distinctive features of Canadian society and therefore Canada could benefit itself by promoting these features abroad. The diversion between the two issues—economy and Canadian values—appeared when Harper stated that his government would develop trade and business relationship with China without compromising the ‘Canadian values’. Stairs (2003) and Evans (2014) argue that Canada’s projection of ‘Canadian values’ as one of the objectives of Canada’s foreign policy in its relations with China has proved to be a major obstacle in bilateral ties.

The projection of Canadian values in Canada’s relations to China reflects the sense of Canada’s moral superiority. According to Stairs: “such values are special in the sense of being unusually virtuous” (Stairs 2003: 239). It also reflects the Canadian ignorance and lack of understanding about the Chinese society and culture. China has confessed to have difference of opinion over accepting Canadian values, just like Canadians would never accept Chinese values. Here lies a very thick layer of diverse opinion over differences between western values and Asian values. Asian values put community ahead of the individual, and view the state as the embodiment of the community (Webster 2010: 45 and Acharya 1995).

In contrast, the western values, in general, associate rights as a power against the state. It came before the existence of state which must be protected from the encroachment of state power (Paltiel 2006: 372). It is argued that the understanding of political reforms such as “human rights, democratic development and good governance as understood by liberal democratic Canadians is very much at odds with the re-definition of these critical concepts by the Government of China under the leadership of one authoritarian party, the Chinese Communist Party” (Burton 2009: 10-11). China has its own historical and cultural background which differs from Canadians. Thus, a better and enhanced understanding of different institutions, values and society is required at both the ends.

In Canada’s strategy to engage China, trade relations were emphasised more than the other aspects of the bilateral relations such as human rights, sustainable development, and security and people-to-people connections. For a short duration, during the

minority government of Harper from 2006-2008, Canada's China policy passed through a phase where the role of government was downplayed; Canada sought to elevate Canada's relationship with Taiwan; expressed suspicion against the Communist regime of China and publicly criticised China for failing on its human rights issues and made it a central element. Due to such approach and conflicting short-term political objectives Canada frequently delayed if not missed some economic opportunities.

McKnight (2011) argues that the relationship between Canada and China has remained stable throughout the Liberal as well as Conservative years in power. However, "neither Harper's confrontational public diplomacy nor the Liberal's private one especially Chrétien's quiet diplomacy has seemed to bear fruits" (McKnight 2011: 34). While responding to the Canadian government's China strategy, Paltiel writes that "the search for trade and investment opportunities was a dominant motive, for a long time relations were mostly of an exploratory or hopeful nature and, when they were successful, it was more a result of luck rather than of precise planning" (Paltiel 2011: 269).

Scholars like Stairs (2003), Paltiel (2006), and Evans (2014) argue that Canada always had a 'mercantilist approach' towards China. Canada's China policy always revolved around economic issues. But even when the policies revolved around economic issues, no significant development could be noticed in the bilateral economic ties between the two nations. An article titled *Building a Strong Economic Partnership* published by the Canadian Chamber of Commerce (2010) argued that if Canada wants to foster economic ties with China then a robust political engagement is a necessity. A strategy of robust political engagement requires a sound understanding of Chinese society, culture and strong political relationship at every level between the governments. Canada's profile and visibility must be raised on China's international radar.

But Burton (2009; 2015) writes that Canada, from the Chinese perspective, is merely one of the dozens of middle power nations with whom China would seek sustainable economic partnership but it has little interest in meaningful political relations. Burton further quoted a Chinese official who confessed that

China does not have the capacity for meaningful political engagement with all of the nations of the world. China can actively engage in political relations at senior levels with only a few major powers such as Permanent members of the Security Council such as the USA and France or surrounding nations like India and Japan. China sees it as in China's interest to engage in economic relations only with lesser nations (Burton 2015: 58).

Paltiel (2011) and Burton (2015) claims that Canada's Chinese counterpart did not find anything different or attractive to single out Canada among western nations in either of the two regimes. Canada offers nothing that cannot be obtained by China elsewhere. Both scholars recognise that the long bilateral relationship marked several important milestones but urged that Canada needs to formulate a specific China strategy to be able to play an important role in Asia. "Canadian leaders have played both ardent suitor and hard to get policies under the Chrétien and Harper regimes. Arguably, neither path has yielded satisfactory results. Each has been premised on what China represents to us. China engages the world on its own term" (Paltiel 2011: 269). To get involved with China extensively, Canada has to understand closely the nation.

While discussing the engagement strategy, Evans (2014) questions what engaging China means? Is it making China familiar and bringing it closer to Canadian or more western values and institutions? Or simply accepting and recognising the Chinese state as it is and collaborating and cooperating with it for further mutual benefits? Evans (2014) further questions the extent of engagement. Is the engagement limited to recognition, exchange of contacts and accepting and adjusting the existence of other states or it is intended to engage and respond to a rising power by recognising its potential, strengths and risks associated with it? The latter approach is comprehensive enough to understand the various aspects and functioning of Chinese government, its society and culture and then formulating a multidimensional strategy to actively engage the nation and seek closer bilateral ties.

With a rapidly transforming and evolving China, Canada has to constantly struggle to find an appropriate partnership role in the bilateral relations. The underperformance has been marked with some serious problems of perception, policy implementation, consistency and focus to the relationship by the leadership. Campbell (2009) points out that Canada's major policy problem with Asia in general and China in particular

has been that it does not have any sustainable and coherent strategy. The role of government has been incoherent; business community is spotty and opportunistic, media presence and its specialised role in resuming the debate and discussions have mostly been null, the civil society role has not been sustained either. The academia has somewhat specialised functions. The discourse of bilateral relationship must shift away from the rhetoric of “human rights vs. trade” as China has been performing so well on its rise and global prominence that relationship should be a priority for Canada.

Recalibrating Canada’s China Strategy

When Canada began its relations with China, it sought to play a positive and active role in engaging China. Pragmatism in Canadian approach towards China was evident when Canada, in the leadership of Conservative Prime Minister Diefenbaker, developed its economic relationship with China through the wheat sale in the early 1960s. During the heights of China’s Cultural Revolution and isolation from the international community, Canada established political and diplomatic relations with the country in 1970. Canada’s Prime Minister from the Liberal Party, P. E. Trudeau had keen interest and belief in China’s potential. Under his leadership, Canada displayed vision and courage to bring China into the international community.

Canada further supported China’s membership to the premier international institutions and engaged the country in multilateral diplomacy. Canada also implemented various Canadian International Development Assistance (CIDA) projects to the assistance and development of the country. Canada displayed its leadership and expertise for moving China towards reforms. For the past few decades during the Liberal and Progressive Conservative leadership, Canada’s China strategy was about engaging China, building multilateral institutions, bridging divides, and moderating the great power competition. However, such engagement strategy seems to be on hibernation during the Chrétien and Harper years in power. The transformation in the international power structure with the rise of China brought an imbalance in the relative position of Canada and China. The government of Canada was slow to recognise and respond to this strategic shift.

Canada has always maintained a modest relationship with China and extended its support via various programmes, state-to state and people-to-people linkages and

exchanges. But unfortunately Canada's diplomatic, political and economic efforts have not been able to balance and leverage its relationship with the rising stature of China in the world. The bilateral relations between the two countries have certainly made some substantial progress yet Canada's China policy has consistently fallen behind.

Scholars such as Jiang (2009), Evans (2014), Burton (2015) and Nossal (2014) argue that Canada needs to establish a strategic vision towards its China policy. Canada's strategic vision for China must influence the policies of the nation rather than transforming it fundamentally. It must rise above the traditional 'human rights vs. trade debate'. The economic ties between Canada and China should not be compromised on the socio-political grounds.

Canada must articulate its national interests and objectives in its China policy (Nossal 2014). A clear identification of Canada's interests and objectives in engaging China must be accompanied by a well-defined strategy. A strategy would help Canada to secure its interests and achieve the objectives. A strategy is essentially required to engage China constructively for systematic, long-run planning, thinking and action. While setting an agenda and defining a strategy the government of Canada must think and act beyond the partisan politics. The government of Canada could formulate a strategy at two levels—first, it could make a strategy to address the challenges of the bilateral relationship; and second, it could formulate a strategy of active engagements between the two countries (Evans 2014 and Burton 2015).

Canada's China policy always revolved around economic issues. If Canada needs to pursue its national interests seriously with China then it has to look beyond the narrowly defined trade-based policy. It must consider the various aspects of the bilateral relationship—economy; politics; security; the socio-cultural aspects. Canada needs to establish a stronger and consistent political relationship with the government of China and the Communist Party of China. Political engagement with China is necessary if Canada seeks to strengthen the long-term economic ties and larger project collaboration.

The people-to-people ties are equally important as the government-to-government ties. Canada also requires an understanding of the historical, socio-cultural formation of the Chinese state and its implications for the bilateral relations. Due to Canada's

alliance to the NATO and its relations with the US, it cannot escape from discussing security implications of the rise of China. Due to the integrated nature of each component—socio-political, economic and security—of bilateral relations, there is immense scope and opportunity for Canada to engage China. For instance, Canada's business community and political leaders can seek partnership with China in the areas of sustainable development and urban economic innovation. An inclusive platform could be established where the two countries can collaborate on the issues of sustainable development, environment protection and facilitation of health services.

