

WEBVTT

00:00:02.940 --> 00:00:09.540

<v SPEAKER_1>Hello again, and welcome to Global Exchange, part of The Canadian Global Affairs Institute's Podcast Network.

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<v SPEAKER_1>I'm your host Colin Robertson.

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<v SPEAKER_1>On this episode that we were recording on March 30th, we talked with Peter Jones about Canada and its relationship with the United States.

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<v SPEAKER_1>Peter Jones is a professor in the Graduate School of Public and International Affairs at the University of Ottawa.

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<v SPEAKER_1>I should tell listeners that I have known Peter for a number of years, but I remember him particularly when he was a fellow at the Stanford Institute and George Schultz, who was former Secretary of State, and I think probably one of the best public figures the United States has ever produced, spoke very highly of Peter and thought he was one of the finest scholars he'd ever met and I would concur with Mr.

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<v SPEAKER_1>Schultz's judgment.

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<v SPEAKER_1>I'm delighted Peter can join us.

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<v SPEAKER_1>Peter, welcome.

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<v SPEAKER_2>Thank you very much, and thank you for that very kind introduction.

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<v SPEAKER_1>Some context for listeners.

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<v SPEAKER_1>Peter has written a series of essays in The Walrus Magazine that we will link to in the program notes.

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<v SPEAKER_1>They look at Canada's relationship with the United States.

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<v SPEAKER_1>They are required reading for those of us interested in where we are going in the wake of what Prime Minister Carney has described as a rupture in the once mostly comfortable relationship that covered trade, defence and the stewardship of our shared environment with the United States that we could generally rely on as friend, ally and good neighbour.

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<v SPEAKER_1>But as Peter writes, quote, we may be about to find out if decades of American calls for Europe, and I think I would include Canada in that, to do more have been primarily about seeking greater European financial commitment to common defence, but with continued subservience to American leadership, or if the United States really is prepared to live in a world where Europe is a more independent actor on the world stage, including possibly a more independent nuclear actor at all levels of deterrence.

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<v SPEAKER_1>As Mr.

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<v SPEAKER_1>Carney says, we now live in a world of veritable geometry, and we need to look at the new world as it is rather than what we would like it to be.

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<v SPEAKER_1>Realism, not nostalgia, must be our guiding principle.

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<v SPEAKER_1>Peter's essays examine our situation and raise a series of questions we need to consider.

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<v SPEAKER_1>So let's get started.

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<v SPEAKER_1>And Peter, let me start with Cosma.

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<v SPEAKER_1>The US.

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<v SPEAKER_1>Congressional Budget Office figures say that the US may soon no longer be able to sustain its national debt to GDP, currently 124% compared to Canada's 41%.

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<v SPEAKER_1>It takes about 14% of the US budget, and I think that's

more than the US now spends on defense.

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<v SPEAKER_1>With concessions, do you think that the United States might require to sustain Cosma?

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<v SPEAKER_1>The question being, the United States is going to want concessions in the upcoming renewal or renegotiation of Cosma.

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<v SPEAKER_1>Will they be worth having?

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<v SPEAKER_1>And given where the US is, what does that mean for the relationship with Canada, Mexico, and the United States?

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<v SPEAKER_2>Yeah, it's a very interesting question.

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<v SPEAKER_2>I mean, in terms of the relative debt ratios, our public debt, total public debt, which includes provincial debt, is probably somewhat higher.

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<v SPEAKER_2>It is somewhat higher, definitely.

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<v SPEAKER_2>Probably somewhat closer to the US., but still below it.

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<v SPEAKER_2>And therefore, at least the federal government thinks that we have much more room to maneuver, as it says.

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<v SPEAKER_2>I mean, I think that where the US is headed is, it's raising the question of whether the US is too big to fail.

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<v SPEAKER_2>And it probably is, but certainly the growing debt, and it's growing exponentially, and Trump is adding to it.

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<v SPEAKER_2>I mean, he's talking about increasing the defence budget by a third, another \$500 billion to the trillion that's already spent.

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<v SPEAKER_2>So they're growing by a couple of trillion dollars a year, in terms of their national debt.

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<v SPEAKER_2>And it's really reaching unsustainable points.

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<v SPEAKER_2>It's reaching the point where they're going to spend more on servicing the debt than on anything else.

00:04:10.940 --> 00:04:13.160

<v SPEAKER_2>And on much of what the government does else combined.

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<v SPEAKER_2>So I think some sort of economic readjustment is in line in the United States.

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<v SPEAKER_2>It's coming, and it's coming probably sooner than we think.

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<v SPEAKER_2>And it's quite curious that the economic situation in the US seems to be humming along reasonably well.

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<v SPEAKER_2>But what's being missed, I think, is the fact that they're reaching a point which economists talk about where R passes G, which is the rate of interest on the debt, passes the rate of growth.

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<v SPEAKER_2>And if a country's growth exceeds its rate of interest, then it can grow its way out of debt.

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<v SPEAKER_2>But that's going to change in the US probably in the next few years.

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<v SPEAKER_2>The Congressional Budget Office says it will change in the next few years.

00:04:53.760 --> 00:04:55.240

<v SPEAKER_2>So that's going to be a serious problem.

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<v SPEAKER_2>So the question for Canada is, is the US economy going to be worth accessing in the way we access it now?

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<v SPEAKER_2>And of course, it's always going to be a big economy.

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<v SPEAKER_2>It's always going to be a worthwhile to have trade with the US.

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<v SPEAKER_2>We're always going to have trade with the US regardless.

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<v SPEAKER_2>We traded before COSMA, we'll trade with them again.

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<v SPEAKER_2>But how valuable will it really be as compared to other trade opportunities that might exist in the world?

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<v SPEAKER_2>And the other thing we have to think about is, we tend to get nostalgic for preserving COSMA.

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<v SPEAKER_2>And we think of this negotiation as sort of trying to get back to COSMA as it was, or as it has been up to this point largely.

00:05:34.920 --> 00:05:36.200

<v SPEAKER_2>But that's not what's on offer.

00:05:36.200 --> 00:05:48.340

<v SPEAKER_2>What's being offered to us is a kind of a trade agreement, which will have a built-in structural bias towards the US in terms of tariffs and reshoring manufacturing jobs to the US and all that kind of thing.

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<v SPEAKER_2>And so in terms of that's the kind of trade we're being offered, and the only kind of trade the Americans say they'll accept, then how much is that worth?

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<v SPEAKER_2>How much should we give away?

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<v SPEAKER_2>And I think what we're going to be asked to give away is our ability to make deals with other countries, such as China and Europe, in favor of only making deals with the US.

00:06:09.100 --> 00:06:14.240

<v SPEAKER_2>And again, we are going to be asked to accept this permanent structural imbalance.

00:06:14.240 --> 00:06:18.460

<v SPEAKER_2>And I think we have to look very carefully at whether

it's worth it, frankly.

00:06:18.460 --> 00:06:21.020

<v SPEAKER_2>And we have to bear in mind that we will trade with the US.

00:06:21.020 --> 00:06:22.500

<v SPEAKER_2>There will be trade.

