

# The Atlantic Council of Canada



## NEWSLETTER

March, 2011

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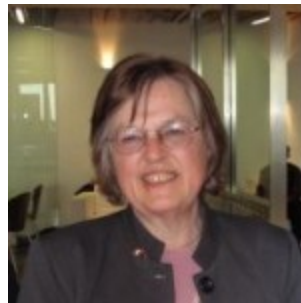
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### PRESIDENT'S MESSAGE



Since this is the first Newsletter of 2011, I would like to wish all our members and readers a good year. Here in Canada, we can be thankful that our lives are relatively secure from the turmoil that is going on in the Middle East and North Africa. Although even at this point we are not entirely unaffected—witness the rise in fuel prices—it is nothing compared to the experiences of the people in that region. As I write, the situation in Libya is extremely precarious, and there are regular protests in other countries with a range of reactions from the authorities. Egypt is in transition, but appears to be relatively stable. We have a thoughtful personal account from ACC Director, Nicole Jackson, who happened to be touring in Egypt at the time, as were her parents, ACC Director, Robert Jackson and his wife.

We do not know how the various scenarios will play out in the future. It does suggest, however, that the international community needs to be ready to take action, but what that action should be, is still a matter of debate. NATO in its new Strategic Concept has identified the importance of crisis management “to help manage developing crises that have the potential to affect Alliance security, before they escalate into conflicts; to

stop ongoing conflicts where they affect Alliance security; and to help consolidate stability in post-conflict situations where that contributes to Euro-Atlantic security.”

Our Spring Conference will examine in some detail, the new NATO Strategic Concept and what it means for Canada. An impressive group of speakers will look at different elements of the Concept. A full program and registration form are available on our website. I urge our Toronto area members to come to the conference and to pass the information on to colleagues and friends who are interested in international affairs. We would especially like to see more high school students attend. We are also looking for more sponsors. Information on sponsorship opportunities is available on our website. Please bring it to the attention of anyone you know who might have a contact with potential corporate sponsors.

The ACC is counting on all members and directors to help ensure a good attendance at this event. Equally important, we will need the resources to record the conference and make print and electronic proceedings available to those unable to attend.

*Julie Lindhout,  
President, Atlantic Council of Canada*

## The Atlantic Council Welcomes its New Interns

Cameron Becker is finishing his undergraduate degree in Political Science and History at the University of Toronto. Hoping to continue his studies with a Masters Degree in Political Science, in collaboration with International Development he hopes to utilize his skills in Political Science and vast knowledge of modern Middle Eastern Politics and History in order to bring new perspective to the Atlantic Council of Canada. Born and raised in Toronto, he has traveled in many areas of the world, most poignantly throughout the Middle East gaining first hand experience with the refugee situation in Lebanon and the Palestinian-Israeli conflict. With his internship at the Atlantic Council of Canada, Cameron Becker hopes to utilize his extensive knowledge of Middle Eastern topics to provide an in-depth narrative of current Middle Eastern and North African developments, with a specific connection to NATO interests in the region. He looks forward to you reading his columns.

Growing up on the West Coast and studying on the East, James Bridger has developed a deep connection to Canada's marine environment. His academic interest in maritime security was sparked in 2008 when Somali piracy exploded onto the global scene. Astonished that pirates could threaten global trade and security in the 21<sup>st</sup> century, James turned his initial inquiry into the causes of Somali piracy into an undergraduate thesis at St. Francis Xavier University. Moving from Nova Scotia to Toronto to pursue a Master's Degree, James was delighted at the opportunity to put his passion to practical use with an internship at the ACC as a maritime security researcher. Lake Ontario, for the time being, must serve as stand-in for the Pacific or Atlantic.



## An Interview with NATO SACEUR, Adm. James Stavridis

*Interview By: Sean Palter, Research Analyst*



*NATO SACEUR Adm. James Stavridis*

Depending on the orbit of the moon, the distance from the earth to the lunar surface is roughly 240,000 miles. While that may seem far to most, to Admiral James Stavridis that distance does not even amount to a year's travel.

The current NATO Supreme Allied Commander Europe (SACEUR) logged over 300,000 air miles last year on his way through 40 plus countries. With such a heavy travel load and one of the most difficult jobs in the world, a *typical* day has no meaning in the Admiral's vocabulary.

"There is no typical day," comments Stavridis, who is also the Commander, US European Command. "I spend a few days a month in my HQ in Mons, a few days in my US HQ in Stuttgart, and the rest of the time on the road, from Washington D.C. to Afghanistan and everywhere in between." Stavridis assumed command during the summer of 2009 at perhaps one of the most

difficult times for the Alliance. Months before, NATO had appointed a Group of Experts to explore ideas for a new Strategic Concept.