The various aspect of the bilateral relationship must be in co-ordination with the government's China strategy then only will it transform into a comprehensive China policy. A comprehensive engagement approach would work at multiple levels. It is also necessary for the government of Canada to strengthen the Canada-China bilateral relationship with a strategic narrative. It would emphasise on the benefits of collaboration and co-operation between the two nations. Such a strategy must be communicated and discussed publicly so that the Canadians could understand the meaning and vitality of Canada's relationship with China.

Canada's struggle for its China policy is also an outcome of Canada's failure to project its interests in the Asia-Pacific region. The military build-up of China and the Sino-American competition in the region is one of the prime reasons behind Canada's irresponsiveness. Evans (2014) argues that Canada must consider Asia and North America, including the USA, in a single map while formulating a China strategy. The economic, political and security aspects must be considered in an inclusive engagement approach.

There could be three policy alternatives, as suggested by Evans (2014: 98). First, it suggests that beyond Canada's role in the non-traditional security threats, including counter-terrorism and illegal migration, Canada should continue to follow the mercantilist approach in its China policy. It must focus on the trade and investment opportunities in the region and leave the rest of the issues to the decision of the US and its allies in the Asia-Pacific region. Second, Canada must make an alliance in the Asia-pacific region with its partners like Australia, Japan, the US and South Korea. And third, Canada should make an integrated commitment to address Asian security issues through bilateral initiatives with China.

Conclusion

The Liberal government of Chrétien came in power in 1993, where it wanted to continue with Canada's cold war legacy dominated by the principles of Liberal Internationalism. The government also had the desire to pursue a foreign policy independent from the US influence which reflects the influence of Complex Neo-Realist principles. The Chrétien government's determination for a foreign policy independent from the US influence and the then prevailing fiscal crisis in the nation, led towards an active China strategy. The government of Chrétien asserted Canada's interests in the Asia-Pacific region and sought to develop closer ties with the government of China.

Though Chrétien himself had an interest in the economic issues of the nation his decisions were more influenced and favoured by the corporate or business community of Canada. Domestically, the Chrétien government's decisions were more similar with the features of Dominant class/ Structuralist approach. The emphasis on Canada's economic interests during the Chrétien years was more so due to the Prime Minister's personal interest and expertise in the area.

In contrast, the Conservative government of Harper came in 2006, as a minority government. It wanted to pursue a 'principled foreign policy' that was reflective of Canada's Liberal Internationalist tradition. Unlike, the Liberal government of Chrétien, the Harper government pursued policies similar to the US policies. The government had an allegiance to the western value system which perceived the communist China as a threat more than an opportunity. The pro-US policies of the Harper government were associated with the principles of Peripheral Dependence.

There was disorientation in the Harper government's China strategy which shifted consistently as the government got more hold on power domestically. The centralised decision-making process of the government and the domestic implications of Harper's China policy were more similar with the Statist approach. There was no new China policy because the government was more focused on the domestic issues than the issues of foreign policy. There were limited interest in the issues of foreign affairs and China policy in particular.

The Chrétien government made some efforts to follow a China policy in accordance with the previous policies of the government. It made a strategy to engage China but it was not successful in defining Canada's national interests in its relationship with China. The focus of the China policy was Canada's trade relations with China. The China strategy was developed as an alternative and in response to the prevailing national and international context. But Chrétien government's China policy was more coherent and engaging in its approach when compared with Harper government.

There was disorientation in Canada's China strategy during the Harper government's initial years in power. The government not merely dismissed the previous government's efforts to engage China but also reversed the process of engagement by bringing the economy versus human rights approach. The government approach towards China shifted with contextual change at the domestic and international level. There was no new China policy during the Harper years but the government was successful in achieving the objectives set by the previous governments.

None of the governments developed China policy as a well-designed strategy with clearly identified objectives. It was a responsive policy that was guided by Canada's economic interests. The China policy of the government was steady in its approach. It failed to understand that without a closer political relationship the long-term bilateral relations could not flourish. There are various areas of bilateral, regional and multilateral co-operation between the two countries. However, to explore these areas of co-operation and collaboration the government of Canada needs to identify its interests, formulate strategies and implement policies and programmes. It also needs to establish the mechanism to resolve the frictions in the bilateral relationship.

Chapter VI

Conclusion

The study on Canada's China policy under Jean Chrétien (1993-2003) and Stephen Harper (2006-2015), revolves around Canada's China policy in the post-cold war years. While formulating a policy towards China, the position taken by the two prime ministers is analysed keeping in mind the international, domestic and individual determinants and the role and influence of the United States.

It is only in the 1960s that Canada and China came closer when Canada under the leadership of John Diefenbaker from Progressive Conservative Party, decided to establish a functional economic relationship with China. In 1959 and 1960, due to the poor harvest there was an acute demand for food in China. Then Canadian Prime Minister Diefenbaker decided to respond positively to the Chinese demand by exporting wheat and grains to them. The functional economic relationship began without the establishment of a diplomatic relationship between the two countries. Thus, such a policy response by the government of Canada under the Conservative leadership was evidence that Canada was giving primacy to its economic interests rather than its political differences with China.

Although Canada began its functional relationship with China, yet developing bilateral relations with the exchange of diplomatic recognition was marked with serious challenges. The Canadian willingness of early recognition was disrupted by the international, especially the cold war years and domestic constraints, much of which Canada and the PRC had little control over. The ideological differences and influence of the United States along with Canadian politicians, diplomats and people who shared similar anti-communist views of their American counterpart was a major test.

Another major challenge was the Canadian government's dilemma on recognition to China with 'Two China Policy: One China and One Taiwan'. Canada wanted to recognise China i.e. the communist government of the People's Republic of China (PRC), who took control of the mainland China in 1949 but it did not want to abandon or withdraw the recognition from the US supported nationalist government of the Republic of China (ROC) which had retreated to Taiwan.

The issue was resolved with 'Canadian formula of recognition' towards China during the leadership of Pierre E. Trudeau. The 'Canadian formula of recognition' to PRC implied that Canada would recognise the communist government of China but did not consider it necessary to accept or comment on Chinese territorial claims. Consequently, in 1970 Canada established diplomatic relations with China during Trudeau's Liberal government. The development of diplomatic relations with China was quite a significant initiative in Canada's foreign policy, especially in the Asia-Pacific region.

In 1970 during the cold war years, the international power structure was dominated by the ideological rivalry between the two super-powers—the US and the USSR. During this phase Canada was identified as one of the middle powers in international power structure due to its policies and role in international affairs. As a middle power, Canada firmly believed and embraced the principles of Liberal Internationalism in its foreign policy. The liberal internationalist principles in Canadian foreign policy were complimentary to its middle power role in the cold war years.

Throughout the cold war years, in Asia's strategic calculations between the US and USSR, China's status was perceived as one of the 'swinging powers' due to its central position in the region and its growing economy. The government of Canada acknowledged that in an anarchic international system and especially in the tight bipolar international structure, the emergence of any major power would lead to stormy politics. It might endanger world peace if the rise of a new power was not managed or balanced with the already existing great powers. Therefore, Canada followed a pragmatic approach in its China policy where it preferred to accommodate and engage China different from the US policy of containment.

The bipolar world order collapsed with the dissolution of the USSR which brought a change in the international power structure. Such change in the international power structure led to transformation around the world. The world eventually developed into a multi-polar complex international structure. Nations were experiencing major transition at the global, regional and national levels in identifying, redefining and reprioritising their foreign policy goals and responses.

In China a student-initiated demonstration to bring social reforms was brutally repressed by the Chinese authorities at the Tiananmen Square in 1989. Images of the massacre where tanks rolled around and crushed the civilians were captured by the international media. The use of violent measures taken by the Chinese authorities to sustain their hold on power exposed the repressive nature of the governance which conveyed a horrific impression of PRC around the world.

In Canada, the incident of Tiananmen Square, transformed the international, domestic and institutional discourses of Canadian policy towards China. Internationally, in the aftermath of the Tiananmen crisis, many countries responded with sanctions against China. Also, with the beginning of the disintegration of the USSR, China was perceived as the only major communist country with significant economic growth in the world. The economic growth of China and its increasing significance in the Asia-Pacific region was viewed as a threat against the supremacy of the US. Therefore, the international awareness of the socio-political issues in communist China, especially the human rights violation and the fear of revisionist China influenced the bilateral relations between Canada and China. Domestically, the perception towards China began to vary among different quarters in Canada. Canadians assumed that the growing economic reforms in China would initiate socio-political reforms within the country.

However, the outbreak of the Tiananmen incident shattered Canadian expectations. The positive outlook of China due to its consistent economic reforms and growth changed to suspicion and uncertainty after the incident. But at the institutional level, the policy-making process towards China was broadened and became more inclusive. The policy-making process began to get influenced by various interest groups, business lobbies, media reports and IGOs. The concerns and interests of Chinese Diaspora and Canadian citizens also became considerably important. After the incident, Canada's China policy no longer remained predominantly driven by economic interests.