00:06:22.500 --> 00:06:24.420

<v SPEAKER_2>We have stuff they need.

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<v SPEAKER_2>We're too big a market for them to completely ignore.

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<v SPEAKER_2>So I think we have to sort of take the view that the first deal they offer is not one we should jump at.

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<v SPEAKER_2>And we have cards to play, as President Trump likes to say, and their economic situation is getting weaker, not better.

00:06:41.720 --> 00:06:42.620

<v SPEAKER_1>No, I think that's right.

00:06:42.620 --> 00:06:43.400

<v SPEAKER_1>I think we have moved.

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<v SPEAKER_1>Certainly when I was involved in the original Canada-U.S.

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<v SPEAKER_1>Free Trade Agreement, we were looking for freer trade, not managed trade.

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<v SPEAKER_1>There's always been areas that were managed, whether we're talking supply management on our side, or sugar and rice on the American side, lumber that the Americans want to manage.

00:06:59.820 --> 00:07:09.280

<v SPEAKER_1>But now we've moved into the auto industry, and as you point out, the Americans would like to pull that industry in particular, reshore it as they put it back into the United States.

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<v SPEAKER_1>So what is the deal on hand, and is it worth having, and what does that do for the North American platform, which makes a lot of sense if it is as it was originally envisaged freer trade between

three sovereign countries.

00:07:28.480 --> 00:07:30.640
<v SPEAKER_2>Yeah, exactly.

00:07:30.640 --> 00:07:32.340
<v SPEAKER_1>So what do we do with Mexico?

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<v SPEAKER_2>I confess I'm not as expert on Mexico as I would like to be.

00:07:39.520 --> 00:08:01.380
<v SPEAKER_2>I'm not sure to the extent to which free trade with Mexico only makes sense without the United States, but certainly an economic relationship with Mexico, which I think looked at in the context of the rest of the Western Hemisphere, Latin America and South America, would perhaps be a way forward.

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<v SPEAKER_2>I think a lot depends in terms of how much we can trade with Mexico on what kind of a deal they're prepared to make with the United States.

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<v SPEAKER_2>If they decide to go forward with this sort of unequal trading relationship, and we don't, then our ability to trade with them will be affected by that.

00:08:19.820 --> 00:08:25.160
<v SPEAKER_1>If the area of freer trade, which I think you're right, I think we're moving into a different kind of world.

00:08:25.160 --> 00:08:25.440
<v SPEAKER_1>Mr.

00:08:25.440 --> 00:08:31.020
<v SPEAKER_1>Carney says, we've got to, as he describes it, we're at a rupture point.

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<v SPEAKER_1>What follows from there?

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<v SPEAKER_1>He's been monthly going out and trying to negotiate.

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<v SPEAKER_1>He's now negotiated about 30 different trading arrangements, whether it's strategic partnerships or partnerships of one sort or another with all manner of countries, restarted

relationships with India and China.

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<v SPEAKER_1>I guess from your perspective, that makes a lot of sense because it's opening up options for us.

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<v SPEAKER_2>Absolutely.

00:09:00.400 --> 00:09:01.160

<v SPEAKER_2>Yeah.

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<v SPEAKER_2>I go back to an earlier comment you made, this word rupture in terms of our relationship with the US.

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<v SPEAKER_2>I don't like that.

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<v SPEAKER_2>We are going to have a relationship with the US and we're going to trade with you.

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<v SPEAKER_2>As I said a moment ago, there's going to be a lot of trade.

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<v SPEAKER_2>There was a lot of trade before the era of free trade.

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<v SPEAKER_2>I think it's a changed relationship.

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<v SPEAKER_2>It's a relationship where Canadians have for about 40 years now sort of conceived of North America as one integrated economy.

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<v SPEAKER_2>It's not going to be the case quite as much anymore.

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<v SPEAKER_2>We need to think much more about trade relationships with other parts of the world.

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<v SPEAKER_2>I think Mr.

00:09:40.820 --> 00:09:53.580

<v SPEAKER_2>Carney's idea of looking to knit together these various

trade relationships we have into a new block, if you like, a new international block of trading partners is a very interesting one.

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<v SPEAKER_2>Whether he'll be able to get there in time to sort of magically and smoothly replace Kuzma with that, I'm not sure.

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<v SPEAKER_2>But I think that is the general direction.

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<v SPEAKER_2>I think it's very interesting if you look at the sort of statements and comments of a number of other leaders in Europe and Japan and elsewhere, they also are quite concerned about where the US is going, both in terms of its public finances, but also in terms of its politics.

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<v SPEAKER_2>And they're very interested in exploring new relationships and new ways of looking at the global trade system.

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<v SPEAKER_2>So I think there are options, and I think it would be a great mistake for us to trade that away to try to maintain some vestige of what Kuzma was.

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<v SPEAKER_1>So in other words, the idea that Mr.

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<v SPEAKER_1>Carney has to bring the European Union, for example, into the Trans-Pacific Comprehensive and Progressive Trans-Pacific Partnership, as it's called, which also involves Mexico, of course.

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<v SPEAKER_1>So we do have a freer trade relationship with Mexico and other Latin American countries through that high standard agreement that ironically, the Americans under Obama got us in Mexico involved in, but now may prove to be one of the avenues by which we sustain our own prosperity, with, as you put it, like-minded countries.

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<v SPEAKER_1>Exactly.

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<v SPEAKER_1>Let me move to Defence because that's been a big part of the pieces.

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<v SPEAKER_1>Again, I encourage listeners to go to The Walrus, look up

Peter Jones.

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<v SPEAKER_1>We'll put the hyperlink into the program notes.

00:11:19.860 --> 00:11:31.280

<v SPEAKER_1>But the series of essays that Peter has written really do, they're based on evidence and they raise a whole series of questions about our ongoing relationship with the United States that I think people need to read.

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<v SPEAKER_1>So again, Peter, I salute you for doing this because I think it's serving a very useful public service.

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<v SPEAKER_1>But just in terms of the United States, we are their ally through NORAD and through NATO.

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<v SPEAKER_1>What is it going to mean going forward?

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<v SPEAKER_1>Mr.

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<v SPEAKER_1>Carney's talked about reducing our purchases of US arms in preference for made in Canada.

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<v SPEAKER_1>We've got a new defence industrial strategy with a new defence investment agency.

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<v SPEAKER_1>We're looking at a defence security and resilience bank that would involve the Europeans, for example.

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<v SPEAKER_1>We're involved in the European programmes like SAFE.

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<v SPEAKER_1>Is this the route for us to go?

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<v SPEAKER_1>And if so, what is it going to mean for big purchases like the F35, which of course has been enjoying a lot of media attention?

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<v SPEAKER_2>Yeah.

00:12:22.360 --> 00:12:25.440

<v SPEAKER_2>Well, first of all, thank you for the very kind comments about the Walrus articles.

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<v SPEAKER_2>I mean, it's interesting.

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<v SPEAKER_2>We're at a crossroads, I think, on defence policy.

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<v SPEAKER_2>I mean, obviously, we're going to be investing an enormous amount of money in defence, if the programme goes through that Mr.