Beyond that, he was responsible for one of the most difficult wars that the United States and NATO had ever encountered: Afghanistan. Now, months after the Lisbon Conference, where the new Strategic Concept was adopted, NATO has shifted its focus to a more modern approach. "It's a superb document," exclaimed the Admiral when asked about the new Strategic Concept. "Afghanistan, the Balkans, piracy, cyber, and missile defense are some key areas I'm working on these days."

Cyber security, one of the issues that Stavridis is working on, is proving to be the emerging issue of the 21<sup>st</sup> century. Yet many still do not fully understand the capabilities and threats posed by this. Stavridis admits that NATO has not been sufficiently prepared on this front, but stated that they are working very hard on that now. "I'm standing up a cyber monitoring and response cell within the NATO command structure and linking to the NATO Centre of Excellence for Cyber Defence in Estonia, as well as to the NATO response cell within the NATO Cyber Response Centre run by the NATO agencies," the Admiral explains. "We also have to explore private-public linkages, which we just did in a one-day conference at NATO HQ attended by big corporations, academics, military and a wide

variety of nations.”

One of the moments that still resonate within him was flying over Afghanistan for the first time since becoming the SACEUR and realizing the many challenges that he faced.

“I’m passionate about Afghanistan, and I think the key is the comprehensive approach,” remarks Stavridis, the first Naval officer to hold the position of SACEUR since it was created in 1951. “If we can link together all the elements of NATO’s capabilities – economic, political, military, cultural, linguistic, technological and so on – in a comprehensive way, we have a good chance of succeeding. This comprehensive approach, which is international, interagency, and private-public is the key to security in the 21<sup>st</sup> century.”

The progress witnessed in Afghanistan by Stavridis since becoming SACEUR has been significant. “The build up of the Afghan Security Forces has been impressive – we’ve now got 270,000 trained with a goal of 300,000 by this fall. We’ll meet that, and the truly good news is their increased ability to operate effectively in the field,” explains Stavridis. “In the South, we see the ratio of coalition to Afghan forces roughly 1:1 in hard fighting. Afghan Forces take 75% of the casualties and they are motivated and patriotic. We’re making steady progress

and I’m optimistic we’ll succeed.” To illustrate that this progress has been effective in more ways than one, Stavridis quotes recent polling by Charney Associates, Society of Asia, and others. “Recent polling shows that the Afghan people are optimistic about the future of their country by about 60% and their army has an approval rating of over 80%.”

With so many issues facing NATO, Stavridis has many short term goals that he hopes to see accomplished within the next year. “Train 300,000 Afghan Security Forces, deepen defence cooperation with Russia, reduce NATO forces in the Balkans to under 5,000, exercise effectively for Article V of the Alliance, put six ships on counter-piracy station throughout the year, stand up effective cyber cooperation between NATO and private sector partners and lay out a good missile defence C2 scheme for Europe.”

A firm believer that people need to do their best to understand each other, literally and figuratively, the Admiral speaks English, Spanish, French and is learning Portuguese. He is proud to be the first person from the Navy to be the Supreme Allied Commander Europe and hopes that he’s “brought a different way of looking at things that comes from his many years in the complex maritime environment.”

## Roundtable with Dr. Ronald Deibert: The Geopolitics of Cyberspace

*By: Jonathan Preece, Research Analyst, SDF Intern*



*Dr. Deibert, Munk Centre,*

On January 26 the Atlantic Council of Canada hosted a roundtable event with Dr. Ronald Deibert, Director of the Citizen Lab at the Munk Centre, University of Toronto. Dr. Deibert, a lead-

ing expert in the fields of internet censorship, surveillance and information warfare, spoke on the rise of cyber espionage and the geopolitics of cyberspace.

He began his discussion by outlining two Citizen Lab investigations titled “Tracking Ghostnet” and “Shadows in the Cloud.” These initiatives were successful in uncovering two large-scale criminal operations and thus provide valuable insight into the hidden world of cybercrime and espionage.

In both instances, the Citizen was able to gain backdoor access to computers being used to infiltrate and exploit infected networks. This allowed investiga-

tors to determine what computers were being targeted and what type of information was being extracted. Over the course of months, these investigations revealed a web of victims, spanning the globe and including international organizations, government agencies, multinational corporations, and major media outlets. In the case of the Shadows in the Cloud initiative, Dr. Deibert and his team discovered that the Indian Defence and Diplomatic establishment had been seriously compromised as a range of documents marked secret and confidential had been systematically pilfered from government computers. Interestingly enough, both investigations began with attacks against the offices of the Dalai Lama and concluded with links to computers in China – although neither investigation directly implicated the Chinese government.