Although, the policy-making process towards China broadened and transformed yet the Canadian government retained its autonomy to choose from the various policy alternatives and remained focused on Canada's economic linkages with China. Since its inception Canada's China policy was predominantly driven by Canada's economic

interests. However, in the aftermath of the incident other issues of socio-political and geostrategic significance have occasionally been inculcated to bring a balance with the government's economic policies. Over the years Canadian policy-makers did not respond strategically and comprehensively in tune with the changing dynamics of international power structure where China emerged as a major power.

In the post-cold war years, Canada's China policy became a contested issue. Unlike the cold war years, the challenge was not merely to accommodate or engage China with the international community. In the changed scenario the international politics was no longer dominated by the *East versus West* rivalry where China was a swinging power and Canada was a middle power. In the post-cold war years China was on its way to become a major emerging power with significant economic growth. Every nation in the world as per its capacity and role in international power structure wanted to engage China. For middle power nations like Canada the question was how it should choose or decide the discourse of its China policy. The economic growth of China was seen as an opportunity by every nation. However, the communist government and the stagnant socio-political conditions within the country were considered as a challenge.

In 1993, when the Liberal government of Chrétien came to power, it released a foreign policy document in 1995 which identified three key objectives of Canadian foreign policy. "These three objectives were—the promotion of prosperity and employment; the protection of Canadian security within a stable global framework; and the projection of Canadian values and culture". The government statements and the foreign policy document of 1995 consistently recognised the increasing salience of the Asia-Pacific region and focused on building closer relationship with China. Thus, the government formulated a 'Four-Pillar China Strategy' that consisted of economic partnership; peace and security; sustainable development; and human rights, good governance and rule of law.

This 'four-pillar China policy' was appropriate in its immediate response to the then prevailing international and domestic circumstances. Internationally, in the post-cold war scenario China was one of the potential major powers with significant economic growth. As a developing economy, China offered vast market opportunities. Such market opportunities were further driven by intense competition among various states

as well as non-state actors to tap and enlarge their shares in the Chinese market. Due to this it became imperative for Canada to recognise such potential areas of collaboration to co-operate with China. It was also necessary to identify the various challenges such as the issues of security, sustainable development and violation of human rights by the communist government of China. Domestically, Canada was facing two major challenges of immediate concern—the fiscal crisis and the Quebec national unity crisis.

When Chrétien came to office in 1993 as a Prime Minister, he had firm established foreign policy beliefs. His beliefs were shaped by his family background and the experiences he undertook during his political career. Chrétien also had a deep understanding about the nature of Canadian economy and wider interests in the issues of economy, trade and investments. Chrétien understood the centrality of economy in Canadian politics and the necessity of preserving wealth for state's survival and its solidarity from external as well as internal threats. Therefore, the Chrétien government formulated strategies to engage China where it considered the nation as one of the major emerging economic players in the global market. The government recognised the vast market opportunities in China for Canada's economic prospects and interests in the short and long run. Chrétien government attempted to address other emerging issues such as security concerns with the rise of China, the problem of sustainable development and socio-political issues of human rights, good governance and democracy.

Even here, the focus of the government was on the economic issues which led to the 'Team Canada' initiative. Chrétien government believed that such emphasis on economic issues was necessary to engage China and bring prosperity to both the nations. It would also pave the way for further collaboration in other areas of significant importance. The dominant class/ structuralist theory, in this context, accurately explains Chrétien government's immense emphasis on economic interests.

The dominant class/ structuralist approach states that among the various policy alternatives presented by the dominant segments of the society, the government as per its own preference and inclination uses its relative autonomy in the decision-making process. Chrétien's keen interests in the economic issues of the nation and his

experiences led to a pro-business approach and policies favourable to Canada's economic interests.

Hence, the first hypothesis of the thesis 'Chrétien's China policy undermined Canada's human rights concerns by making economic interests its prime objective' stands partially substantiated. The Chrétien government did emphasise Canada's robust economic ties with China and gave primacy to Canada's economic interests. However, the government did not intend to undermine the human rights issues with China. Rather, it may be stated that the issue was given limited attention due to the rigid approach of the government of China. The Chrétien government compromised and withdrew from its multilateralist policy, only to bilaterally discuss the human rights issues with China. The Chrétien government's human rights policies in its relations with China were further confused with the foreign policy document declaration of 1995. The document argued for promoting and projecting Canadian values and culture in conduct of Canada's relations with other nations. It has been argued that the declaration was simply an instrument to further Canadian relations with other countries including China but it was confused as a foundational doctrine for all decisions that would be taken.

The Chrétien government's China policy was also an extension of Canada's domestic policies rather than a reflection of changing international order. It recognised China as a major economic player but could not foresee the fact that in the coming years China's economic growth would be central to its increased international stature in the world. China's increased international stature in the world implies that Canada's relative power position in its relations with China would transform and influence the agenda setting and policy making capacity of the nation.

Canada under the leadership of Chrétien followed a coherent China policy and attempted to foster closer government-to-government ties with its Chinese counterpart but could not go beyond a mercantilist approach. The government's China policy necessitated an elevation from the narrow mercantilist perspective of engagement and an effort to gradually transform the existing socio-political institutions in China. The Chrétien government also failed to identify the institutional differences and challenges of its China policy.

Due to these differences and challenges, the Chrétien government despite its focus on the economic issues and interests, could not achieve the desired goals such as the Approved Destination Status (ADS) and FIPA (Foreign Investment Promotion and Protection Agreement) during its tenure. There were limited and narrow interests in Canada's China policy under the Chrétien government. These limited interests were further constrained due to the institutional differences and lack of mechanisms to resolve such challenges.

The Liberal government of Chrétien was succeeded by his co-party leader Paul Martin in 2004 federal elections. The Martin government continued with the policies and programmes of the previous Chrétien government. The Liberal era ended when a minority Conservative government under Stephen Harper came to power by defeating incumbent Liberal party minority government of Paul Martin in February 2006. The Harper government announced its commitment to follow a 'principled' foreign policy. Such principled foreign policy approach neither incorporated China nor considered it among those democratic and economic partners in Asia with whom free trade agreements could be negotiated. The principled foreign policy of the Harper government eventually developed a 'principled' engagement policy for China. The principled engagement policy was critical of the communist government of China, its institutions and policies.

The Conservative government of Harper developed its relations with China on an uncertain ground. It followed an incoherent policy where the government initially adopted a critical and hard-line approach towards China. The Harper government's China policy was primarily driven by domestic factors such as the Conservative's desire to differentiate itself from the previous Liberal government and its policies; the minority status of the government; lack of interest and experience in foreign affairs; and their belief in the Western value system. The unfriendly and less cordial gestures of the Harper government became evident when it criticised the Liberals for their policies of appeasement and compromise for small business interests in engaging China.

The Conservative government of Harper emphasised on the promotion of Canadian values in its relations with China. In fact, unlike the previous Chrétien regime, the projection and promotion of Canadian values was the foundation around which

Canada's China policy was structured during the first tenure of the government. The government also attempted to redefine and revitalise Canada's relations with Taiwan that displeased the government of China. These attempts to revitalise Canada's relations with Taiwan by the Harper government almost derailed Canada's relations with China.

Though the Harper government was critical in its approach to China yet it never in practice pulled out from any policies and programmes and continued with business as usual. The major change in the approach of the Canadian government was the use of 'public diplomacy' to accuse China of human rights violations. The study has however made the argument that it was simply a case of replacing the Liberal's 'quiet diplomacy' by the Conservative's 'public diplomacy'. These Canadian policies or approaches, be it Liberal or Conservative, made no significant difference to China's socio-political reforms. The critical and unfriendly approach of the Conservative government towards China and its increasing diplomatic closeness with Taiwan brought a setback to the pace of engagement between the two countries. From 2006 to 2008 there were no significant initiatives taken by the government of Canada or any such active engagement strategy towards China.

Canada's relations with China during the government led by Harper came to negotiating grounds only during the second tenure of the government which started in 2009. In 2009, Prime Minister Harper made his first visit to China. The Canadian Prime Minister's visit to China was very significant because from this juncture the Harper government took a u-turn and began to follow policies similar to its predecessors. The transformation in Canada's approach was partly a result of the global factors like the financial crisis, the absolute requirement to engage China and also the increasing demands for markets within Canada. The change in the government's approach also implies that while engaging China, Canada did not have alternative options.

The Harper government during its second tenure realised that Canada could not bring reforms and transform the socio-political situation in China by snubbing the nation. The only choice it had was to recognise the significance of China in global affairs and identify the potential areas of growth in bilateral relations. The change in the approach

towards China also was a result of the Conservatives coming to power with a stronger minority government.

Like the Chrétien government, Harper government was also heavily influenced by the domestic determinants. Due to these domestic considerations and lack of experience and interest in Canada's foreign affairs, the Harper government centralised the government's policy-making process. The China policy under the Harper government was an outcome of intra-governmental policy process which is similar to the statist approach. The government throughout its years in power was autonomous in determining the course of its China policy and getting the outcomes. Initially, it developed a 'principled engagement policy for China' that attempted to make human rights issues as the foundational aspect of Canada's relations with China. However, with more hold on power and as per the international and national requirements the government changed its discourse and simply followed the previous strategy of 'engagement policy for China'.