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<v SPEAKER_2>Carney has announced.

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<v SPEAKER_2>I mean, within 10 years, we'll be spending about \$150 billion annually on defence and defence related.

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<v SPEAKER_2>And that's up from about 40, which is what he inherited.

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<v SPEAKER_2>So this is an enormous increase.

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<v SPEAKER_2>It's the biggest peacetime increase ever, really.

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<v SPEAKER_2>So this is a huge area of public policy.

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<v SPEAKER_2>And it coincides with this moment of what he calls rupture or change in our relationship with the US.

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<v SPEAKER_2>So I think there's a number of different angles that need to be looked at.

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<v SPEAKER_2>And this series of articles sort of tried to unpack them.

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<v SPEAKER_2>And I mean, first of all, if you look at the fighters, the F-35s, I mean, if we do decide to go with a mixed fleet, some F-35s and some of the Grypans, which we'll make here in Canada, have

complete control over, I mean, it's going to mean a new way of thinking for the armed forces.

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<v SPEAKER_2>I mean, the F-35s have the full control over the armed forces of this country, particularly the Air Force, but the armed forces more generally.

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<v SPEAKER_2>I mean, they're used to thinking of themselves for the last 80 years or so as a junior appendage of the United States military.

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<v SPEAKER_2>And the idea was if you maintain the capability to be fully interoperable with the US military, then you can do anything.

00:13:42.960 --> 00:13:48.760

<v SPEAKER_2>You can go anywhere in the world and be able to make a contribution.

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<v SPEAKER_2>But that's the key imperative.

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<v SPEAKER_2>And so we've trained and we've bought equipment and, you know, officers have been sent primarily when they go abroad for exchanges.

00:13:58.100 --> 00:14:00.760

<v SPEAKER_2>It's primarily been to the United States.

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<v SPEAKER_2>And so there's this idea that, you know, that is the imperative to produce a military force which is capable of operating interdependently, interoperably with the United States.

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<v SPEAKER_2>I think that's going to change.

00:14:13.440 --> 00:14:18.280

<v SPEAKER_2>And that means a sort of a sea change in mentality in terms of the way we think about ourselves.

00:14:18.880 --> 00:14:27.340

<v SPEAKER_2>And probably it means that, you know, we're going to have to think about training our officers differently and sending them off on exchanges with other countries, much more so.

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<v SPEAKER_2>And thinking about if we're going to go abroad to participate in military campaigns, either peacemaking or peacekeeping, whatever kind they might be, the United States will not necessarily be leading them.

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<v SPEAKER_2>We'll have to be sort of able to feel the capabilities to make a contribution of our own.

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<v SPEAKER_2>And so I think in some respects, buying the grip and then producing it here and having complete control over it will be sort of a step in that direction and a kind of a major break, if you will, in terms of the way we think about equipment purchases.

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<v SPEAKER_2>But then if you look at the submarines, which is the other really major sort of equipment purchase we're looking at right now, there's many, there's a lot of equipment purchases, but those are the two sort of major ones that get a lot of public attention.

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<v SPEAKER_2>What's interesting about the submarine purchase is that there's a couple of aspects to it.

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<v SPEAKER_2>First of all, it'll give us the ability to go into our own Arctic in a way we haven't been able to do, because these, although they're not nuclear powered, they will have what's called air independent propulsion, which gives them at least some under ice capability, not as much as a nuclear submarine.

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<v SPEAKER_2>But we'll be able to go up there for ourselves for the first time and find out what's going on, which will be an interesting revelation, I'm sure.

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<v SPEAKER_2>But secondly, we're talking about equipping these things with long range land attack missiles, not nuclear armed, but long range missiles that can stand off a country's coast and fire missiles 2,000 kilometers inland, which will be an entirely new capacity for Canada.

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<v SPEAKER_2>It's really the ability to reach out and threaten others and deter others, which is not something we think of ourselves as doing.

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<v SPEAKER_2>In a speech to a sort of an industry group, the commander of the Royal Canadian Navy, Vice Admiral Topshee, he talked about it being a very un-Canadian capability, something we just don't think about.

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<v SPEAKER_2>I think that we're going to have to think about ourselves as fielding a large, very capable military force, which can threaten others.

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<v SPEAKER_2>That's not something we think about, but it's part of this thinking and how do we manage that or use it, if we're not just following the Americans around.

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<v SPEAKER_2>Those are a couple of things.

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<v SPEAKER_2>Then the third thing I would point out is the defence industrial capacity, which you talked about.

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<v SPEAKER_2>I'm a little bit concerned, frankly, that certainly the announcement so far, it's been more about what we can build rather than what we can need.

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<v SPEAKER_2>We're looking at what capabilities are we able to satisfy with Canadian industry.

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<v SPEAKER_2>We should buy those rather than saying, but what do we need?

00:16:57.320 --> 00:17:00.700

<v SPEAKER_2>What kinds of equipment do we need and where can we best get it?

00:17:00.700 --> 00:17:09.340

<v SPEAKER_2>I think we're going to have to watch that and make sure that defence industrial capacity should follow defence policy and not the other way around.

00:17:09.340 --> 00:17:11.300

<v SPEAKER_1>Peter, do we need a new defence strategy?

00:17:11.300 --> 00:17:33.800

<v SPEAKER_1>Because it strikes me, having read your pieces and conscious of the geopolitics that you described, that our forces, as

you say, were basically designed to be interoperable with the United States, not subservient, but an appendage in a way, and that the focus was on some expeditionary capacity, but also the defence of the homeland.

00:17:33.800 --> 00:17:53.020

<v SPEAKER_1>But if we're to become a more independent country in trade diversification, then we may have to look at the whole structure, not just because the weight was very much, we had, I think, roughly half to two-thirds of the forces are in the army, but the Navy, the smallest, and then the Air Force.

00:17:53.020 --> 00:18:18.520

<v SPEAKER_1>But if we're going to be putting more ships at sea or to carry cargo and things, are we not going to have to look hard at whether we've got the balance right between the army, the Air Force, and the Navy, and decide what is their role for Canada, which may involve work with other countries?

00:18:19.000 --> 00:18:20.820

<v SPEAKER_1>Like do we maintain the Latvia commitment?

00:18:20.820 --> 00:18:26.600

<v SPEAKER_1>For example, the Prime Minister certainly seems keen on it, and it does help with these coalitions of the willing.

00:18:27.280 --> 00:18:35.360

<v SPEAKER_1>I'm wondering if you're thinking that we've got the defence industrial strategy as you say, but do we really need to look once again at a defence strategy?

00:18:35.560 --> 00:18:38.180

<v SPEAKER_1>I believe we can talk about a foreign policy strategy.

00:18:38.180 --> 00:18:38.940

<v SPEAKER_2>Yeah, I think so.

00:18:38.940 --> 00:18:39.480

<v SPEAKER_2>Absolutely.

00:18:39.620 --> 00:18:53.460

<v SPEAKER_2>I think if we are at this moment where things are changing as significantly as we think they are, that we need to sit back and say, well, where do we see ourselves in the world in five, 10 years, and what capabilities do we need to get there?

