



A US Coast Guard icebreaker cuts through sea ice in the Arctic. Source: Josh Landis/US Antarctic Photo Library

Two Three-Ocean Countries in the 21st Century: Canada, the United States, the Indo-Pacific and the Arctic

Thinking Canada Volume II, Issue II
October 2023
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**Wilson
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**Canada
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Canada, the United States, the Indo-Pacific and the Arctic: Two Three-Ocean Countries in the 21st Century Second Decade

Deanna Horton and Nicolas Bouchard

Sharing a continent, it is perhaps trite to state that Canada and the United States have much in common. This essay focuses on our shared destiny as three-ocean nations with regard to the Indo-Pacific and the Arctic—two constructs whose boundaries can fluctuate, deliberately including or excluding countries.

With limited opportunities for raising their concerns and protecting their interests in bilateral settings, smaller states like Canada rely on multilateral institutions to “enhance their influence by working with other like-minded states.”¹ While the United States does not have the same multilateral reflex and has a more integrated approach to strategy, an increasingly multipolar world and the growing limits on resources might propel Washington to be more cognizant of the importance of alliances. Canada on the other hand could benefit from a more centralized and strategic approach to its activities in all three oceans, including, of course, the Atlantic which has been Canada’s mainstay.

The Indo-Pacific and the Arctic are regions of great strategic opportunities with a crucial part to play in the emerging multipolar structure. Comprising two-thirds of the world population and an economy that will account for half of the world GDP by 2040, the Indo-Pacific and the level of synergy between its regional actors will drive the core of the global economy.² Meanwhile, given its strategic location between world powers and the increased access to natural resources and ship transportation routes due to climate change, the Arctic has been noticing growing international interest from non-Arctic states.

Recent geopolitical events are changing the “three-ocean” viewpoints of Canada and the United States in the two regions:

- Russia’s unprovoked invasion of Ukraine, hardening position in its recently-amended Arctic Policy, and intent of rebuilding its Arctic military infrastructure to Soviet-era capability;
- Washington’s expansion of agreements in the Indo-Pacific (i.e., IPEF, AUKUS) and Canada’s participation in the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP);
- The Regional Comprehensive Economic Partnership—of which China is a member;
- Beijing’s increasing engagement in the Arctic as a self-proclaimed “near-Arctic state” and

1 Tom Keating, “Canada and International Order,” *Canada and International Affairs*, (2021): 27, https://doi.org/10.1007/978-3-030-67770-1_2.

2 Government of Canada, “Canada’s Indo-Pacific Strategy,” (January 10, 2023), <https://www.international.gc.ca/transparency-transparence/indo-pacific-indo-pacifique/index.aspx?lang=eng>.

- announcement of the Polar Silk Road; and
- The intensification of the US-China competition in the Indo-Pacific.

Two events in the past year at the Munk School of Global Affairs and Public Policy at the University of Toronto have put all of this ever-changing geopolitical context in sharp relief: the visit of Canadian Global Affairs Minister Joly for the release of Canada's 2022 Indo-Pacific Strategy (IPS) and the conference *Canada's Indo-Pacific Strategy: What Does it Mean?* where Founding Director Janice Stein placed the Arctic squarely within the Indo-Pacific landscape.

The Indo-Pacific

November 9th, 2022, marked the visit of Global Affairs Minister Mélanie Joly for the release of Canada's long-awaited 2022 IPS. In her speech on Indo-Pacific partnerships, Minister Joly said that "for a long time, we saw us [Canada] as a very important transatlantic partner [but] we need to assert ourselves more as a Pacific nation."³ Referring to Canada as a "reliable partner for the region," "trading nation," and "diplomatic powerhouse," Minister Joly asserted that "every issue that matters to Canadians—our national security, economic prosperity, democratic values, public health, the quality of our environment, the rights of women and girls, human rights—will be shaped by the relationship Canada and its partners have with Indo-Pacific countries." This speech set the scene for what some consider the advent—or at least consolidation—of the "Pacific nation" discourse.