These reports successfully confirmed what many analysts had long expected; that hidden beneath the surface of the digital world, there is a layer of geopolitical competition that is largely invisible to the average internet user. A nexus between state and non-state actors based on cyberespionage and crime has been firmly established. These investigations

also confirmed that the techniques used to deliver complex computer viruses to target computers have been refined. Typically unleashed on unsuspecting computers through email attachments, these malicious packages are becoming far more difficult to identify. Decoy messages now appear in proper English, are often written on stolen company letterhead, include lists of recognizable contacts, and are cleverly researched in order to trick recipients into clicking on the attachment or posted link. Once the virus has infected the recipient’s computer, it spreads to other computers via network connections and links infected computers back to the virus’s source for the purpose of exploitation. Architects of virus programs use intricate schemes to hide their tracks, using hijacked computers located in other countries as staging points for their operations. As a result it is extremely difficult to conclusively link an attack back to any individual or an organization.

Dr. Deibert then went on to discuss the significance of these findings in larger geopolitical context. During the Cold War, governments built hugely expensive signals intelligence systems

in order to gather and disseminate information from around the world. Although these agencies are still active today, the world of signals intelligence and, by extension the world of cyberespionage, has been democratized. No longer do you require access to complex information systems and government satellites to gain entry into this world; all you need today is a laptop and an internet connection. Demonstrating the accessibility of cybercrime and espionage, Dr. Deibert pointed out that the “Ghost Rat” code

which was the subject of the Ghostnet investigation, is available on the open internet and has been translated into numerous languages. Countless other programs of this nature can be downloaded free of charge or rented on a monthly basis. Some even offer round-the-clock customer support for would be hackers.

Dr. Deibert argued that the democratization of the digital world has come with a price: “We have immersed ourselves and entrusted our information to ‘clouds’ and social networking services operated by thousands of companies of all shapes, sizes and geographical locations. We have turned our digital lives inside out in an electronic web of our own spinning, but have yet to fully experience its unintended consequences.” While the digital revolution has clearly provided enormous benefits in terms of commerce, innovation and communication, it has also created an environment ripe for exploitation. A hidden criminal ecosystem now thrives off our insecure data sharing practices. As a result, “[t]he market for the wares of the cyber criminal is expanding and broadening, moving from the dregs of identity theft and credit card fraud to the high power

politics of interstate competition.”

To understand the geopolitical significance of this trend, Dr. Deibert stressed that it is important to look at the history of the digital world. During the first phase of the digital revolution, the Internet was understood as a new

*“The market for the wares of the Cybercriminal are expanding and broadening moving from the dregs of identity theft and credit card fraud to the high power politics of interstate competition”*

global commons. The digital realm was predominantly characterized as a free exchange of ideas that allowed civil society to flourish and business to prosper. According to Dr. Deibert, the digital world entered its second phase around the turn of the century. At this point, governments began to develop an interest in intervening in cyberspace by introducing filtering techniques and exploring other methods of censorship and surveillance. We are now witnessing the third phase in this evolution as states are moving towards formally securitizing the digital world. Whereas

*“Fear is becoming the dominant driving force for a wide ranging movement to shape, control and securitize cyberspace”*

cyberspace was once considered a force that could not be controlled or regulated, this realm is now home to intense competition between state and non-state actors alike. In other world, governments have woken up to the fact that the Internet has become a source of insecurity as well as a tool for pursuing state interests.

While the digital world presents new security challenges in form of cybercrime and espionage, what concerns Dr. Deibert most are the radical means that have been proposed to address this insecurity. This counter trend towards securitizing cyberspace could have dangerous implications for global business, human rights movements and other forces which make the internet such a powerful and unique medium. In effect, Deibert argues, the international community risks throwing the baby out with the bath-

water: “Fear is becoming the dominant driving force for a wide ranging movement to shape, control and securitize cyberspace. This threatens to subvert [cyberspace’s] core characteristics.” As we move forward to deal with issues of cybersecurity, we must be careful not to encourage a spiraling arms race or impose of heavy-handed controls. Such action could undermine the inherent benefits of cyberspace and lead to the gradual irrelevance of this medium by prompting people to disconnect from their digital lives.

Dr. Deibert concluded by arguing that Canada’s new policy on cybersecurity represents a step in the right direction. However, in a globalized world, no security issue can be remedied through a purely domestic approach. This is perhaps most true in the realm of cybercrime and espionage as the entire world is linked through a thick web of communication and information technology. Alarmingly, the mechanisms for international cooperation on these issues are non-existence. For Dr. Deibert, the field of cybersecurity is in need of a global champion to set the tone and encourage dialogue. Perhaps this is a void that Canadian leadership could fill.

## A Personal Account of the Political Unrest in Egypt

By: Dr. Nicole J. Jackson

From January 17-Feb 2, I travelled with a group of Canadian university alumni to Egypt. We travelled with two tour guides – one pro-Mubarak and one anti-Mubarak. From the first demonstration, Morad, the pro-Mubarak guide succinctly summed up the key dilemma: the demonstrators would never give up until Mubarak would leave office and moreover be tried for his crimes. At the same time, Mubarak would never give up and would insist on dying on Egyptian soil. Morad was perhaps more right than any commentator over the next two weeks. By the time we were evacuated 10 days later, Egypt was on Day 7 of mass demonstrations and in the middle of a full-blown revolution in which the outcome was highly uncertain.