During the second tenure of the Harper government, it was not enough to merely recognise the potential areas of bilateral relations and follow an 'engagement policy'. Rather, an active engagement strategy was required to reduce the constraints in bilateral relations which were missing during previous governments. The Conservative government brought some breakthrough in bilateral relationship with China and successfully secured major deals such as ADS, Panda Act and FIPA. But it remained a matter of debate about who was finally responsible for securing these deals as none of these programmes were initiated by the Harper government and were pending since Liberal government of Chrétien.

It took years to achieve these goals by the governments of Canada. Disorientation and absence of coherence and issues of institutional incompatibilities remained unaddressed under the Harper government's China policy as it was during the previous Liberal governments. Thus, the study also supports the second hypothesis that 'the 'principled' foreign policy approach of the Conservatives under Harper led to a conciliatory and at times confrontational China policy'. Canada's China policy under the Conservative government of Harper remained at the periphery, where the Liberals left it.

A huge impact of Canada's relationship with the US can be seen in its China policy and role in the Asia-Pacific region. Due to Canadian proximity with the US, Canadian interests, its relationship with other countries and role in the international affairs are largely driven by the US. Canadian policy-makers prefer a world dominated by the US because it will remain inclusive of Canadian interests. Canada therefore becomes more cautious with the emergence of any new major power challenging the US hegemony in the international power structure. In this context, the emergence of China is seen more as a threat than an opportunity by the Canadians.

Canada's China policy developed within the context of Canada's Asia-Pacific policy and the US influence in the region. The Canadian government in its foreign policy document in 1970 had declared Canada as a 'Pacific power'. The Trudeau government pursued its interests in the region with the exchange of diplomatic recognition with China. The Canadian government's declaration of Canada as a 'Pacific power' was a manifestation of the government's 'third option policy'. The 'third option policy' emphasised Canada's economic and cultural independence from the Western world and sought new economic linkages overseas. The government of Canada wanted to reassert its economic independence from the US. Therefore, it developed a 'third option' policy as an alternative to diversify Canada's trade abroad and seek economic development at home. Thus, Canada's Asia-Pacific policy emerged as a response to the Canadian requirements of diversification and an urge for Canada's independent foreign policy.

During Chrétien era, the US remained the only super-power in the world, therefore Canadian policy-makers attempted to carve a new role for Canada in the post-cold war years where it could play a more active role than just as a middle power. During this phase Canada sought to reduce its economic dependence from the US, consequently turned towards China and the Asia-Pacific region. Such policy alternative came into being to secure and enhance Canadian national interests under Chrétien leadership. It was a reflection of Complex Neo-Realist perspective in Canadian foreign policy. The CNR perspective believes that Canada is a major power that seeks to maximise its influence, advantages and security in the world through its foreign policy.

However, such major power approach to build an independent foreign policy and maximise Canadian interests in the world was pushed back during the Harper government. Harper followed policies which were pro-US and sought closer relations with more democratic nations like India and Japan than communist China. The Harper government changed its approach with the change of government in the US. The Democrat's administration in the US was more favourable and accommodative of China than the Republicans. Such China policy of the Harper government reflected a peripheral dependence approach in Canadian policy towards China.

The peripheral dependence approach depicts Canada as a small power and portrays it as a 'satellite state' of the US. It explains Canadian economic, military and cultural dependence on the US. Canadian foreign policy during the leadership of Chrétien and Harper, viewed China and its emergence in context of Canada's relationship with the US. This limited and narrow contextualisation has constrained Canadian China policy and its Asia-Pacific policy. It has also led to an incoherent China policy. The Liberal government of Chrétien and the Conservative government of Harper followed the same historical path of the former Canadian governments in their Asia-Pacific policy.

The governments of Canada have consistently recognised that due to the economic ascendancy, the countries of the Pacific are moving towards a remarkable shift in the international economic activity. A global rebalance is approaching towards Pacific. However, neither the Liberal government of Chrétien nor the Conservative government of Harper attempted to establish Canada as a nation of the Asia-Pacific. Both the leaders have failed in projecting Canada's strong presence and voice in the region due to Canada's traditional ties with the North Atlantic Alliance and its firm belief in a Western based value system. Though economic engagement with the countries of the region including China remained at the heart of Canada's Asia-Pacific policy yet it has not succeeded because there was no comprehensive Asia-Pacific strategy.

The policies and perception of the Canadian government under the leadership of Chrétien or Harper have not moved in tune with the shifting global patterns. The Asia-Pacific region and Canada's economic partnership with China under Chrétien as well as Harper government was still very new to Canadians while comparing it with Canada's traditional and principal trading partners in Europe and America. The cost

and benefits are quite uncertain and unpredictable. The business community in Canada has been sceptical about the Canadian government's policy initiatives with China in the region.

The Canadian public opinion with regard to Canada's relations with China and its position in the Asia-Pacific region also remained divided during the Liberal and Conservative regime of Chrétien and Harper. For few Canadians, the Asia Pacific rim has been a boundless frontier of economic opportunities while for others it emerged as a threat to Canadian industries and companies. Some also considered the region at the periphery of Canada's economic, political and security concerns. The policies and programmes of the Chrétien and Harper lagged behind in mobilising the Canadian business community and broader public opinion in favour of China and Pacific at large. Also, such policies and programmes could not lure the Chinese investors for Canadian markets. Economic ties remained limited due to politically constrained and contested issues between the government of Canada and China. The Liberal as well as Conservative government of Chrétien and Harper fell short of projecting Canada's strategic interests in its China policy at the bilateral, regional as well as global level.

The study concludes that Canada has lagged behind in carving a strategic interest in its relations with China. The bilateral relationship with China is still largely driven by Canada's economic interests without establishing closer socio-political ties, under the leadership of two leaders from Liberal as well as Conservative party.

Chrétien followed a coherent China strategy that focussed more on economic engagements but the government's strategies were not comprehensive enough to tap the vast market opportunity in engaging China. In contrast, Harper followed an uncertain China policy which was disoriented, incoherent and critical. However, with his second and third tenure in power, the government adopted a pragmatic approach and became accommodative of China in its foreign policy. The government followed policies not much different than its Liberal predecessors.

Thus there were no major differences in the policies of the two leaders—Chrétien and Harper--due to their different party affiliations—Liberal and Conservative. The China policies of the two leaders were hugely influenced by the domestic as well as individual factors such as the necessity of markets and jobs in Canada; electoral

politics and the minority status of the government; experience and knowledge in the areas of foreign affairs; and belief in the western value system. While there was a quest for Canada's economic independence from the US which influenced Canada's China policy during the Chrétien years, in contrast, Harper though focussed on strengthening Canada's economic relations with China, followed pro-US policies. The steady and narrow approach of the Canadian governments has cornered the country into a rigid bilateral (Canada-China) or trilateral (Canada-US-China) paradigm. Such an approach has constrained Canada and the bilateral relationship has remained on the periphery of the foreign policies of two nations under the leadership of Chrétien and Harper.

References

(*indicates primary sources)

_ Angell, Norman (1911), *The great illusion: a study of the relation of military power in nations to their economic and social advantage*, Toronto: McClelland and Goodchild.

Austin, Jack (2010), “Canada China Relations: A Forty Years Perspective” Paper Presented in a Seminar *Past and Future in China-Canada Relations* at the Institute of Asian Research and the Shanghai Institute for International Studies: Shanghai.

*Asia Pacific Foundation of Canada (2011), “2011 National Opinion Poll: Canadian Views on Asia”, Asia Pacific Foundation of Canada: Vancouver, British Columbia, [online: web] Accessed on 10 November 2015, URL: <http://https://www.Asiapacific.ca/surveys/national-opinion-polls/2011-national-opinion-poll-canadian-views-Asia>

Baldwin, John R. and Gu, Wulong (2008), “Outsourcing and Off-shoring in Canada”, *Economic Analysis Research Paper Series*, Government of Canada: Ottawa, Canada, [online: web] Accessed 15 November 2015, URL: <http://www.statcan.gc.ca/pub/11f0027m/11f0027m2008055-eng.pdf>

Baldwin, John R. and Yan, Beiling (2010), “Export Market Dynamics and Plant-level Productivity: Impact of Tariff Reductions and Exchange Rate Cycles”, *Economic Analysis Research Paper Series*, Government of Canada: Ottawa, Canada, [online: web] Accessed 15 November 2015, URL: <http://www.statcan.gc.ca/pub/11f0027m/11f0027m2010061-eng.pdf>

Baldwin, John and Yan, Beiling (2014), “Global Value Chains and the Productivity of Canadian Manufacturing Firms”, *Economic Analysis Research Paper Series*, Government of Canada: Ottawa, Canada, [online: web] Accessed 15 November 2015, URL: <http://www.statcan.gc.ca/pub/11f0027m/11f0027m2014090-eng.pdf>

Beecroft, Stephen (1985), “Canadian Policy towards China, 1949-1957: The Recognition Problem”, in Paul Evans and Michael Frolic (eds), *Reluctant Adversaries: Canada and The People’s Republic of China*, Toronto: University of Toronto Press.