In an economic sense, apart from each other and North American partner Mexico, both Canada and the United States are more economically intertwined with the Indo-Pacific than any other region. However, we have tended to be Atlantic-facing—favoring multilateral and minilateral partnerships with traditional Western allies through trade agreements and security-oriented intergovernmental organizations. This is perhaps because our initial settlers were European, and we have always inhabited an international order built on Anglo-American power and principles, providing us with a comprehensible and navigable international order amenable to our national interests. Experts also point to diaspora politics and the government's underinvestment in foreign policy to explain Canada's spread-too-thin engagement and arguably, its incapacity to make a meaningful contribution abroad beyond the United States and Europe. Nevertheless, the Indo-Pacific has grown in importance for both countries, not only for economic reasons but in response to the growth of China.

US security partner Japan initiated the Indo-Pacific concept when the late Prime Minister Abe Shinzo talked of a "free and open Indo-Pacific" in 2016. The Americans soon jumped on the bandwagon, along with other countries, and, judging from the most recent G7 meeting where various leaders added concepts like "stable" and "prosperous" to that of "free and open," Indo-Pacific is now firmly entrenched in international discourse.

3 Mélanie Joly and Peter Loewen, *In Conversation with Foreign Affairs Minister Mélanie Joly: Canada and the Indo-Pacific Region*, November 10, 2022 [Conference Presentation], Munk School of Global Affairs & Public Policy, Toronto, ON, Canada.

Deliberately excluding China and including India, today's formulation of the Indo-Pacific is an instrument capturing the world's political and economic centre. The concept of Indo-Pacific is convenient in its embrace of India—now even more relevant in the stance against Russia—as it is the most populous country and one of the top three global economies. While Canada has a large Indian diaspora and the commonality of the Commonwealth, the United States has brought India into the Quadrilateral Security Dialogue (Quad), along with Australia and Japan, currently at the apex of strategic developments taking place across the Indo-Pacific region. However, the recent crisis that has engulfed Canada-India relations due to allegations of the Government of India's involvement in the assassination of a Canadian Sikh activist, has cast a shadow on any enhancement of the relationship in the short-term.

From a policy perspective, the Indo-Pacific is a versatile concept that deals with not only military components but also economic elements generally related to connectivity. In 2018, Japan's leadership led—again—to the signing of the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), a free trade agreement among 11 Pacific nations without China or the US. However, neither Canada nor the United States (nor India, for that matter) are members of the behemoth Regional Comprehensive Economic Partnership (RCEP), an economic grouping hovering at just under one-third of the global GDP and population.

The American initiative, the Indo-Pacific Economic Framework (IPEF), has won adherents despite some criticism in Washington and trade policy circles for its lack of market access to the United States. At its initial IPEF meeting, the US was able to gather 12 countries, including India and 7 ASEAN members. Its menu-driven pillars, led by the US Department of Commerce and the United States Trade Representative, allow some selectivity of participation. Canada initially played down the relevance of the US initiative but, of course, has subsequently worked to gain entry. Similarly, the first Indo-Pacific Dialogue between Canada and the United States was held in Washington last March to further align their approaches to the region.

The Arctic

In her discussion of the first objective of the IPS—committing Canada to the promotion of peace and security in the region and globally, Minister Joly echoed another foreign affairs document of the Trudeau government: Canada's 2019 Arctic and Northern Policy Framework (ANPF). With major countries like China looking to the North, Minister Joly assured that Canada would “continue to uphold our Arctic sovereignty and work with Arctic partners to ensure it is a region where peace and the rule of law prevail.”

Our “third ocean” was also brought up during a conference at the Munk School on March 27th, 2023, with Founding Director Janice Stein stating the importance of how we think about the Arctic, “which is the next big bucket of investment for Canada [and] an Indo-Pacific issue!” because of China's growing engagement in the region.⁴ However, despite the importance of the Arctic to Canada, its governance and protection have not been viewed as a priority by

⁴ Kim Richard Nossal and Janice Stein, *Canada's Indo-Pacific Strategy: What Does it Mean? March 27, 2023* [Conference session] Munk School of Global Affairs & Public Policy, Toronto, ON, Canada.

many Canadians, or governments for that matter. Similar to the Indo-Pacific, which has seen fluctuations over the years in Canada's prioritization of cross-Pacific relations, government spending in the Arctic does not reflect the significance of the Northern Passage to Canadian sovereignty. Although it was co-developed with Indigenous, territorial, and provincial partners, Canada's ANPF has been called "a laundry list of objectives—which is neither a strategy nor even a policy" by Arctic expert Tom Axworthy.⁵