00:18:53.720 --> 00:18:57.680

<v SPEAKER_2>For example, if you look at, as you say, the commitment we have to Latvia.

00:18:57.680 --> 00:19:10.580

<v SPEAKER_2>I mean, I can see that as being very important in the sense of if trade with Europe is going to become a much more significant element of our international trade policy, well, we have to show a commitment to European security.

00:19:10.580 --> 00:19:12.280

<v SPEAKER_2>It's in our interest to do so.

00:19:12.280 --> 00:19:24.000

<v SPEAKER_2>And so the ability to make good on that commitment and in fact increase it, if we're going to be increasing our defence spending by three or four times, I think we have to start thinking about, well, do we want to have a permanent base in Europe?

00:19:24.440 --> 00:19:26.520

<v SPEAKER_2>We had them during the Cold War.

00:19:26.520 --> 00:19:29.480

<v SPEAKER_2>Maybe it's time to rethink that.

00:19:29.480 --> 00:19:30.980

<v SPEAKER_2>Those are the kind of questions we need.

00:19:30.980 --> 00:19:43.860

<v SPEAKER_2>But and have a permanent base, not so much necessarily as a commitment to NATO, although I don't advocate leaving it, but as a commitment to a much more independent European military capacity where we would be making a commitment to that.

00:19:43.860 --> 00:19:46.060

<v SPEAKER_2>So I think those are the kinds of questions we need to ask.

00:19:46.060 --> 00:19:51.220

<v SPEAKER_2>We need to ask, do we need to have some kind of a permanent presence in the Asia Pacific region?

00:19:51.920 --> 00:20:05.220

<v SPEAKER_2>I don't advocate basing troops there necessarily, but if you think about if we're going to have a much more capable larger Navy, both submarines and surface ships, we're going to be buying new ones and they're going to be more of them, and they're going to be much more capable.

00:20:05.220 --> 00:20:13.480

<v SPEAKER_2>Maybe we need to think about a country in the region where we can home port two or three of those ships and have them permanently in the region.

00:20:14.200 --> 00:20:17.060

<v SPEAKER_2>That's the kind of thing we need to think about.

00:20:17.060 --> 00:20:21.520

<v SPEAKER_2>These require us to really sit back and say, where do we see ourselves in the world?

00:20:21.520 --> 00:20:25.860

<v SPEAKER_2>But at the same time, we're always going to have a relationship with the US.

00:20:25.860 --> 00:20:31.100

<v SPEAKER_2>Continental defense is not going to go away, and the threat to North America is not going to go away.

00:20:31.100 --> 00:20:39.260

<v SPEAKER_2>Some element of what we do is going to be hooked into close relationships with the United States military, such as we had through NORAD.

00:20:39.260 --> 00:21:00.040

<v SPEAKER_2>I just don't think it's going to be the predominant or the only set of close relationships we have, and we have to learn to manage having sort of a more or less variable geometry in action, having a set of different relationships with different actors, and have the military capability and the diplomatic capability to sort of to make all that run.

00:21:00.040 --> 00:21:12.240

<v SPEAKER_1>You know, the Straits of Hormuz has sort of put this focus on maritime trade, and so I was listening to the economist today saying that 85% of global trade goes by sea.

00:21:12.240 --> 00:21:13.860

<v SPEAKER_1>Of course, there are choke points.

00:21:14.820 --> 00:21:20.660

<v SPEAKER_1>Are we going to have to look at the whole concept of freedom of navigation again?

00:21:20.920 --> 00:21:25.080

<v SPEAKER_1>The rural Navy in the 19th century and the American US.

00:21:25.080 --> 00:21:30.600

<v SPEAKER_1>Navy in the last century, and certainly up now, has kept those sea lanes open.

00:21:30.600 --> 00:21:39.820

<v SPEAKER_1>Is that something you think could be under question, that we're going to have to do more with coalitions of like-minded to

preserve these kinds of principles?

00:21:39.820 --> 00:21:41.120

<v SPEAKER_2>I think we probably will.

00:21:41.120 --> 00:21:42.700

<v SPEAKER_2>I don't know what that will look like.

00:21:43.160 --> 00:21:45.920

<v SPEAKER_2>You know, technology is changing.

00:21:45.920 --> 00:21:48.140

<v SPEAKER_2>So it's very difficult to predict what that will look like.

00:21:48.140 --> 00:22:07.740

<v SPEAKER_2>But yes, I think the whole maintenance of the international trading system and how you deploy forces to do that, particularly in an era where the US may be pulling back, partly because it wants to, but partly because it has to for economic reasons, is going to be a sort of a significant issue for the world.

00:22:08.060 --> 00:22:17.040

<v SPEAKER_2>So I'm kind of reluctant to sort of draw too many lessons for what's going on in the Straits of Hormuz yet, because it's still very fresh.

00:22:17.040 --> 00:22:30.100

<v SPEAKER_2>But the broader question of maritime access and the Chinese claims in the South China Sea and all of this sort of thing, I think is going to be very much part of the world going forward.

00:22:30.100 --> 00:22:39.980

<v SPEAKER_1>Peter, you've also looked at some of the contests are going on right now, the conflicts in not just Ukraine but Gaza and what's going on in Iran.

00:22:39.980 --> 00:22:42.080

<v SPEAKER_1>We've seen Venezuela and Cuba.

00:22:42.080 --> 00:22:50.460

<v SPEAKER_1>Trump seems to take a transactional approach to all of this, guaranteed to at the end, net America again.

00:22:50.460 --> 00:22:53.300

<v SPEAKER_1>Is that where we're looking at?

00:22:53.300 --> 00:22:58.320

<v SPEAKER_1>What does that do in terms of ceasefires or peace settlements?

00:23:00.280 --> 00:23:01.800

<v SPEAKER_1>Given the approach that Mr.

00:23:01.800 --> 00:23:14.460

<v SPEAKER_1>Trump has taken, is this going to make things easier or more difficult to try and resolve some of these hotspots now?

00:23:14.460 --> 00:23:15.940

<v SPEAKER_2>Yeah.

00:23:15.940 --> 00:23:22.420

<v SPEAKER_2>This is one of the most extraordinary aspects of the world we're in and the world we've been in for the last 18 months or so.

00:23:22.420 --> 00:23:32.660

<v SPEAKER_2>I mean, virtually the entire diplomatic capacity of the United States has been put on the sidelines in favor of Steve Witkoff and Jared Kushner.

00:23:33.380 --> 00:23:34.720

<v SPEAKER_2>I mean, it's really extraordinary.

00:23:34.720 --> 00:23:36.040

<v SPEAKER_2>They go around on their own.

00:23:36.040 --> 00:23:41.220

<v SPEAKER_2>They fly apparently in Steve Witkoff's private plane, not even a government plane some of the time.

00:23:41.220 --> 00:23:46.480

<v SPEAKER_2>They have very few State Department people, if any, with them, and they're off making deals.

00:23:46.480 --> 00:23:55.620

<v SPEAKER_2>Some of those deals, of course, have to do with the Trump family and its interests, but some of them are trying to make deals in terms of ceasefires and all the rest of it.