Bentham, Jeremy, “*The Works of Jeremy Bentham*”, published under the Superintendence of his Executor, John Bowring (Edinburgh: William Tait, 1838-1843), 11(2). [Online: web] Accessed on 10 July 2018 URL: <http://oll.libertyfund.org/titles/1921>

Bouis, Romain et al. (2013), “Deleveraging: Challenges, Progress and Policies”, *OECD Economics Department Working Papers: 1077*, OECD, [online: web] Accessed 16 November 2015, URL: [http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ECO/WKP\(2013\)69&docLanguage=En](http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ECO/WKP(2013)69&docLanguage=En)

Bratt, Duane (2007), “Mr. Harper Goes to War: Canada, Afghanistan and the return of “High Politics” in Canadian Foreign Policy”, [online: web] Accessed 27 May 2014 URL: [http:// www.cpsa-acsp.ca/papers-2007/Bratt.pdf](http://www.cpsa-acsp.ca/papers-2007/Bratt.pdf)

Bray, Devin (2013), “Are the Economies of Canada and China Complementary”, *International Law Section*, 16 (3): 1-3.

Breau, S., and M. Brown (2011), “Global Links: Exporting, Foreign Direct Investment, and Wages: Evidence from the Canadian Manufacturing Sector”, *The Canadian Economy in Transition Series*, Government of Canada: Ottawa, Canada, [online: web] Accessed 16 November 2015, URL: <http://www.statcan.gc.ca/pub/11-622-m/11-622-m2011021-eng.pdf>

Burton, Charles (2006), “Assessment of the Canada-China Bilateral Human Rights Dialogue”, *Department of Foreign Affairs and International Trade (DFAIT)*, Canada, [online: web] Accessed 12 November 2015, URL: <http://spartan.ac.brocku.ca/~cburton>.

Burton, Charles (2009), “A Reassessment of Canada’s Interests in China and Options for Renewal of Canada’s China Policy”, *Canadian International Council*, A Changing World: Canadian Foreign Policy Priorities (4).

Burton, Charles (2015), “Canada’s China Policy under the Harper Government”, *Canadian Foreign Policy Journal*, 21(1): 45-63.

Buttiglione, Luigi et al. (2014), “Deleveraging? What Deleveraging?”, *Geneva Reports on the World Economy* (16), International Centre for Monetary and Banking Studies, [online: web] Accessed 2 December 2015, URL: http://www.ycsg.yale.edu/assets/downloads/deleveraging_geneva.pdf

Canadian Security Intelligence Service (2010), “China and Its New Place in the World”, A conference of the Canadian Security Intelligence Service jointly sponsored by the International Development Research Centre: Ontario.

*Canadian International Development Agency (1999), *Country programming framework: China 1994–1999*, Canada International Development Agency: Gatineau.

*Canada’s State of Trade (2013), “Canada’s State of Trade: Trade and Investment Update 2013”, *Foreign Affairs, Trade and Development Canada (DFATD)*, Government of Canada, Ottawa, Canada, [online: web] Accessed 12 November 2015, URL: http://www.international.gc.ca/economist-economiste/assets/pdfs/performance/state_2013_point/SoT_PsC-2013-Eng.pdf

* Canada’s State of Trade (2014). Canada’s State of Trade: Trade and Investment Update 2014. *Foreign Affairs, Trade and Development Canada (DFATD)*, Government of Canada, Ottawa, Canada, [online: web] Accessed 12 November 2015, URL: http://www.international.gc.ca/economist-economiste/assets/pdfs/performance/state_2014_point/SoT_PsC-2014-Eng.pdf

Canadian Council of Chief Executives (2014), “Canada-China Relations: Keeping up the momentum”, Report to the Canadian Council of Chief Executives.

Cao, Huhua and Vivienne Poy (2011), *The China Challenge: Sino-Canadian Relations in the 21st Century*, Ottawa: University of Ottawa Press.

Carin, Barry and Gordon Smith (2011), “Working with China towards a New International Institutional Architecture: A Strategic Partnership with Canada on Global Issues of Mutual Interest”, in Pitman B. Potter and Thomas Adams (eds.) *Issues in Canada-China Relations*, Canadian International Council.

Carter, Justin (2011), “A Concluded Canada-China FIPA and Its Implications for Canadian Businesses”, *The University of British Columbia Press*: 1-3.

Chow, G. (1993), “Capital Formation and Economic Growth in China”, *Quarterly Journal of Economics*, 108 (3): 809–42.

Chen, Victor Z. (2010), “Benchmarking Canada-China Economic Relations”, *Canadian International Council*, China Papers (4): 1-19, [online: web] Accessed on 15 December 2015, URL: http://www.Asiapacific.ca/sites/default/files/filefield/Chinapapers4_-_chen.pdf.

Chen, Victor Z. (2011), “Benchmarking Canada-China Economic Relations”, in Pitman B. Potter and Thomas Adams (eds.) *Issues in Canada-China Relations*, Canadian International Council.

*COMPAS (2006), “Human Rights in China: Harper’s Public Diplomacy Outperforms Chrétien’s Quiet Diplomacy; Excellent for Human Rights, Neutral for Business,” *China and Human Rights, BDO Dunwoody CEO/Business Leader Poll*, [online: web] Accessed on 9 October 2015, URL: <http://www.compas.ca/data/061127-ChinaHumanRights-P.pdf>

*Conservative Party of Canada (2006), “Stand Up for Canada: Conservative”, Conservative Party of Canada Federal Election Platform, Ontario.

Copeland, Daryl (2013), “A Foreign Ministry for the 21st Century? Canada Needs More DFAIT and the World Needs More Diplomacy”, *Canadian Foreign Policy Journal*, 19 (1): 110-114.

*Department of Foreign Affairs and International Trade (1995), *Canada in the World: Government Statement*, Canada Communication Group, Ottawa.

*Department of Foreign Affairs and International Trade (DFAIT) (2013), “Canada-China Economic Complementarities Study”, [online: web] Accessed on 30 November 2015, URL: <http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/China-chine/study-comp-etude.aspx?view=d#ft5>

*Department of Foreign Affairs and International Trade (DFAIT) (2015), “Canada-China Foreign Investment Promotion and Protection Agreement (FIPA) Negotiations”, [online: web] Accessed on 30 November 2015, URL: <http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/fipa-apie/China-chine.aspx?lang=eng&view=d>

Dewitt, David B. and John J. Kirton (1983), *Canada as a Principle Power: A Study of Foreign Policy and International Relations*, Toronto: John Wiley and Sons.

Dewitt, David B. and John Kirton (2007), “Three Theoretical Perspectives”, in Duane Bratt and Christopher J. Kukucha (eds) *Readings in Canadian Foreign Policy*, Ontario: Oxford University press.

Dobson, Wendy (2006), “China’s Economic Transformation: Global and Canadian Implications”, *International Journal* 61(2): (Spring) 299–312.

Dobson, Wendy (2011), “Canada, China and Rising Asia: A Strategic Proposal”, *Rotman School of Management*, University of Toronto, [online: web] Accessed on 25 November 2015, URL: <http://www.ceocouncil.ca/publication/canada-China-and-rising-Asia-a-strategic-proposal>.

Dobson, Wendy and Paul Evans (2016) “Living with Global China: Agenda 2016”, in Asif B. Farooq and Scott Mcknight (eds), *Moving Forward: Issues in Canada- China Relations (ed)*, Toronto: University of Toronto.

Doyle, Michael W. (1983), "Kant, Liberal Legacies, and Foreign Affairs" *Philosophy & Public Affairs* 12(3): 205.

Donaghy, Greg and Stephane Roussel (2018), “Canada and the Challenge of Globalization: a Glass Half Empty or Half Full?”, *Canadian Foreign Policy Journal*, 24 (3): 253-259.

Drache, Daniel (1983), “The Crisis of Canadian Political Economy: Dependency Theory vs. the New Orthodoxy”, *Canadian Journal of Political and Social Theory*, 7 (3): 25-49.

Drummond, Don and Kyle Clemens (2014), “The Impact on Canada of the Rise of the Chinese Economy: Good, Bad or Indifferent”, *School of Policies Studies*, Queen’s University: (50).

Eayrs, James (1975), “Defining a New Place for Canada in the Hierarchy of the World Power”, *International Perspectives*, (May-June): 15-24.

Evans, Paul M. (1985), “Introduction: Solving Our Cold War China Problem”, in Paul M. Evans and Michael Frolic (eds) *Reluctant adversaries: Canada and The People’s Republic of China*, Toronto: University of Toronto Press.

Evans, Paul M. (1993), “Canada’s Relations with China Emergent”, *Canadian Foreign Policy* 1(2): (Spring) 13–28.

Evans, Paul M. (2005), “Canada and Global China: Engagement Recalibrated.”, in Andrew F. Cooper and Dane Rowlands (eds), *Canada among nations 2005: Split images*, Ottawa: Carleton University Press.