Canadian-American cooperation in the Arctic goes back to the bilateral NORAD command founded in 1958 as a result of the American more proactive approach to the region. Echoing Indo-Pacific qualities and wording, in its Arctic Strategy, Washington seeks an Arctic region that is "peaceful, stable, prosperous, and cooperative." In order to enable this desired end state, the strategic document acknowledges the increasing strategic competition in the Arctic—singling out Russia and unprovoked war in Ukraine—and aims "to position the United States to both effectively compete and manage tensions." In an effort to extend cooperation in the Arctic, Washington seeks to consult and co-manage with Alaska Native Tribes and Communities, modernize the NORAD network of air defense systems, deepen Arctic relations with allies and partners, and "expand Arctic cooperation with other countries that uphold international law, rules, norms, and standards in the region."⁶

As a reminder, eight states have sovereignty over lands within the Arctic Circle: Canada, Finland, Iceland, Norway, Russia, Sweden, Greenland (Denmark), and the United States. These Arctic states constitute the member states of the Arctic Council (AC), established in 1996 as the "leading intergovernmental forum promoting cooperation, coordination, and interaction among the Arctic States, Arctic Indigenous peoples, and other Arctic inhabitants on common Arctic issues."⁷ The Arctic is also home to more than four million people, of which 10% are from indigenous groups that have inhabited the region for thousands of years.

Given its strategic location between world powers, the Arctic has been of international interest for most of the 20th century. The Arctic has played an important role in the Cold War, with both sides building chains of radar stations at high latitudes in fear of an air attack across the Arctic Ocean. After a period of "high north, low tension" following the end of the Cold War, the diplomatic situation worsened, first gradually with the invasion of Ukraine by Russia in 2014, then abruptly with the effects of conflicting great-power policies, especially between Russia and the United States, as both recognize the significance of the region to their strategic interests and the growing interest of non-Arctic countries to Arctic affairs, led by China and its intention to play a larger role in shaping regional governance. Following the Russian invasion of Ukraine in 2022, the seven like-minded Arctic states suspended their participation in the AC—challenging once again Arctic cooperation—and resumed work on projects that do not include Russia.

⁵ Thomas S. Axworthy, "As Russia and China step up their Arctic activity, Canada misses the boat," *National Post*, November 21, 2019, <https://nationalpost.com/opinion/thomas-s-axworthy-as-russia-and-china-step-up-their-arctic-activity-canada-misses-the-boat>.

⁶ The White House, *National Strategy for the Arctic Region*, (October 2022), <https://www.whitehouse.gov/wp-content/uploads/2022/10/National-Strategy-for-the-Arctic-Region.pdf>.

⁷ Arctic Council, "About the Arctic Council," *Arctic Council*, 2022, <https://www.arctic-council.org/about/>.

The Arctic is the Indo-Pacific

In 2013, the Arctic Council granted observer status to five Asian countries: China, India, Japan, Singapore, and South Korea. Although difficult given rising speculation about a “scramble” for Arctic resources, this decision highlighted the internationalization of the region’s dynamics—raising the question of whether the title of regional stakeholder should be limited to the “Arctic Eight”—and increasing the attention the region is receiving from non-Arctic states. Since their Arctic induction, Asian observer states—less so in the case of India—have rapidly expanded their Arctic presence through unilateral, bilateral, and multilateral engagement. Woon and Dodds (2020) argue that, in their Arctic engagement, the five Asian states have developed multifaceted approaches that extend beyond windows of economic opportunity created by climate change and greater access to resources.⁸

These developments have added a new dimension to the concept of a “global Arctic” and shifted the Arctic’s strategic centre away from the region itself toward the Indo-Pacific. With China, Japan, South Korea, and Singapore developing Arctic capacities and interests, Canada and the United States, among other Arctic nations, can no longer overlook non-Arctic Asian actors in their strategic approach to the region. While Russia has embraced the involvement of new actors as a means to balance against North American and European states and potentially challenge the region’s “liberal order,” others, such as Canada and the United States, have remained more cautious in their engagement.