00:23:55.620 --> 00:23:57.480

<v SPEAKER_2>It's really quite extraordinary.

00:23:57.480 --> 00:24:03.060

<v SPEAKER_2>I think diplomatic historians are going to look back on this and just shake their heads.

00:24:03.060 --> 00:24:17.080

<v SPEAKER_2>Because all the accumulated knowledge and cultural understanding and so on, of historical understanding of different

parts of the world, is just absent from the way that these people are making deals.

00:24:17.460 --> 00:24:36.980

<v SPEAKER_2>Some of the stories that are coming out of the final set of talks before the epic fury was launched, the Omani facilitated discussions to try and prevent this, are really shocking in terms of the fact that Iran apparently did make a very good offer to try to prevent this.

00:24:37.900 --> 00:24:44.200

<v SPEAKER_2>It seems to be being reported that the American side didn't really understand what it was being offered.

00:24:44.200 --> 00:24:48.080

<v SPEAKER_2>It didn't understand the implications of the offer that Iran was making.

00:24:48.080 --> 00:24:53.080

<v SPEAKER_2>Now, we'll find out eventually if that's true or not, but that's what's being reported now.

00:24:53.080 --> 00:25:06.900

<v SPEAKER_2>Certainly, if you look at Gaza and Ukraine and all the rest of it, it's really coming down to short-term profit-loss deal-making rather than an understanding of much broader historical trends and an understanding of much broader interests.

00:25:08.080 --> 00:25:20.740

<v SPEAKER_2>The idea that America might walk away from Ukraine, it's mind-boggling in the sense of if you think of America's broader interests in stability on the European continent.

00:25:22.100 --> 00:25:24.620

<v SPEAKER_2>Yet that seems to be one of the things that's in place.

00:25:25.360 --> 00:25:35.640

<v SPEAKER_2>So it's really how the American diplomatic system is going to reassert itself when Trump is gone is going to be a fascinating thing to watch.

00:25:35.640 --> 00:25:44.980

<v SPEAKER_2>In the meantime, the rest of us have to contend with the fact that these deals are being discussed by people who really don't know what they're doing.

00:25:44.980 --> 00:25:51.460

<v SPEAKER_1>Peter, you've worked in the United States, you know Americans, you've been watching it like I've been watching it for years.

00:25:51.460 --> 00:25:53.000

<v SPEAKER_1>This really is an extraordinary period.

00:25:53.000 --> 00:25:58.980

<v SPEAKER_1>Is this just an aberration or do you think that something fundamental has changed in the United States?

00:25:58.980 --> 00:26:00.980

<v SPEAKER_2>Yeah, that's the \$64,000 question.

00:26:00.980 --> 00:26:15.820

<v SPEAKER_2>I mean, I thought Trump won was an aberration, and you know Biden, and so we sort of get back to something approaching what I understood for all of my life, at least to be kind of the traditional approach.

00:26:16.020 --> 00:26:19.860

<v SPEAKER_2>I'm not sure Trump too isn't the beginning of something quite new.

00:26:19.860 --> 00:26:31.360

<v SPEAKER_2>And if you look at MAGA and the trends in American politics and American society, and one of the things that worries me enormously about America is the division of wealth.

00:26:31.360 --> 00:26:40.620

<v SPEAKER_2>I mean, in most of the sort of industrialized countries, there's been a bit of a growth in the sort of separation of the ultra-rich from the rest of us.

00:26:40.620 --> 00:26:42.680

<v SPEAKER_2>But in America, it's unbelievably striking.

00:26:42.680 --> 00:26:47.300

<v SPEAKER_2>It's sort of the ultra-rich control the majority of the economy.

00:26:47.300 --> 00:26:49.520

<v SPEAKER_2>And now with AI, that's going to get even worse.

00:26:50.460 --> 00:27:04.640

<v SPEAKER_2>And so this idea of policy and foreign policy, but policy generally being made by the representatives of the people who are really looking out for the middle class, I think that's under threat in the United States.

00:27:04.860 --> 00:27:11.400

<v SPEAKER_2>And I think that unless somehow that gets reasserted, and I don't see the Democrats having a program to do it.

00:27:11.400 --> 00:27:17.200

<v SPEAKER_2>Maybe they will get themselves together and put one forward, but I don't see it now.

00:27:17.200 --> 00:27:25.320

<v SPEAKER_2>And I think we're going to be in a situation where there's going to be sort of a perhaps bouncing back and forth every four years between the parties.

00:27:26.060 --> 00:27:34.240

<v SPEAKER_2>But the society as a whole, degenerating into something that really, you know, the whole idea of America, you talk about George Schultz.

00:27:34.240 --> 00:27:40.680

<v SPEAKER_2>I had the great privilege of working with him fairly closely for several years on a variety of different projects.

00:27:40.680 --> 00:27:44.220

<v SPEAKER_2>And he was a huge believer in the American middle class.

00:27:44.220 --> 00:27:48.740

<v SPEAKER_2>And he really fundamentally believed that was the great strength of the United States.

00:27:48.740 --> 00:27:53.540

<v SPEAKER_2>Although he himself was obviously a very wealthy man, but he believed in the American middle class.

00:27:53.740 --> 00:27:55.900

<v SPEAKER_2>And I think that's being hollowed out.

00:27:55.900 --> 00:28:03.460

<v SPEAKER_2>And I think that's going to be the biggest change that we're going to have to confront in terms of what the US is going to become.

00:28:03.460 --> 00:28:06.880

<v SPEAKER_3>Hi, I'm Dave Perry, the President and CEO of the Canadian Global Affairs Institute.

00:28:06.880 --> 00:28:11.500

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00:28:11.500 --> 00:28:19.840

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00:28:26.780 --> 00:28:34.740

<v SPEAKER_1>Now, he also talked about, as he's put it, tending the garden, the garden being Mexico and Canada and the importance of neighbours.

00:28:34.740 --> 00:28:42.180

<v SPEAKER_1>And you start with the neighbours in Canada and the United States and Mexico, which certainly this administration doesn't seem to care about.

00:28:42.180 --> 00:28:44.180

<v SPEAKER_1>But it has implications for us.

00:28:44.180 --> 00:28:47.200

<v SPEAKER_1>You've also written about Canada and the Golden Dome.

00:28:48.220 --> 00:28:53.920

<v SPEAKER_1>Does it make any sense for us to be part of that, if deterrence is something we're concerned about?

00:28:53.920 --> 00:28:59.200

<v SPEAKER_1>This is different from SDI, but do you get into bed with this kind of regime?

00:29:00.420 --> 00:29:03.680

<v SPEAKER_2>It's a very complicated question.

00:29:03.680 --> 00:29:15.260

<v SPEAKER_2>I think that to some extent, missile defence for the North American continent, in which we would participate, it makes some sense, but not the Golden Dome.

00:29:15.260 --> 00:29:24.060

<v SPEAKER_2>The Golden Dome, in my view, is a fantasy, particularly the space-based Buck Rogers aspects of it.