Evans, Paul (2006) “Canada, Meet Global China”, *International Journal*, 2 (6): 283-297.

Evans, Paul (2007), “Human Rights and Canada-China Relations”, Presentation to the Subcommittee on International Human Rights of the Standing Committee on Foreign Affairs and International Development, House of Commons, 1st Session, 39th Parliament: Ottawa.

Evans, Paul (2008) “Responding to Global China: Getting the Balance Right”, *Canadian Foreign Policy*, 2 (14): 131-139.

Evans, Paul (2011), “Engagement with Conservative Characteristics: Policy and Public Attitudes, 2006-2011”, in Pitman B. Potter and Thomas Adams (eds.) *Issues in Canada-China Relations*, Canadian International Council.

Evans, Paul (2014) *Engaging China: Myth, Aspiration and Strategy in Canadian Policy from Trudeau to Harper*, Toronto: University of Toronto Press.

*Federal Court of Canada (2007), “Lai Cheong Sing et al v. Canada (Minister of Citizenship and Immigration).” Honourable Mr. Justice de Montigny’s judicial review of a PRRA officer’s decision Docket: IMM-2669-06, [online: web] Accessed 10 January 2016, URL: <http://decisions.fct-cf.gc.ca/en/2007/2007fc361/2007fc361.html>. Lai Changxing has been in Canada since 1999.

Francis, Michael (2005), “Understanding China’s Long-Run Growth Process and Its Implications for Canada”, *Bank of Canada Review*: 1-17.

Frolic, Michael (1985), “The Trudeau Initiative”, in Paul Evans and Michael Frolic (eds), *Reluctant Adversaries: Canada and The People’s Republic of China*, Toronto: University of Toronto Press.

Frolic, Michael (1997), “Re-engaging China: Striking a Balance between Trade and Human Rights”, in Fen Osler Hampson, Maureen Appel Molot and Martin Rudner (eds), *Canada Among Nations 1997 Asia Pacific Face-Off*, Ottawa: Carleton University Press.

Frolic, Michael (1999), “Six observations about Sino-Canadian Relations since Tiananmen”, Paper presented on June 5th 1999 in the Conference, *China Ten Years after Tiananmen*, University of Toronto—York University Joint Center for Asia Pacific Studies, Toronto.

Frolic, Michael (2011), “Canada and China: The China strategy of 1987”, in Huhua Cao and Vivienne Poy (eds), *The China challenge: Sino-Canadian relations in the 21st Century*, Ottawa: University of Ottawa Press.

Gecelovsky, Paul and T. A. Keenleyside (1995), “Canada’s International Human Rights Policy in Practice: Tiananmen Square”, *International Journal*, 50 (3): 564-93.

Gee, Marcus (2008), “C’mon, Mr. Chrétien, Our voice on China does matter”, *Globe and Mail*, Canada, 22 August 2008, [online: web] Accessed 15 October 2015, URL: <http://www.theglobeandmail.com/opinion/cmon-mr-Chrétien-our-voice-on-China-does-matter/article715644/>

Genest, Marc A. (1996) *Conflict and Cooperation: Evolving Theories of International Relations*, Pennsylvania State University: Thomson & Wadsworth.

Ghosh, Madanmohan and Weimin Wang (2006), “Is Canada Underperforming in Foreign Direct Investments and Exports to China”, *Horizons*, 2 (9).

Gilley, Bruce (2006), "Elite-led Democratization in China: Prospects, Perils, and Policy Implications," *International Journal*, 2 (61).

Gilley, Bruce (2008), "Reawakening Canada's China Policy", *Canadian Foreign Policy Journal*, 14 (2): 121-130.

*GlobeScan and The Programme of International Policy Attitudes (2011), "Rising Concern about China's Increasing Power: Global Poll", British Broadcasting Corporation (BBC) World Service Poll, [online: web] Accessed on 10 November 2015, URL: http://www.globescan.com/images/images/pressreleases/bbc2011_China/bbc2011_China.pdf

Gotlieb, Alan (2004), "Romanticism and Realism in Canada's Foreign Policy", *C.D. Howe Institute*, Benefactors Lectures 2004: Toronto.

*Government of Canada (1970), *Foreign Policy for Canadians*, Department of External Affairs, Ottawa.

*Government of Canada (1994), "White Paper on Defence: 1994", Department/Agency-National Defence, [online: web] Accessed on 25 October 2015, URL: <http://publication.gc.ca/site/eng/429769/publication.html>

*Government of Canada (1995), *Canada in the World*, Public Works and Government Services Canada, Ottawa.

*Government of Canada (2003), *A Dialogue on Foreign Policy*, Department of Foreign Affairs and International Trade, Ottawa.

Government of Canada (2006), "Special Issue on China", *Horizons*, Policy Research Initiative, 2 (9): 1-183, [online: web] Accessed on 15 December 2015, URL: <http://publication.gc.ca/collection/cp12-1-9-2E.pdf>

Grant, George (1965), *Lament for a Nation: The Defeat of Canadian Nationalism*, Toronto: McClelland and Stewart Ltd.

Grant, Michael (2012), "Fear the Dragon? Chinese Foreign Direct Investment in Canada", *Trade, Investment Policy, and International Cooperation*, A Report of Conference Board of Canada, Canada, [online: web] Accessed on 25 October 2015, URL: <http://www.casselsbrock.com.cn/files/file/docs/FearTheDragon.pdf>

Guangjin, Cheng and Cui Haipei (2012), "Canada Trade Links Tightened", *China Daily*, [Online: web] Accessed on 10 January 2016, URL: http://www.Chinadaily.com.cn/China/2012-02/09/content_14564237.htm

Hall, Peter A., and Rosemary C.R. Taylor (1996), "Political Science and the Three New Institutionalisms", *Political Studies*, 44: 936-957.

Holmes, John W. (1966), "Is There a Future of Middle-powermanship?", in King Jordon (eds.) *Canada's role as a Middle Power*, Toronto: Canadian Institute of International Affairs.

- Holmes, John W. (1982), *The Shaping of Peace: Canada and the Search for World Order, 1943-1957, (II)*, Toronto: University of Toronto Press.
- Harold J. Innis (1956), "Economic Trends in Canadian American Relations", in Harold Innis, Matthew Evenden, et.al (eds) *Essays in Canadian Economic History*, Toronto: University of Toronto Press.
- Hanley, Charles (1968) "The Ethics of Independence" in Stephen Clarkson (eds) *An Independent Foreign Policy for Canada?* Toronto: McClelland and Stewart.
- *Hanson, Fergus (2011), "Australia and the World: Public Opinion and Foreign Policy", The Lowy Institute Poll: Lowy Institute for International Policy, [online: web] Accessed on 10 November 2015, URL: http://http://www.lowyinstitute.org/files/pubfiles/Lowy_Poll_2011_WEB.pdf
- *Information Office of the State Council of the People's Republic of China (2005), "Building of Political Democracy in China", [online: web] Accessed on 5 January 2016, URL: <http://english.peopledaily.com.cn/whitepaper/democracy/democracy.html>.
- Jiang, Wenran (2006), "Meeting the China Challenge: Developing a China Strategy," in Andrew F. Cooper and Dane Rowlands (eds.) *Canada Among Nations: A State of Minorities*, Montreal: McGill-Queen's University Press: 251-268.
- Jiang, Wenran (2009), "Seeking a Strategic Vision for Canada-China Relations", *International Journal*, 64 (4): 891-909.
- Jiang, Wenran (2011), "The Dragon Returns: Canada in China's Quest for Energy Security", in Pitman B. Potter and Thomas Adams (eds.) *Issues in Canada-China Relations*, Canadian International Council.
- Kant, Immanuel (1903), *Perpetual Peace: A Philosophical Essay, 1795*, London: S. Sonnenschein Print.
- Kelly, Brent (2011), "Changes to the Canadian Foreign Policy Agenda: From Liberal Internationalist to Neo-Realist", *The Lyceum*, 1 (1): 1-10.
- Keohane, R. O., & Nye, J. S. (1977), *Power and Interdependence: World politics in Transition*, Boston: Little, Brown.
- Kirton, John (2006), *Canadian Foreign Policy in a Changing World*, Toronto: Nelson.
- Kirton, John (1987), "Realism and Reality in Canadian Foreign Policy, *International Perspectives*, January/February: 3-8.
- Krugman, P. (1994), "The Myth of Asia's Miracle", *Foreign Affairs* 73 (6): 62-78.
- Kwan, Cheuk (2007), "China and Canada: A Relationship Reconsidered", *China Rights Forum*, (1): 33-37.

Kyba, Patrick (1985), "Alvin Hamilton and Sino-Canadian Relations", in Paul Evans and Michael Frolic (eds), *Reluctant Adversaries: Canada and The People's Republic of China*, Toronto: University of Toronto Press.