When discussing the growing engagement of non-Arctic states in the Arctic, China stands apart due to its self-proclaimed identification as a “near-Arctic state” and its disproportionate allocation of national resources to Arctic exploration, exploitation, and research and development. China has also been widening and deepening its Arctic involvement by fostering what some refer to as an “Arctic alliance” with Russia and identifying the development of a Polar Silk Road as a foreign policy priority. For its strategic intentions regarding the Arctic, Beijing has been under intense international scrutiny.

For its part, Japan has a long history of Arctic engagement, in particular regarding scientific activities, polar research, and innovation. In recent years, Japanese engagement in the Arctic has been driven by rapid climate change, rising traffic in the Northern Sea Route, and increased interest in other non-Arctic states. Relatively new to Arctic affairs, South Korea has been primarily interested in the region’s natural resources and maritime transport potential. Over the past 20 years, it has increased its Arctic activities and become one of the most active non-Arctic states, comparable to Japan and China. Finally, as part of “small state” diplomacy, Singapore has specifically worked through the AC to address climate change, promote Arctic governance, and question the implications in the maritime domain. Given its vulnerability to rising sea levels, Singapore’s first Arctic priority is climate change. The case of Singapore also shows the need to give a voice to non-polar states, as Arctic affairs can affect their national interests too.

⁸ Woon, C. Y., & Dodds, K, *Observing the arctic: Asia in the arctic council and beyond*, (Edward Elgar Publishing, 2020).

The Three Oceans Nations

As discussed earlier, recent geopolitical developments have challenged Canada and the United States' need to buttress their Atlantic front through NATO and improve supply chain resilience while continuing to benefit from Asian economic growth. Canadian and American Arctic and Indo-Pacific strategies recognize the challenges to their vital national interests in security and economic prosperity as well as the opportunities to bolster their leadership abroad, address climate change, and support the cooperative, rules-based international order.

In the chapter "Together and Apart: Canada and the United States and the World Beyond," Norton and Horton note that the Biden administration's emphasis on the Quad and reinvigorated support in NATO might signal that the United States is being more selective in determining and pursuing its national security interests.⁹ As for Canada, while the IPS and ANPF indicate concerted efforts from an inter-ministry coalition and strategic views, limited allocated resources mean that the ultimate test of Ottawa's willingness to make a meaningful contribution, gain the trust of regional partners, and bring about its Indo-Pacific and Arctic vision will be in the implementation.

In the "three oceans" context, Canada will need to be perceived as a helpful partner and contributor and be sure that Washington policy-makers understand that Canada's interests are aligned with its neighbour to the south. Although Canada cannot afford to maintain a three-ocean strategy similar to its historical engagement in the Atlantic, it will have to make sustained commitments in the two other oceans and make any trade-offs cognizant of its interests in the emerging international order.

Given the level of interconnectedness between the three oceans, setting a clear, pragmatic foreign policy agenda and delivering on all three fronts can help Canada revamp its diplomacy and avoid losing the trust of regional partners over yet another failure at sustained engagement abroad. For example, on the security front, further investments in technologies such as spatial and drone reconnaissance for the Arctic would be helpful, and combining forces with NATO partners in the Arctic would help share the burden—a burden which Canada has yet to fully embrace. Similarly, promoting investment from like-minded partners in much needed infrastructure investment in the Arctic would help in building resilience in this still fragile economy. Overall, Canada will have to leverage its limited impact by maximizing complementarity with its partners.

Canada could achieve a more integrated approach to foreign policy, despite its few levers and limited resources, by seeking cooperation with both Indo-Pacific and Atlantic partners in the Arctic, co-operating with the United States on security and defense, and utilizing its existing alliances in both the Atlantic and the Pacific to achieve the greatest benefit.

⁹ Roy Norton and Deanna Horton, "Together and Apart: Canada and the United States and the World Beyond," *Canada and the United States: Differences that Count* (University of Toronto Press, 2023).



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Thinking Canada is a series of commentaries and working papers on public policy issues in Canada, topics relevant to U.S.-Canadian relations, and the North American region. The views of the authors are their own and are published by the Woodrow Wilson International Center for Scholars through its Canada Institute to promote greater awareness and insight on the United States' neighbor and longstanding partner.

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