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# Of Canaries and Ropes: Theoretical and Policy Dilemmas Stemming from Canada's Huawei 5G Networks Saga

Des canaris et des cordes : Dilemmes théoriques et politiques de la saga des réseaux 5G de Huawei au Canada

De canarios y cuerdas: Dilemas teóricos y políticos derivados de la saga de las redes 5G de Huawei en Canadá

David G. Haglund

### Introduction

The pair of allusions in this article's title speak to some important implications for Canadian defence and security policy, and by extension to the policies of other Western countries, the United States among them. The avian allusion stems from the practice of British coal miners, starting shortly before that war, to carry a caged canary down into the shafts with them, where the hapless bird could serve as an early warning system for the detection of the buildup of dangerous gases; if it died, it was time for the miners to throw down their picks and scurry from the premises. The rope imagery, though widespread in English demotic usage for centuries, really came into its own, geostrategically, following the First World War and the Russian revolution, when Lenin purportedly remarked, apropos the importation of Western capital and technology during the years of the USSR's "new economic policy", that the Soviets could count upon the capitalists vying with each other for the "rope contract". By this he meant that when the time came for them to be hanged, the capitalists would happily participate in their own demise, without ever realizing what was happening to them (Jordan G.R. and R.L. Stokes, 1952). In other words, Western economic entities would

- contribute to strengthening the economy of the very country that most loomed as their principal ideological and security challenger during the 1920s.
- While the pair of allusions may be old, they highlight some very contemporary policy dilemmas facing Canada, the United States, and other Western governments, and do this by demonstrating how interwoven domestic and external security interests can be. Those dilemmas have once more been put on display - one could almost say on cruel display - by Russia's war against Ukraine. Whatever else Putin's current aggression does, it serves to remind Western (especially Western European) leaders of the dangers that can stem from a failure to recognize that trade links are not just about "commerce"; they also bring in their wake, under certain conditions, powerful geopolitical risks. Nor is it only dependence upon Russia that proves worrisome, because as this article will argue, Western interdependence with China had been occasioning a growing amount of concern well before Vladimir Putin hatched his madcap scheme to invade Ukraine in February 2022. It is upon those China-related concerns, in both their theoretical and empirical dimensions, that this article focuses, using Canada's experience with Huawei as a cautionary tale of great potential applicability to the ensemble of Western countries as they ponder the future of multilateralism.
- Today's concerns about the security implications of trade are an echo of similar concerns that were expressed at an earlier time, prior to the advent of an era

something so brilliantly analyzed decades ago by Albert Hirschman (Hirschman 1945), who probed the ways in which commercial intercourse contributed to the power and influence of states. Hirschman highlighted two principal means ("effects") by which trade enhanced state power. Through importing essential commodities (often strategic minerals), states were able to grow more powerful industrially and therefore militarily; this constituted what he called the "supply effect" of trade. And through manipulating their export of certain items, by attaching political conditions to the continuance of business with dependent consumers, states could enhance their influence over the latter; this is what is termed the "influence effect" of trade.

because what came after it, the new Thirty Years' War of 1914-1945, was so evidently horrific (Ferguson N., 2006).

21 If there is such a thing as an historical learning curve, then the "international community" certainly clambered up one following the Second World War. Enabling this rapid and inspiring exit from the recent experience of great-power war was the greatly reinvigorated geostrategic institution known as multilateralism, fueled in large part by a sustained commitment of the liberal democracies of the wartime alliance, under the prodding of Washington and London, to work to prevent the kind of geopolitical backsliding that had proven so costly after the First World War. Today, that global order is itself tottering, and to more than a few analysts, it is because, like the order