Laghi, B. (2006), "Is Ottawa Tilting Away from China?", *Globe and Mail*, Canada, 8 September 2006, [Online: web] Accessed on 21 August 2015, URL: <http://www.theglobeandmail.com/news/national/is-ottawa-tilting-away-from-china/article1103405/>

Levitt, Joseph (1970), *Henri Bourassa on Imperialism and Biculturalism, 1900-1918*, Toronto: Copp Clark.

Liu, Xuecheng (2011), "CIIS Comment: China and Canada in the Global Arena", in Pitman B. Potter and Thomas Adams (eds.) *Issues in Canada-China Relations*, Canadian International Council.

Lunn, Susan (2012) "The House Interview with Stephen Harper" *CBC News*, [online: web] Accessed on 15 November 2015, URL: <http://www.cbc.ca/news/politics/story/2012/02/10/pol-cbc-interview-stephen-harper.html>

Lyon, Peyton V, et.al. (1979), *Canada as an International Actor (Canadian Controversies Series)*, Toronto: Macmillan of Canada.

Mahoney, James (2000), "Path Dependence in Historical Sociology", *Theory and Society*, 29(4): 507–515.

Massot, Pascale (2016), "The Political Economy of Canadian Public Opinion on China", in Asif B. Farooq and Scott McKnight (eds) *Moving Forward: Issues in Canada- China Relations*, Toronto: Asian Institute at the Munk School of Global Affairs, University of Toronto and China Open Research Network at the Department of Political Science, University of Toronto.

Martell, George (1965), "What can I do right now? Notes from Point Blank School on the Canadian dilemma", in Ian Lumsden (eds.) *Close the 49th Parallel Etc: The Americanization of Canada*, Toronto: Toronto University Press.

Minifie, James M. (1960), *Peacemaker or Powdermonkey: Canada's Role in a Revolutionary World*, Toronto: McClelland and Stewart.

McNaught, Kenneth (1968) "From Colony to Satellite" in Stephen Clarkson (ed) *An Independent Foreign Policy for Canada?* Toronto: McClelland and Stewart.

Melakopides, Costas (1998), *Pragmatic Idealism Canadian Foreign Policy, 1945–1995*. Montréal and Kingston: McGill-Queen's University Press.

Moran, Theodore M (2012), "Chinese Foreign Direct Investment in Canada: Threat or Opportunity", *Canadian Council of Chief Executives*, [online: web] Accessed on 20 November 2015, URL: <http://www.ceocouncil.ca/wp-content/uploads/2012/03/Chinese-Foreign-Direct-Investment-in-Canada-Theodore-H-Moran-March-2012.pdf>

Morton, W.L. (1946), "Canada's Far Eastern Policies", *Pacific Affairs*, 19: 241-249.

Mulroney, David (2016), "After 45 Years, It's Time to Grow up", in Asif B. Farooq and Scott McKnight (eds) *Moving Forward: Issues in Canada- China Relations*, Toronto: Asian Institute at the Munk School of Global Affairs, University of Toronto and China Open Research Network at the Department of Political Science, University of Toronto.

Nossal, Kim Richard (1983/1984), "Analyzing the Domestic Sources of Canadian Foreign Policy", *Sage Publication on behalf of Canadian International Council*, 39 (1): 1-22.

Nossal, K. Richard (1995), "The Democratization of Foreign Policy: The Elusive Ideal", in Maxwell A. Cameron and Maureen Appel Molot (eds.) *Canada Among Nations 1995: Democracy and Foreign Policy*, Ottawa: Carleton University Press.

Nossal, Kim Richard (1997), *The Politics of Canadian Foreign Policy*, Ontario: Prentice Hall Canada.

Nossal, Kim Richard; Stephane Roussel, et. al. (2011) *International Policy and Politics in Canada*, Toronto: Pearson Prentice Hall.

Nossal, K. Richard and Leah Sarson (2013), "About Face: Explaining Changes in Canada's China Policy, 2006-2012", Paper presented to the Annual Meetings of the Canadian Political Science Association, University of Victoria: British Columbia.

Nossal, Kim Richard (2014), "*Primat der Wahlurne*: Explaining Stephen Harper's Foreign Policy", Paper presented at International Studies Association, Queen's University, Toronto.

Page, Don (1985), "The Representation of China in the United Nations: Canadian Perspectives and Initiatives, 1949-1971", in Paul Evans and Michael Frolic (eds), *Reluctant Adversaries: Canada and The People's Republic of China*, Toronto: University of Toronto Press.

Paltiel, J.T. (1990), "Rude Awakening: Canada and China Following Tiananmen", in Maureen Appel Molot and Fen Osler Hampson (eds) *Canada Among Nations: 1989 the Challenge of Change*, Ottawa: Carleton University Press.

Paltiel, Jeremy (2006), "Does a Half-Full Glass Justify a Leap of Faith? Incremental Change and Human Rights in China," *International Journal*, 2 (61): 371-387.

Paltiel, Jeremy (2009), "Canada and China: An Agenda for the Twenty-First Century: A Rejoinder to Charles Burton", *Canadian Foreign Policy*, 15(2): 109-117.

Paltiel, Jeremy (2011), "Reimagining Canada's Present and Future in the Shadow of the Rise of China" in Huhua Cao and Vivienne Poy (eds) *The China Challenge: Sino-Canadian relations in 21st Century*, Ottawa: University of Ottawa Press.

Paris, Roland (2014), "Are Canadian Still Liberal Internationalist? Foreign Policy and Public Opinion in the Harper Era", *International Journal*, 69 (3): 274-307.

*Parliament of Canada (2007), "Advancing Canada's Role in International Support for Democratic Development", Parliamentary Report Tabled at House of Commons Standing Committee on Foreign Affairs and International Development. [online: web]

Accessed on 25 October 2015, URL: <http://cmte.parl.gc.ca/cmte/CommitteePublication.aspx?COM=10475&Lang=1&SourceId=213353>.

Potter, Pitman B. (2003), "Trade and Human Right Practices in China: Prospects for Canadian Influence", *Canada in Asia Series on the Foreign Policy Dialogue*, Asia Pacific Foundation (9).

Potter, Pitman B. (2006) "Selective Adaptation and Institutional Capacity: Perspectives on Human Rights in China," *International Journal*, 2 (6): 389-407.

Potter, Pitman B. and Thomas Adams (2011), *Issues in Canada-China Relations*, Canadian International Council: Toronto, Ontario.

Pratt, Cranford (1983/1984), "Dominant Class Theory and Canadian Foreign Policy: The Case of the Counter-Consensus", *Sage Publications on behalf of Canadian International Council*, 39 (1): 99-135.

Pratt, Cranford (1994), "Humane Internationalism and Canadian Development Assistance Policies", in Cranford Pratt (eds) *Canadian International Assistance Policies: An Appraisal*, Montreal and Kingston: McGill-Queen's University Press.

Pearson, Lester B. (1973), "Mike: The Memoirs of the Right Honourable Lester B. Pearson", in John A. Munro and Alex I. Inglis (eds), *Mike: The Memoirs of the Right Honourable Lester B. Pearson, Vol. 2: 1948-57*, Toronto: University of Toronto Press.

Quo, F. Q. and Akira Ichikawa (1972) "Sino-Canadian Relations: A New Chapter," *Asian Survey*, 5 (12): 386-398.

Reed, James (2006), "China on Our Minds: History and Policy in the Asia-Pacific World", *International Journal*, 61 (2): 453-467.

Reoux, Jean-Francois and Robin Hay (1998/1999), "Canadian Foreign Policy: From Internationalism to Isolationism", *Canadian International Council*, 54 (1): 57-75.

Resnick, Philip (1970), "Canadian defence policy and the American empire", in Ian Lumsden (eds.) *Close the 49th Parallel Etc: The Americanization of Canada*, Toronto: Toronto University Press.

Roy, Francine (2004), "Canada's Trade with China", *Canadian Economic Observer*. Statistics Canada Catalogue, 11-624 (007): 1-7.

Roy, Francine (2005), "Canada's Trade and Investment with China," *Canadian Economic Observer*, 18 (6), [online: web] Accessed on 11 December 2015, URL: <http://www.statcan.gc.ca/pub/11-010-x/00605/8037-eng.htm>.

Ruan, Lotus and Karl Yan (2016), "From Within: Improving Canadian Attitudes towards China", in Asif B. Farooq and Scott McKnight (eds) *Moving Forward: Issues in Canada- China Relations*, Toronto: Asian Institute at the Munk School of Global Affairs, University of Toronto and China Open Research Network at the Department of Political Science, University of Toronto.

Sarson, Leah (2010), "Canada and the ASEAN Intergovernmental Commission on Human Rights: A Chance to Re-engage", *Canada Asia Commentary*, 54.

Schabas, William (1998), "Canada and the Adoption of the UDHR", *McGill Law Journal*, 43: 403-441.

Simpson, Erika (spring 1999) "The Principles of Liberal Internationalism According to Lester Pearson" *Journal of Canadian Studies*, 34 (1): 75-90.