Our first real hint, beyond the BBC and Al Jazeera coverage, that the crisis was escalating was during our bus ride from the Egyptian port of Hurghada on the Red Sea to Luxor.

Suddenly, as well as the security guard who was always placed at the front of the bus, we now also had a police escort. At this stage, our tour split into two groups. Half of our tour was heading back to Cairo on their way home. The rest of us were continuing down to Aswan for the Nile extension part of our program. Over the next few days, we would hear horror stories from those fellow travellers who got caught up in the chaos caused by the revolution and had problems getting flights, finding airport hotels, and suffered “some of the worst of human behaviour” at the airport.

Our first stop on the Nile was Edfu, where we encountered demonstrators and police with shields protecting the police station, as we made our way to the Edfu temple. As we went to reembarc, a fight had broken out among the calesh drivers – who like many in the tourist

industry want stability - with the oncoming anti-Mubarak demonstrators. Tourism employs 12 percent of the workforce and therefore many Egyptians’ livelihoods have been threatened.

That evening we arrived in Luxor, with the Valley of the Kings lit up in the distance, and were told that there would be no touring the next day. When we awoke we were locked-up along the



*Protestors begin to gather in Edfu marketplace*

shore with about 40 other boats. That day our boat was moved three times along the shore and we were told that this was for our safety. The last place we docked was across from a small prison-like yard where we stretched our legs under the hot sun and the watchful eyes of armed security guards.

The next 48 hours were chaotic. Communications were cut making logistics near impossible. The National party headquarters and other government buildings in Luxor were set on fire, as well as the museum. The banks went down and no one could access money, the internet was closed and cell phones worked only sporadically. BBC and Al Jazeera, which at any rate mostly neglected to report on events outside Cairo, were taken off air. Conflicting information and rumours came to us from staff who had limited

contact with family and friends. The police left the streets, which in Luxor and other cities meant there was no security. 1700 prisoners were said to have been let out of prisons. More horror stories emerged from members of our group who had not been able to leave the airport. There was a call for general strike. My parents, who were on a different tour, were stuck in lockdown on a boat in Aswan. We were all caught up in a drama of uncertainty and chaos in which no one knew the final act.

In the end, we had to leave our boat on the Nile. I was supposed to be spending the next week in Cairo conducting interviews at the Arab League. The problem was that at that point there were curfews, and planes were not arriving at or leaving from Luxor. The night before our departure, our incredibly cheerful and resilient leader hatched a plan for us to take a bus the next morning back to Hurghada on the Red Sea and arranged with the Greek captain of the boat we had previously sailed on to pick us up and sail us to either Israel or Jordan. Then, in the middle of the night, we received a call that plans had changed – it was too dangerous to drive to Hurghada without security – and therefore we were going to have to try our chances at getting to Cairo.

Early the next morning at breakfast, we had more news. The University of Queens affiliates in the group were going to be evacuated by private jet. An hour later, UBC agreed to do the same, emphasizing that UBC people were under no circumstance to go to Cairo. Then, in a dramatic finale for the 10 remaining of us - five minutes before we were to head to Cairo - we were told that U of T lawyers had given the green light for us to also be evacuated. That evening, we made our way through a dark and empty city to the airport which was specially opened for us. Bypassing security, we rushed onto three

private executive Qatar Airways jets and took off in the middle of the night for Qatar.

As a Russia and Central Asia expert, I see many comparisons between the Egyptian revolution and the so-called “coloured revolutions” in the former Soviet Union. Kyrgyzstan’s second coup in April 2010 is a good example of the opportunities and dangers that many countries undergoing revolutions face. In Kyrgyzstan, the coup resulted in ethnic violence and the displacement of hundreds of thousands of people. Kyrgyzstan now has a shaky transitional government led not

by the military but by the liberal former foreign minister Roza Otunbayeva. In a recent referendum, the Kyrgyz people overwhelmingly approved a new constitution which will replace the presidential system with Central Asia’s first parliamentary democracy. Today, with ethnic tensions still high, and politics highly uncertain, Kyrgyzstan is getting ready for its first parliamentary elections. In Egypt, a transitional regime led by the military is also preparing to re-write its constitution. Both countries have an uncertain future, but if all goes as



Tourists' boats are left stranded on the Nile as Riots break out across Egypt

planned, this Fall they will hold elections and begin transitions towards more just and prosperous societies. On the other hand, the true root of the word revolution is “to revolve” and we may well see limited changes that lead these countries right back to where they were.