00:29:25.900 --> 00:29:30.820

<v SPEAKER_2>Trump has said he can do the whole thing for 165 billion and it'll be done before he leaves office.

00:29:30.820 --> 00:29:36.020

<v SPEAKER_2>No one believes that, except the industrial people who are egging him on for the contracts.

00:29:36.600 --> 00:29:50.620

<v SPEAKER_2>The American Heritage Foundation, which is a conservative think tank, has estimated if the full Golden Tome can be built, if it's technically feasible to ever do it, it'll take two or three decades and cost trillions.

00:29:50.620 --> 00:29:52.440

<v SPEAKER_2>So I think that's a fantasy.

00:29:52.440 --> 00:29:59.120

<v SPEAKER_2>But I think that there are developments in the technology of what's called the mid-course and terminal phase.

00:29:59.300 --> 00:30:01.940

<v SPEAKER_2>A ballistic missile flies through different phases.

00:30:01.940 --> 00:30:04.960

<v SPEAKER_2>The one is the launch phase and then the mid-course and then the terminal.

00:30:04.960 --> 00:30:16.620

<v SPEAKER_2>And so the ability to defend North America from small numbers of missiles fired by, say, a rogue regime, something like that, is becoming somewhat more possible.

00:30:16.620 --> 00:30:18.740

<v SPEAKER_2>And it's worth exploring.

00:30:18.740 --> 00:30:21.560

<v SPEAKER_2>And so essentially, when George W.

00:30:21.560 --> 00:30:33.640

<v SPEAKER_2>Bush first proposed his missile defense system in the early 2000s and Canada said no, maybe it's time to go back and look at that and say, well, maybe that's something.

00:30:33.640 --> 00:30:42.300

<v SPEAKER_2>And in fact, the Canadian Senate in 2014 did a major study of whether we should have said no to that and said we probably should have said yes, we probably should have joined it.

00:30:43.080 --> 00:30:50.100

<v SPEAKER_2>So I think it's a question of sitting back and looking at missile defense and saying, well, what aspects of it makes sense to us?

00:30:50.300 --> 00:30:52.800

<v SPEAKER_2>And the dirty secret, of course, is we're quietly doing that.

00:30:52.800 --> 00:31:06.340

<v SPEAKER_2>If you look at the ships we're building, at the sort of capabilities, the over-the-horizon radar, other capabilities we're acquiring, we are quietly acquiring the capability to do just that, although the government hasn't said it yet.

00:31:07.680 --> 00:31:18.720

<v SPEAKER_2>And so I think a limited missile defense in cooperation with the United States for the North American continent, partly because it makes sense, partly because if we don't do it, they'll do it for us, and that has implications for our sovereignty.

00:31:18.720 --> 00:31:21.060

<v SPEAKER_2>I think that's something you can sort of think about.

00:31:21.060 --> 00:31:30.580

<v SPEAKER_2>But the broader sort of golden dome, which Trump has generously offered if we become the 51st state and all the rest of it, I think that's just a fantasy.

00:31:31.620 --> 00:31:36.440

<v SPEAKER_1>You talked earlier about deterrence and the Europeans, and where they're going.

00:31:36.440 --> 00:31:42.560

<v SPEAKER_1>Do you ever foresee a possibility that Canada might look to develop its own nuclear capacity?

00:31:42.560 --> 00:31:46.980

<v SPEAKER_1>We looked at this in 1944-45 and said no.

00:31:46.980 --> 00:31:55.760

<v SPEAKER_1>We worked with the Americans on the Manhattan Project and the British, but we've always taken a very different approach towards proliferation and the use of nuclear weapons.

00:31:55.760 --> 00:31:57.380

<v SPEAKER_1>Can you see that changing?

00:31:59.020 --> 00:32:04.500

<v SPEAKER_2>In terms of Canada developing its own independent deterrent, I have a hard time.

00:32:04.500 --> 00:32:06.720

<v SPEAKER_2>I know it's been sort of speculated on.

00:32:06.720 --> 00:32:23.300

<v SPEAKER_2>The former chief of defense staff said we should keep our options open and this sort of thing, but I have a difficult time understanding how us possessing our own nuclear deterrent would make

us safer or would contribute in terms of any kind of conceivable threat we might face.

00:32:23.300 --> 00:32:28.960

<v SPEAKER_2>I don't think the Americans necessarily are going to be a military threat to us, as the other threat is coming from the United States.

00:32:30.560 --> 00:32:41.520

<v SPEAKER_2>But where I do think that we might find a role for ourselves if we're interested in and wish to do so is if the Europeans develop a much more independent European nuclear deterrent.

00:32:41.520 --> 00:32:42.480

<v SPEAKER_2>And that's being discussed.

00:32:42.480 --> 00:32:48.280

<v SPEAKER_2>The French president made a very significant speech on nuclear weapons in the last month or two.

00:32:48.280 --> 00:32:52.440

<v SPEAKER_2>The German Chancellor has talked about the need, the Polish president.

00:32:52.440 --> 00:33:02.400

<v SPEAKER_2>And so there's a number of countries in Europe who are now questioning whether America's commitment to use nuclear weapons to defend Europe is still credible.

00:33:02.400 --> 00:33:12.080

<v SPEAKER_2>And they're considering in the face of Russian threats to Ukraine and elsewhere, they're considering the idea of developing a much more independent European nuclear capability.

00:33:12.080 --> 00:33:19.340

<v SPEAKER_2>And if that were to happen, and if Canada had forces in Europe, then I could see contributing to that in some way.

00:33:19.340 --> 00:33:32.300

<v SPEAKER_2>And for example, one possibility is that during the Cold War for at least 20 years, we were part of an arrangement whereby our aircraft and so on carried American nuclear weapons under what was known as the dual key arrangement.

00:33:32.300 --> 00:33:40.800

<v SPEAKER_2>So in the event of a conflict, Canada and America would have had to agree to turn the key to activate those weapons on Canadian aircraft.

00:33:40.800 --> 00:33:47.800

<v SPEAKER_2>So they were not completely under our control, they were American weapons, but we carried them, so to speak.

00:33:47.800 --> 00:33:52.720

<v SPEAKER_2>And a number of other NATO countries have done that as well, and some of them still do, and the dual key still exists.

00:33:53.460 --> 00:34:09.140

<v SPEAKER_2>And so if there's going to be a sort of that kind of an arrangement in Europe, we may wish to join as a sign of our commitment to European security and European defense, as part of furthering our relationship with the continent in terms of trade and all that kind of thing.

00:34:09.140 --> 00:34:10.780

<v SPEAKER_2>Now right now this is not on the cards.

00:34:10.780 --> 00:34:14.920

<v SPEAKER_2>The French president in his speech, he said, he rejected the idea of dual keys.

00:34:14.920 --> 00:34:19.420

<v SPEAKER_2>He said that French weapons will always remain entirely under French control.

00:34:19.420 --> 00:34:20.680

<v SPEAKER_2>But I think that's going to evolve.

00:34:20.760 --> 00:34:27.140

<v SPEAKER_2>I mean I think the Germans are much more keen if there is going to be an independent European deterrent to have some say.