- I introduce the Bacevich argument here, because it illustrates the problems of confusing multilateralism and the LIO, effectively treating them as one and the same. Simply put, Bacevich's Emerald City consensus cannot and really should not be considered synonymous with the entirety of the political institution known as multilateralism (Ruggie J.G., 1992). This latter can better be construed as having two stages: 1) the initial post-1945 era of cooperation, basically between the "like-minded" states; and 2) the post-Cold War era of more generalized globalization, sustained by the belief in the inevitable triumph of liberal democracy following the disappearance of the Soviet Union. It is this latter, exuberant if not degenerate, stage that represents the Emerald City, otherwise known as the LIO. Thus, multilateralism might be considered the progenitor, and the LIO an offspring. The former predates and is more geographically circumscribed than the latter, and it can presumably survive the latter's passing.
- Bacevich's metaphor possesses the considerable merit of highlighting what had been, as Kimmage notes, by far the leading (yet not the sole) source of the current angst about the future of the LIO: the conviction that the USA had lost faith in the post-Cold War order it did so much to bring into existence. It has indeed lost that faith, but it should not follow that it has similarly lost faith in the pre-existing, more geographically bounded, multilateral order of the four post-1945 decades, to which Bacevich has also attached a metaphorical label stemming from a Hollywood blockbuster, "The Boone City Consensus". If anything, the dual impact at least for the moment of Russia's war on Ukraine and China's unwillingness to distance itself from its Moscow ally has been to re-cement the kind of Western security cooperation that characterized Boone City multilateralism, centered as it was on the transatlantic alliance. How long this rediscovered solidarity amongh

peaceful. Although there had been intimations of a new, tougher Washington stance toward Beijing being adopted as early as the second Obama administration (Mori S., 2019; Puglisi A.B., 2021), the gloves only really came off during the Trump administration (Davis B. and L. Wei, 2020). This was ironic, given that China's political leadership had favoured Donald Trump over Hillary Clinton during the 2016 presidential campaign, on the grounds that the Democrat would be inclined to harass China on human-rights issue, whereas her Republican challenger was well known as a businessman with scant regard for the issue of human rights. But the torrent of rationality-defying antics of the Trump White House was such as to trigger consternation in many allied countries, to say nothing of a non-ally like China, about the quality of the U.S. leadership during the chaotic 2017 to 2021 period. Still, one must give the devil his due, for when it came to assessing the danger to the U.S. interests posed by China's increasingly aggressive foreign policy – its self-damaging "wolf warriorism" as well as its openly declared drive for global technological dominance – the Trump administration was hardly alarmist.

9 This message regarding the threat from China's drive for technological dominance

It is this question of trust that gets us to the Canadian case, which provides a fascinating object lesson for other allies who might be inclined to think that "you can do business" with China<sup>3</sup> without suffering any adverse political consequences. Over the past few years, diplomatic relations between Ottawa and Beijing have plummeted to a depth of antagonism not witnessed since the Korean War, when Canadian and Chinese

but there has been growing well-founded concern in Canada's intelligence community that China has indisputably derived the lion's share of the gains from bilateral technology transfers, and has done so by means both fair and foul (Carvin S., 2021: 141-42). It has grown more capable by importing technology from Canada and other Western countries. Some believe that Canada's one-time national telecommunications "champion", Nortel, suffered irreparable damage as a result of the transfer of its technology to China (National Post, 2020). At times, these "transfers" have made a mockery of normal commercial etiquette, and have included outright theft of technology, a practice that has belatedly been causing alarms bells to sound within the Canadian intelligence community, which has lately taken to issuing warnings about the security consequences of "partnership" (CTV News, 2021).

Until late May 2022, Canada remained the only country among the "five eyes" – that elite intelligence-sharing club, which embraces it along with the US, the UK, Australia, and New Zealand – not to impose an outright ban on Huawei's participation in the development of domestic 5G networks, although the country's big telecommunications companies had for some time been voting with their feet and opting for such non-Huawei providers as Finland's Nokia, Sweden's Ericsson, and South Korea's Samsung to build their 5G networks, such that Ottawa's dithering on banning Huawei might have made little practical difference, in the end. As for that dithering itself, no one knows for sure why it occurred, with some seeking a possible explanation in Canada's desire to avoid jeopardizing its agricultural exports to China by antagonizing a government in Beijing that is obsessively allergic to criticism (Hui A., 2022). In the event, the other Huawei shoe finally dropped on Thursday, May 19<sup>th</sup> 2022, when Ottawa announced that it would ban Huawei (along with another Chinese high-tech company, ZTE) from the

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