Kyrgyzstan’s neighbours, similar to Egypt’s are a mixed bag. However, overall, the responses of Central Asian leaders and Russia to the ‘coloured revolutions’ have been to further entrench their regimes’ power, some of them using violence or

threats of violence to do so. Similar to Mubarak’s regime they have blamed “foreign influence” for interfering in their states. At least in the short term, recent events in Egypt and the rest of the Middle East and North Africa, will likely further increase Central Asian leaders’ preoccupation with internal stability, instead of spurring them on to pursue change. The rising price of oil is also of great benefit to these oil rich regimes. Putin has high approval ratings and may well run again for President in 2012. The Central Asian states are firmly entrenched dynasties with aging leaders that will soon face issues of succession. If they don’t all soon strengthen the rule of law and modernize their economies, they may suffer the fate of Mubarak or worse.

*Dr. Nicole J. Jackson is the author of “Russian Foreign Policy and the CIS” and is currently writing a book on Russian and Central Asian security issues. She is an Associate Professor at Simon Fraser University and a Director with the Atlantic Council of Canada.*

## Roundtable with Sven Spengemann: Iraq 2005-2010 - A Personal Retrospective

*By: Jonathan Preece, Research Analyst, SDF Intern*



Sven Spengemann,  
Senior Constitutional Officer with  
the United Nations Assistance  
Mission for Iraq

Omnipresent in world news today are stories concerning nationhood and democracy. A popular referendum was held in Southern Sudan in January, moving the region closer to sovereign independence. In Egypt, two weeks of public demonstrations and protests recently ousted long-serving President Hosni Mubarak and set in motion the process of democratization. These protests were sparked by similar demonstrations in Tunisia last month which led former president Zine al-Abidine Ben Ali to dissolve his government and flee the country. More recently, Yemen’s president Ali Abdullah Saleh

announced that he would step down in 2013 in response to escalating unrest. Similar protests and demonstrations continue to play out in Jordan, Bahrain, Iran and Libya. In Canada, the state of democracy in Afghanistan remains an important topic as Canada nears the end of its combat operations in that country. These stories have demonstrated the complexity of democratization and invoked debate on the relationship between democracy, stability, development and human rights. It was from this backdrop that the Atlantic Council of Canada hosted a Roundtable with Sven Spengemann, Senior Constitutional Officer with the United Nations Assistance Mission for Iraq (UNAMI).

Having worked with the Iraqi parliament in Baghdad since 2007 and previously served as UNAMI’s legal advisor (2005-2007), Mr. Spengemann – who spoke in his personal capacity – provided a firsthand account of Iraq’s transition to democracy while mixing in some interesting anecdotes on life in the Green Zone. For those living in established democratic states, there is a

tendency to under appreciate the conditions that are necessary for democracy to flourish and the time that this takes to occur. Far from an inevitable progression, the road to consolidated democratic governance is often long and difficult. With this in mind, Mr. Spengemann's analysis of recent developments in Iraq provided roundtable participants with a greater appreciation for the slow and often tumultuous process that is democratization.

According to Mr. Spengemann, the most recent developments in Iraqi history can be broken down into four stages; the final years of the Hussein regime, the American-led intervention in Iraq, the civil conflict that followed, and the reemergence of order and stability. Critical to this evolution, the process of democratization began to take root in Iraq in 2005. In January of that year, preliminary elections were held to form a transitional government tasked with drafting a new Iraqi constitution. The interim government fulfilled its mandate, as Iraq's new constitution was ratified through a national referendum on October 15, 2005. Two months later, Iraq held parliamentary elections under the new constitution leading to the formation of a coalition government with Nouri al-Maliki serving as Prime Minister. Increased voter turn out, isolated election-related violence, and the implementation of key electoral reforms that included mandatory representation for women in the Iraqi legislature, were signs of steady progress towards democratic consolidation.

However, despite these early steps, Iraq entered a period of heightened instability beginning in early 2006. Sparked by events such as the bombing of the Al-Askari shrine, a wave of sectarian violence and popular unrest swept across Iraq. In order to address the growing insurgency in Iraq, the United States initiated a highly publicized troop 'surge' and the Iraqi government launched Operation Charge of the Knights to drive the Mahdi Army out of its stronghold in Basra. According to Spengemann, the US troop surge, coupled with al-Maliki's willingness to cooperate on matters of counterinsurgency, were vital to Iraq's short-term stability and, ultimately, democratic evolution. Since the ceasefire agreement between the Iraqi government and leaders of the Mahdi Army was reached in March 2008, Iraq has witnessed a phase of relative stability. While attacks against Iraqi security forces and government targets persist, Iraq continues to work towards democratic consolidation, an agenda which includes the strengthening of institutions and taking steps to weed out corruption.

On March 7, 2010 Iraq held a second set of parliamentary elections leading to a slim victory for the Iraqi National Movement, led by former Interim Prime Minister Ayad Allawi. Following this closely fought election, there were numerous allegations of fraud. However, after a recount of suspected ballot boxes, the Independent High Electoral Commission declared that no evidence of fraud had been found. Tense negotiations went on for months before, in December 2010, an agreement was reached on the formation of a new government, with Nouri Al-Maliki serving a second term as Prime Minister.