Smith, Jordan Michael (2012), "reinventing Canada: Stephen Harper's Conservative Revolution", *World Affairs* [online: web] Accessed 5 May 2014 URL: <http://www.worldaffairsjournal.org/article/reinventing-canada-stephen-harper's-conservative-revolution>

St-Amour, Norman (1985), "Sino-Canadian Relations from 1963 to 1968: the American Factor", in Paul Evans and Michael Frolic (eds), *Reluctant Adversaries: Canada and The People's Republic of China*, Toronto: University of Toronto Press.

Sunkel, Osvaldo (1969), "National Development Policy and External Dependence in Latin America," *The Journal of Development Studies*, 6 (1): 23.

*Liberal Party of Canada (1993), *Creating Opportunities: The Liberal Plan for Canada*.

*Liberal Party of Canada (1997), *The Liberal Plan — 1997: Securing Our Future Together —preparing for the 21st century*: Ottawa.

*Liberal Party of Canada, (1992), *Canada and the United Nations System in 21st Century*.

*Liberal Party of Canada, (1993), *Foreign Policy Platform*, mimeo.

*Liberal Party of Canada, (1993), *Foreign Policy Handbook*.

Warnock, John (1970), *Partner to Behemoth: The Military Policy of a Satellite Canada*, Toronto: University of Toronto Press.

Webster, David (2010), "Canada and Bilateral Human Rights Dialogues", *Canadian Foreign Policy Journal*, 16 (3): 43-63.

Wilson, Jennifer (2001), "A History of CIDA's China Program (Daft)" Prepared for: China Program, Asia Branch, *Canadian International Development Agency*, Ottawa, Canada.

Woodrow Wilson's Fourteen Points, January 8, 1918. The Atlantic Charter's Eight Points, August 14, 1941. Declaration by the United Nations, January 1, 1942. The Moscow Declaration, October 30, 1943. The Teheran Declaration, December 1, 1943. New York, N.Y. :Woodrow Wilson Foundation, 1943.

Woo, Yuen Pau and Kenny Zhang (2006), "China Goes Global: The Implications of Chinese Outward Direct Investment for Canada." *Horizons*, 2 (9) Special Issue on China. Government of Canada. Policy Research Initiative. [Online: web] Accessed on

5 Sept 2017, URL: http://www.policyresearch.gc.ca/doclib/HOR_v9n2_200608_e.pdf 34

World Bank (1997), *China 2020: Challenges in the New Century*. China 2020 Series. Washington, D.C.

Zhang, Kenny (2010), "Flows of People and The Canada-China Relationship", *China Papers 10*, Canadian International Council: 1-44, [online: web] Accessed on 30 November 2015, URL: http://www.Asiapacific.ca/sites/default/files/filefield/China_Papers_10_0.pdf

Appendix I
Canada's Merchandise Trade with China (US\$ billions)

Year	Export	Import	Balance
1996	3.01	4.93	-1.92
1997	2.41	6.34	-3.93
1998	2.5	7.65	-5.15
1999	2.66	8.95	-6.29
2000	3.7	11.29	-7.6
2001	4.26	12.72	-8.46
2002	4.13	16	-11.87
2003	4.81	18.58	-13.77
2004	6.77	24.1	-17.33
2005	7.21	29.52	-22.3
2006	7.8	34.51	-26.71
2007	9.51	38.33	-28.82
2008	10.47	42.63	-32.16
2009	11.15	39.66	-28.51
2010	13.23	44.52	-31.29
2011	16.81	48.19	-31.38
2012	19.37	50.72	-31.36
2013	20.49	52.74	-32.25
2014	19.29	58.69	-39.39
2015	20.17	65.66	-45.48
2016	20.97	64.39	-43.41

Source: Trade and Investment Series, Parliament of Canada 2016.

Appendix II
Canada's Service Trade with China (US\$ billions)

Year	Export	Import	Balance
1995	0.41	0.33	0.08
1996	0.48	0.04	0.08
1997	0.05	0.39	0.11
1998	0.55	0.42	0.13
1999	0.63	0.04	0.23
2000	0.76	0.45	0.32
2001	0.08	0.55	0.25
2002	0.85	0.82	0.03
2003	0.84	0.06	0.24
2004	1.03	0.78	0.25
2005	1.07	0.09	0.16
2006	1.12	1.18	-0.06
2007	1.21	1.44	-0.24
2008	1.21	1.53	-0.32
2009	1.29	1.57	-0.27
2010	1.47	1.75	-0.28
2011	1.69	1.99	0.31
2012	2.11	2.06	0.04
2013	2.34	2.04	0.03
2014	2.58	2.28	0.29
2015	2.65	2.43	0.22

Source: Trade and Investment Series, Parliament of Canada 2016.

Appendix III

Share of the Total Value of Canadian Trade with China (%)

Year	Export	Import
1996	1.09	2.12
1997	0.81	2.32
1998	0.78	2.56
1999	0.75	2.79
2000	0.89	3.16
2001	1.06	3.71
2002	1.04	4.59
2003	1.26	5.53
2004	1.64	6.77
2005	1.65	7.75
2006	1.77	8.69
2007	2.11	9.41
2008	2.17	9.82
2009	3.1	10.86
2010	3.32	11.03
2011	3.76	10.79
2012	4.25	10.98
2013	4.34	11.09
2014	3.66	11.46
2015	3.85	12.24
2016	4.06	12.07

Source: Trade and Investment Series, Parliament of Canada 2016.

Appendix IV

Most High Valued Exports by Product Category (US\$ billions)

	2009	2010	2011	2012	2013	2014	2015	2016
Wood pulp, scrap Paper	1.46	2.13	2.59	2.64	2.73	2.85	3.36	3.2
Oilseeds, seeds etc.	1.57	0.85	0.92	2.47	2.37	2.8	2.89	3.13
Wood, articles thereof	0.38	0.84	1.46	1.4	1.89	1.89	1.55	1.56
Ores, slag, ash	1.4	1.35	2.59	2.76	3.11	2.31	1.42	1.48
Motor Vehicles, parts	0.05	0.07	0.11	0.09	0.25	0.46	0.62	1.47

Source: Trade and Investment Series, Library of Parliament 2016

Most High Valued Imports by Product Category (US\$ billions)

	2009	2010	2011	2012	2013	2014	2015	2016
Electrical, electronics etc.	8.56	10.11	11.85	12.86	12.68	14.12	16.39	15.8
Machinery and equipment	7.11	8.71	9.42	10.17	10.56	11.63	12.32	12.25
Furniture, prefab buildings	2.46	2.75	2.7	2.93	3.04	3.31	3.66	3.92
Toys, games, sports equipment	3.15	3.04	2.71	2.58	2.69	3.06	3.51	3.38
Clothing, apparel (knitted)	2	2.01	2.13	1.97	2.19	2.34	2.55	2.41

Source: Trade and Investment Series, Library of Parliament 2016

Appendix V

Brief Description of Rounds of Canada-China Bilateral Dialogues (1997-2005)

First Round - July 1997. Ottawa

Topics: ICCPR, ICESCR, criminal law and treatment of the accused, minority rights.

Second Round - October 1997. Beijing

Topics: Rights of women and children, rights of the accused and new criminal procedure law, civil and political rights, bilateral human rights cooperation.

Site visit: Yunnan province to study national minorities and other issues.

Third Round - November 1998. Winnipeg and Vancouver

Topics: CAT, freedom of religion, rule of law and independence of the judiciary, gender equity and situation of women in the workplace.

Site visit: Whitehorse to study devolution of power from federal government.

Fourth round -November 1999. Beijing

Topics: ICCPR and ICESCR (update on progress towards ratification), rule of law (with focus on prison issues and transparency of enforcement and administration officers), women's rights, minority rights, freedom of religion.

Site visit: Lhasa (visit to a prison, meetings with regional officials on freedom of religion, gender and population, economic development, cultural and environmental protection).

Fifth round - October 2000. Ottawa

Topics: ICCPR and ICESCR (update on progress towards ratification), freedom of religion, children's issues.

Site visit: Iqaluit to study devolution of federal of power of federal government and challenges, the experience and challenges of maintaining cultural practices, violence against women and prison administration.

Sixth Round - November 2002. Beijing

Topics: Conditions of detention (with focus on special concerns of women prisoners), police training, international cooperation in human rights, labour practices

Site visit: Beijing (visit to prison) and Urumqi to study national minorities, freedom of religion and freedom of expression.

Seventh Round - October 2003, Ottawa

Topics: Racism, the role of the UN in the field of human right, ICESCR and the Optional Protocol, human rights and terrorism.

Site visit: Vancouver to study indigenous issues in Canada.

Eighth Round - October 2004. Beijing

Topics: UN special mechanisms and recent visits, human rights and terrorism, OP to the ICESCR, HIV/AIDS and human rights.

Site visit: Beijing (visit to hospitals and meetings with NGOs) to study HIV/AIDS and human rights.

Ninth Round – November 2005, Ottawa

Topics: Equality with focus on minorities, women and migrants, Multiculturalism and non-discrimination, Police violence and accountability.

Site visits: Ottawa (visits to RCMP, Department of Justice and Canadian Human Rights Commission), Montreal (Roundtable with NGOs at Rights and Democracy and visit to Canadian Human Rights Foundation), and Toronto (Police training and public complaints).