00:34:27.200 --> 00:34:34.180

<v SPEAKER_2>The polls have said unless we have some capacity through some kind of dual key arrangement, we will build our own.

00:34:35.100 --> 00:34:37.340

<v SPEAKER_2>So I think Europe is going to go in that direction.

00:34:37.340 --> 00:34:40.000

<v SPEAKER_2>Canada may wish to think about being part of that.

00:34:40.220 --> 00:34:47.160

<v SPEAKER_1>The British also have nuclear capacity, although it's certainly more complicated because there's some links to the United States.

00:34:47.820 --> 00:34:51.780

<v SPEAKER_1>But ultimately, it is still the British Prime Minister who would decide, wouldn't it?

00:34:51.780 --> 00:34:52.340
<v SPEAKER_2>Yeah.

00:34:52.340 --> 00:35:02.140
<v SPEAKER_2>I mean, the British deterrent is not really independent in the sense that the technology, the maintenance of it, it's really largely reliant on the United States.

00:35:02.140 --> 00:35:13.340
<v SPEAKER_2>And so if Britain were to be a more independent European deterrent, the British would need to create their own warhead, their own delivery system as they had in the 1960s and 50s.

00:35:13.340 --> 00:35:20.020
<v SPEAKER_2>And they'd need to go back and do that rather than sort of relying on the United States and sort of piggybacking on their systems.

00:35:20.020 --> 00:35:21.660
<v SPEAKER_2>So there have been some discussions.

00:35:21.660 --> 00:35:30.460
<v SPEAKER_2>There have been people in Britain who've raised this in the House of Commons, who've talked about the need for Britain to have a more independent deterrent once again.

00:35:30.460 --> 00:35:36.400
<v SPEAKER_2>And certainly there are discussions going on between the French and the British about creating a European approach to deterrence.

00:35:37.000 --> 00:35:39.660
<v SPEAKER_2>So that may come.

00:35:39.660 --> 00:35:51.380
<v SPEAKER_1>And we may well, as you say, be part of that, partly through Carney's new approach of values-based realism and coalitions of the willing, with all sorts of different configurations.

00:35:51.380 --> 00:35:54.240
<v SPEAKER_1>What do you think of that, of his approach?

00:35:55.640 --> 00:36:05.060
<v SPEAKER_1>Again, it involves almost a fundamental restructuring of the Canadian economy and how we've been doing business for many years and still evolving.

00:36:05.060 --> 00:36:11.720
<v SPEAKER_1>As you say, we would be useful to have a foreign policy

review and a defence policy that we could see what we're trying to achieve.

00:36:12.260 --> 00:36:32.560

<v SPEAKER_1>What do you think of his general approach towards the world, variable geometry, coalitions of the willing, and a more independent or perhaps more resilient Canadian capacity and approach to the world?

00:36:32.560 --> 00:36:37.020

<v SPEAKER_2>I think where we are right now, it's probably the most realistic approach.

00:36:37.020 --> 00:36:38.780

<v SPEAKER_2>I support it.

00:36:38.780 --> 00:36:40.720

<v SPEAKER_2>I think it's going to be very interesting for this country.

00:36:40.820 --> 00:37:01.120

<v SPEAKER_2>We're going to have to become a little less preachy on the international stage and accept having relationships with countries that we don't necessarily agree with and accepting that we need to trade with and work with countries that we don't entirely like and so on.

00:37:01.120 --> 00:37:06.180

<v SPEAKER_2>We've had the luxury of being able to stand back, oh, we won't do this and we won't do that.

00:37:06.180 --> 00:37:12.640

<v SPEAKER_2>Knowing that we have this secure relationship with the US, we have secure access to the American economy.

00:37:12.640 --> 00:37:17.740

<v SPEAKER_2>We don't need to go out and do some things that other countries just do as a matter of course.

00:37:17.740 --> 00:37:18.660

<v SPEAKER_2>They don't think about it.

00:37:18.660 --> 00:37:23.480

<v SPEAKER_2>Of course, you have to make some compromises on your high-minded rhetoric from time to time.

00:37:23.480 --> 00:37:28.080

<v SPEAKER_2>I think we're entering a phase where we probably going to have to do more of that.

00:37:28.080 --> 00:37:35.400

<v SPEAKER_2>It'll be interesting to see how this country and how the foreign policy elite, if I can call them that, respond to that.

00:37:35.400 --> 00:37:41.360

<v SPEAKER_2>So far, what we're seeing in public opinion polling and so on is that Canadians, they get it.

00:37:41.360 --> 00:37:52.940

<v SPEAKER_2>They understand that the world is different and that more and more people think of the United States no longer as a friend and therefore, we have to view the world a little differently.

00:37:52.940 --> 00:37:57.120

<v SPEAKER_2>I think that the trend line seems to be that people recognize the need for that.

00:37:57.700 --> 00:38:01.320

<v SPEAKER_2>But we'll see where that goes in the next couple of years.

00:38:01.320 --> 00:38:16.700

<v SPEAKER_2>If Donald Trump loses control of Congress later this year, and if sort of a more sensible, if I would put it that way, America emerges after the next presidential election, everybody may breathe a sigh of relief and say, oh good, we can go back to the way it was.

00:38:16.700 --> 00:38:17.820

<v SPEAKER_2>But I don't think we can.

00:38:17.820 --> 00:38:21.220

<v SPEAKER_2>I think that we have to realize the world has changed.

00:38:21.220 --> 00:38:31.280

<v SPEAKER_2>So I can see, for example, just to give you a for instance, and I know right now it's almost inconceivable, but a year from now we'll be recognizing Iran.

00:38:31.280 --> 00:38:33.020

<v SPEAKER_2>We don't know what Iran's going to emerge from this.

00:38:33.140 --> 00:38:38.240

<v SPEAKER_2>I suspect that the regime will still be in power in some way.

00:38:39.420 --> 00:38:42.700

<v SPEAKER_2>We have said we're not going to have any relationship with Iran.

00:38:42.700 --> 00:38:45.560

<v SPEAKER_2>It's a terrible country, a terrible human rights record.

00:38:45.560 --> 00:38:49.060

<v SPEAKER_2>They shot down this Ukrainian plane on which there were many Canadians and so on.

00:38:49.060 --> 00:38:50.660

<v SPEAKER_2>All good reasons to do that.

00:38:50.660 --> 00:38:57.560

<v SPEAKER_2>But at the end of the day, you don't have diplomacy just to talk to people you get along with.

00:38:57.560 --> 00:38:59.440

<v SPEAKER_2>You have diplomacy to talk to people you don't.

00:39:00.000 --> 00:39:09.580

<v SPEAKER_2>And so, this business of not talking to people whom we fundamentally disagree with is, it's kind of a Canadian way of approaching the world, and I don't think we can afford it anymore.

00:39:09.580 --> 00:39:12.760

<v SPEAKER_2>So, it'll be interesting to see how that goes.

00:39:12.760 --> 00:39:16.520

<v SPEAKER_1>So, pragmatism, realism and self-reliance.

00:39:16.520 --> 00:39:18.280

<v SPEAKER_2>I think it's going to be more of that.