Still, Iraq's transition to democracy remains in progress: despite the successes that have been reached since 2005, numerous challenges remain. The diverse and often competing interests represented in the Iraqi legislature and the dense web of agreements that underpin the current government speak to the complexity of Iraq's political landscape. Managing these complicated relationships will be of critical importance as the Iraqi government tackles legislative issues related to oil revenues, private sector development and institutional reform. As the United States continues to scale back its presence in Iraq, the country's success moving forward will depend to a large extent on the commitment of Iraq's politicians to the democratic process, a commitment that should be supported through international partnerships. Mr. Spengemann espoused a sense of cautious optimism: the road to democracy in Iraq winds on.



*Atlantic Council President Julie Lindhout thanks Mr. Spengemann for taking part in this Roundtable*

## Canadian Maritime Security: A Guide to the Issues

By: James Bridger

As a nation surrounded by three great oceans, Canada's maritime security has been of preeminent importance throughout the country's history. Once boasting the world's third largest navy, Canadian forces were instrumental in the Allied victory during the Battle of the Atlantic and have since played a significant global role in maritime operations from the Arctic Sea to the shores of Somalia. However, there has been recent concern that the nation has slipped into a state of "maritime blindness," characterized by a general lack of awareness concerning issues of national and global oceanic security. Several recent events should serve to shake off this slumber.

The rapid melting of polar ice has heated up international disputes over maritime boundaries and the territorial status of the North West Passage. The Deepwater Horizon oil spill in the Gulf of Mexico provides an alarming reminder of the ecological risks that will accompany increased resource extraction in

the pristine Arctic environment. On the Pacific Coast, the illegal arrival of 492 Tamil refugees aboard the MV Sun Sea demonstrates Canada's vulnerable position as a prime target for human smugglers. In the Indian Ocean, the inability of international efforts to suppress Somali piracy exposes contemporary weakness to an ancient crime. Recognizing these and other challenges, the Atlantic Council of Canada seeks to contribute to the Canadian and international dialogue through an invigorated focus on maritime security issues. As an introduction to this project, an overview is provided of some of the major challenges Canada faces in both territorial waters and far off seas.

### Arctic Sovereignty and Security

The contested future of the Arctic is one of the first geostrategic issues to arise from effects of climate change.

While the full potential of the Arctic is not entirely understood, it is speculated the region contains vast mineral and petroleum resources. One estimate contends that 25% of the world's undiscovered oil and gas deposits are located in the frozen North. Of central importance to the international debate are the benefits to global trade that would arise from an ice-free North West Passage. If predictions that the Canadian Arctic will be ice-free for most of its summer by 2015 prove accurate, shipping times from East Asia to Europe could be dramatically reduced. The dramatically changing Arctic environ-



ment has given a new sense of urgency to the resolution of territorial disputes. Canada's only land dispute concerns uninhabited Hans Island, whose ownership is contested by Denmark through Greenland. Maritime boundaries are disputed with the U.S. over the Beaufort Sea and with Denmark over the Lincoln Sea. There are also competing claims to seabed rights that extend from Canadian, American, Russian, and Danish continental shelves. Arguably the most pressing issue of Arctic sovereignty concerns the status of the North West Passage. The Canadian position is that the sea route is an internal waterway, giving the government the power to bar entrance to the passage, while other maritime powers argue that the waterway is an international strait for which rights of free passage should apply.

In dealing with these disputes, the Canadian Government has pursued diplomatic negotiations while also seeking to establish a more effective presence in the re-

gion. International cooperation has largely been positive. Ottawa was instrumental in establishing the Arctic Council in 1996 to act as a forum for Arctic nations to address issues of common interest: such as climate change, the protection of indigenous populations, oil and gas development, and scientific exploration. A collaborative effort to establish the extent of continental shelf claims will be submitted to a UN commission by 2013. While there has been much diplomatic progress, a glaring problem remains—the lack of an international forum to discuss Arctic security concerns. Peace and security issues

were left out of the Arctic Council's mandate at U.S. insistence, but it is possible that Canada could reintroduce this to the agenda when it takes over the Council's chairmanship in 2013.

On the domestic front, Canadian strategy—popularized by the slogan "use it or lose it"—has been to increase governmental and military presence, develop Arctic communities, and establish environmental guidelines.

From a security perspective this has entailed the creation of an army-training center in Resolute Bay, the expansion and modernization of the Canadian Rangers, and the procurement of larger icebreakers and other patrol ships and aircraft. Northern development has also been linked to sovereignty assertion. Michael Byers, a UBC professor and Arctic expert, contends the best way to ensure Canadian sovereignty over the North West Passage is to develop the infrastructure and services that foreign shippers will come to depend on.

### Environmental Protection

Of particular importance is the establishment of mechanisms to protect the sensitive Arctic environment. Ecological risks stemming from oil spills, ship collisions, and ice trappings will become more pressing issues as mining,



petroleum exploration, and transit expand. Preparations are being taken, an amendment to the UN Convention on the Law of the Sea has increased Canada's pollution prevention jurisdiction by over half a million square kilometers in the Arctic Sea. New regulations under the Canadian Shipping Act require all vessels entering Canadian Arctic waters to report in to the Coast Guard. While preliminary protective measures are in place, there remain areas where further improvement is needed. While Canada has set strict national standards for the shipping of oil, international guidelines, established by the International Maritime Organization, remain only voluntary. The Arctic is not the only region where increased extraction will require new precautionary measures. Atlantic Canada will face a similar challenge as Newfoundland's offshore oil reserves are further developed.

### Illicit Trafficking

Moving to the Atlantic and Pacific coasts, the primary concern for Canadian security is smuggling—be it of drugs, weapons, or human beings. While international trade is the lifeblood of the Canadian economy, the annual arrival of 460 million tons of cargo originating from over 160 states also makes the country a prime target for criminal traffickers. The complexity of this web often means that



programs designed to curb illicit activity in one sector may only serve to relocate it elsewhere. For example, a domestic crackdown on the sale of chemicals and pharmaceutical drugs used as precursors in the manufacturing of MDMA (Ecstasy) and Methamphetamines has meant that these precursors are now smuggled to Canada in bulk, primarily from China and India. This has allowed transnational syndicates to establish high-end drug produc-

tion facilities in Canada. In terms of firearms trafficked into the country, the majority arrive overland from the U.S. However, the RCMP notes that maritime ports have increasingly been used as a points of entry, largely for American weapons, but also in smaller quantities from Europe and East Asia.

### Human Smuggling

Popular attention was focused on Canada's role as a target for human smugglers when, in the span of twelve months, two ships—the MV Sun Sea and MV Ocean Lady—were able to reach the West Coast and illegally unload over 500 refugee claimants. While Canada prides itself on the acceptance of vulnerable refugees, human smuggling is a dangerous and exploitative enterprise. Mass, and often secretive, arrivals make it difficult for authorities to properly investigate and vet new immigrants. The RCMP estimates that human smuggling syndicates rake in \$10 billion in annual profits. The money required to reach Canada, roughly \$20,000-60,000, is extorted from immigrants and their families, often in a violent manner. Public Safety Minister Vic Toews notes that criminal smuggling networks are now broadening their operations with new bases and points of departure and arrival.

Combating human smuggling is a sensitive endeavor, as policies need to be developed that punish traffickers without turning away legitimate refugees. Less controversial than a reform of refugee laws is an enhanced Canadian capacity to monitor smuggling networks and disrupt their operations. This strategy calls for an increased Canadian presence overseas through improved bilateral and multilateral operations. This policy of “pushing borders out” has seen Canadian police and intelligence services form partnerships with their affiliates in Australia and South East Asia. There has been particularly close collaboration with officials in Thailand, as the country is a major transit point for smuggling activities

### Somali Piracy

Melting Arctic passages, oil spills, and criminal trafficking networks are modern challenges that have accompa-

nied industrial development and globalization. However, the twenty-first century has also seen the resurgence of the world's oldest maritime security dilemma. Asked five years ago about the threat posed by piracy, many Canadians would have laughed it off as a hazard banished to the dustbin of history. Yet in 2010, pirates emanating from one of the world's poorest countries captured over 1000 hostages and cost the global economy an estimated \$7-12 billion. Canada, as part of NATO's Operation Ocean Shield, is one of over thirty states that have contributed to international counter-piracy operations. While these efforts have reduced the number of attacks occurring in the Gulf of Aden, the Somali pirate gangs have extended their geographical range in all directions. Jack Lang, a counter-piracy advisor to the UN, warns that the pirates are becoming “the masters” of the Indian Ocean.

Suppressing the piracy epidemic has proven to be a daunting task for the international community. While naval patrols have saved many ships, they do not address the root cause of the problem and are ultimately unsustainable at the cost of \$2 billion a year. The majority of captured pirates are soon released as Western governments have little appetite for bringing them home to stand trial and the justice systems of local partners, such as Kenya, have already become overburdened with suspected pirates. The realization that “the



solution lies ashore” is a common refrain in policy circles, but numerous attempts to reconstitute a Somali state have born little fruit over the last two decades. In the mean time, mariners must brace themselves for an intensified round of attacks as the monsoon season—a natural bulwark against piracy—comes to an end in early spring.

## Looking Forward

Despite the country's three bordering oceans, Chief of Maritime Staff Dean McFadden notes that, from a demographic perspective, Canada has a "continental mindset." With the majority of the population living in a landlocked corridor, issues such as the legal status of Arctic waterways, the destination of rusted ships departing South East Asia, or the profits of Somali pirates are not readily understood as challenges to Canadian security or economic wellbeing. However, the forces of globalization have made these and other dilemmas a cause of concern for all Canadians.