00:39:18.360 --> 00:39:25.620

<v SPEAKER_2>I mean, I hope we don't lose our idealism along the way completely, but I think it's going to have to be tempered.

00:39:25.620 --> 00:39:25.900

<v SPEAKER_1>Mr.

00:39:25.900 --> 00:39:30.200

<v SPEAKER_1>Carney phoned you up and says, All right, Peter, I've been reading your pieces in The Walrus.

00:39:30.200 --> 00:39:40.740

<v SPEAKER_1>Again, listeners, I encourage you to go to The Walrus, put in Peter Jones and you'll see a series of articles which really is important reading for all of us.

00:39:40.740 --> 00:39:40.980

<v SPEAKER_1>Mr.

00:39:40.980 --> 00:39:43.440

<v SPEAKER_1>Carney says to you, I can do one or two things.

00:39:43.440 --> 00:39:44.800

<v SPEAKER_1>What do you recommend?

00:39:49.240 --> 00:40:09.160

<v SPEAKER_2>Well, in terms of the military, I think encouraging and promoting and requiring that the Canadian military adopt a much more independent view of the world, and that it stop imagining itself as an appendage of the United States military.

00:40:09.160 --> 00:40:10.600

<v SPEAKER_2>Recognizing that will take time.

00:40:10.600 --> 00:40:13.440

<v SPEAKER_2>This is a mindset we're talking about.

00:40:13.440 --> 00:40:16.180

<v SPEAKER_2>In terms of trade policy, I like what he's doing.

00:40:16.180 --> 00:40:17.360

<v SPEAKER_2>I think it's the right approach.

00:40:17.360 --> 00:40:34.320

<v SPEAKER_2>I think telling the Americans and holding off in terms of leaping at the first deal that's offered, and accepting that I think America's economic position is going to get weaker in the coming year, and we might get a better deal if we hold off.

00:40:34.320 --> 00:40:37.840

<v SPEAKER_2>I know that's painful for you work in the auto industry or the aluminum industry.

00:40:38.340 --> 00:40:43.740

<v SPEAKER_2>I understand that, but I think that we don't need to jump at the first deal that's offered.

00:40:43.740 --> 00:40:52.320

<v SPEAKER_2>But at the same time, saying that, as long as we get a good deal with the Americans, we don't need the rest of the world, I think those days are over.

00:40:52.460 --> 00:41:02.300

<v SPEAKER_2>I think even if we do get a good deal with the Americans, we need to insulate ourselves by having a much more aggressive approach to the rest of the world.

00:41:02.380 --> 00:41:09.440

<v SPEAKER_1>And foreign policy, less preaching, perhaps being more

useful where we can be, in niches?

00:41:09.440 --> 00:41:10.360
<v SPEAKER_2>I think so.

00:41:10.360 --> 00:41:11.040
<v SPEAKER_1>Yeah, I think so.

00:41:11.040 --> 00:41:21.060
<v SPEAKER_2>I think, as I say, I mean, I hope we don't lose completely our sort of the big ideas and the sort of the, some of the things that have characterized Canadian foreign policy.

00:41:21.060 --> 00:41:37.960
<v SPEAKER_2>But I think looking to one's national interests and defining one's national interests, perhaps a little bit more like they're defined by other countries that don't have this rather unique position we've had for decades and decades of having this close ally right beside us, enormous economy.

00:41:37.960 --> 00:41:39.400
<v SPEAKER_2>We know we could always trust them.

00:41:39.400 --> 00:41:42.460
<v SPEAKER_2>We know we could always trade with them.

00:41:42.460 --> 00:42:03.800
<v SPEAKER_2>I think we have to realize that that's no longer the case and therefore, we have to be more willing to be a little more accommodating of the world and understand that we need access to it and we need to be useful to it, and if we're going to be able to derive things from it that we need.

00:42:03.800 --> 00:42:04.920
<v SPEAKER_1>All right.

00:42:04.920 --> 00:42:05.840
<v SPEAKER_1>Peter, thank you.

00:42:05.840 --> 00:42:07.060
<v SPEAKER_1>Extremely useful device.

00:42:07.060 --> 00:42:09.400
<v SPEAKER_1>My last question, what are you reading or streaming these days?

00:42:10.660 --> 00:42:29.160
<v SPEAKER_2>I'm re-reading a book I read a while ago now by Stephen, I think his name is Bown, B-O-W-N, I don't quite know how to pronounce it, but it's a history of the Hudson's Bay Company, and I read it some

years ago now, but I'm going back and re-reading it, the failure of the company and all the rest of it, and general Canadian history.

00:42:29.160 --> 00:42:30.560

<v SPEAKER_2>It's a very good, interesting book.

00:42:31.040 --> 00:42:45.520

<v SPEAKER_2>It really complements these much earlier books by Peter Newman and Pierre Burton on the Hudson's Bay, and it sort of brings the historical understanding of the Hudson's Bay Company and what it did into a more modern context.

00:42:45.520 --> 00:42:46.620

<v SPEAKER_2>So it's quite a good read.

00:42:46.620 --> 00:42:48.160

<v SPEAKER_2>I'm enjoying it.

00:42:48.160 --> 00:42:49.500

<v SPEAKER_1>I too recommend it.

00:42:49.500 --> 00:42:57.820

<v SPEAKER_1>I should tell you, Peter, my first job at university was working in the Hudson's Bay Company archives when they moved over from London to Winnipeg.

00:42:57.820 --> 00:43:06.680

<v SPEAKER_1>And it was just a tremendous experience because the Hudson's Bay Company archives were something like three or four times the size of the rest of the Manitoba archives.

00:43:07.220 --> 00:43:19.440

<v SPEAKER_1>And the journals and the maps and things for a young undergraduate, it was a great introduction to Canadian history, particularly the history of our West and the development.

00:43:19.440 --> 00:43:21.200

<v SPEAKER_1>So Peter, thank you very much.

00:43:21.200 --> 00:43:23.860

<v SPEAKER_1>Thanks for listening to this episode of The Global Exchange.

00:43:23.860 --> 00:43:29.400

<v SPEAKER_1>We were joined today by Peter Jones, and we will link to his Walrus essays in the program notes.

00:43:29.400 --> 00:43:34.420

<v SPEAKER_1>Again, I encourage you to go to The Walrus, put in Peter Jones and read the essays.

00:43:34.880 --> 00:43:42.800

<v SPEAKER_1>You will come away much more informed and conscious of some of the challenges that we face with the United States and how we may get out of it.

00:43:42.800 --> 00:43:50.860

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00:43:51.280 --> 00:43:54.940

<v SPEAKER_1>The Global Exchange is brought to you by our team at The Canadian Global Affairs Institute.

00:43:54.940 --> 00:43:59.700

<v SPEAKER_1>My thanks go out to Jordyn Carroll, our producer, and to Drew Phillips for providing our music.

00:43:59.700 --> 00:44:01.200

<v SPEAKER_1>I'm Colin Robertson.

00:44:01.200 --> 00:44:03.360

<v SPEAKER_1>Thanks for joining us today on The Global Exchange.