On an optimistic note, in these crises lies opportunity. Disputes over maritime boundaries has meant that the international laws and regimes governing the ocean environment have developed more in the last thirty years than in the previous 300. Counter-piracy operations have brought countries with diverse and conflicting interests together in pursuit of a common objective. While the trials and tribulations of specific maritime security challenges will be developed in depth in future articles, common to them all is the need to develop collaborative enterprises—between both Canadian departments and international allies. There are several successful examples to follow. In the wake of 9/11, the Interdepartmental

Marine Security Working Group brought together representatives from Transport Canada, the Department of National Defense, Canada Border Service Agency, CSIS, the RCMP, and others to facilitate an all encompassing review of the country's maritime security. On the international front, in 2009 the U.K established Mercury, a secure internet-based communications system that allows ships engaged in counter-piracy patrols to request information or assistance from other national navies—regardless of the state of relations between the two countries. It is through these sorts of exercises that a more secure maritime environment can be established, in both Canadian waters and across the globe.

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## Roundtable with Ligang Chen: Sino-Canadian Relations in the 21st Century

*By: Sean Palter*



Ligang Chen, Consul General of the Peoples Republic of China

Ligang Chen, Consul General (Ambassadorial Rank) of the People's Republic of China in Toronto, spoke at a roundtable to members of The Atlantic Council of Canada on February 16 about Sino-Canadian relations in the 21st Century.

Chen is a lifelong diplomat, holding positions with the Ministry of Foreign Affairs of China since 1976. Along the way, he has served in a vast array of countries such as Lesotho, Oman, Ireland, the United States and Antigua and Barbuda. Chen opened his remarks with a few

comments about what the People's Republic of China was seeking in a few areas.

Politically, he explained, China is seeking peaceful processes, mutual non-intervention and mutual cooperation with nations of the world. Economically, they seek mutual benefit with trading partners and culturally they are seeking the exchange from many countries that can bring together countries from different backgrounds.

As far as regional security was concerned, Chen was adamant that China has the same interests as the western world. "We share the goal with Canada of making the Korean peninsula a peaceful and nuclear free zone." Chen described the important role that China has played in the background of the Korean peninsula conflict, explaining how they serve as a diplo-

matic go between and help with the six-party talks, which bring together the Democratic People's Republic of Korea (North Korea), the Republic of Korea (South Korea), the United States, the Russian Federation, Japan, and the People's Republic of China.

He also explained how China is assisting their regional neighbour, Afghanistan, through economic aid and infrastructure investment aimed at rebuilding the war-torn country. Mr. Chen was quick to point out China's close relationship with Canada, illustrating this point by explaining how Canada was one of the first Western nations to recognize the People's Republic of China. "It was Canada, under the leadership of Trudeau, that recognized China and signed the diplomatic agreement in 1970, which was 16 months before Nixon visited China."

Born in 1951, Chen can still remember being a child during the Great Chinese Famine, which occurred roughly from 1958-1961, and how difficult things were in his country. At perhaps one of their greatest times of need, it was Canada, as Chen points out, under then minister of agriculture Alvin Hamilton, who came to the aid of China, sending \$320 million worth of wheat to the starving country.

The Sino-Canadian relationship is also significant from a trade perspective. Recent large-scale transactions include China's purchased of 2 CANDU Nuclear reactors for billions of dollars. China currently stands as Canada's second largest trading partner, right behind the United States, and that is only expected to increase. "Trade between China and Canada will double in the next 5 years to around \$60 billion," said Chen. Citing China's expansive population which now numbers around 1.4 billion, Mr. Chen emphasized that the opportunities available in China for Canadian investors.

Chen explained that the sooner Canadian businesses invest in China the better it will be for them economically speaking. The first step in becoming involved in this market is understanding the Chinese economy and building trust with local investors and consumers. Those companies that invested in China a decade or more ago were the first to take a chance in this market. Now, years later and with the trust built up and relationships solidified, many have succeeded to a degree that others would not have ever predicted.

China is now the second largest economy in the world, recently surpassing Japan. It took 10 years in terms of GDP to pass 5 other nations. However Chen cautioned that “China is still a developing country with a GDP per capita that is still 1/10 of Canada’s,” said Chen, adding that they still have a long way to go, but that the confidence is there.

As for the future of the Sino-Canadian relationship, Chen hopes that with a little luck our two countries will be able to grow and prosper together: “I keep my fingers crossed.”



## NATO - Azerbaijan Relations: A Report from the 2011 NISA Conference

By: Greg McBride

For a week in early February, I had the privilege of attending a conference held by the NATO International School of Azerbaijan and the Azerbaijan Ministry of Foreign Affairs. The purpose of this conference was to bring together young professionals, diplomats and scholars from all over the world to discuss and debate NATO’s New Strategic Concept. The conference brought a variety of attendees to the table, with opinions from all over the world: from Spain to Kyrgyzstan, from Colombia to Finland. Speakers arrived from all over Europe, including NATO Headquarters in Brussels, the NATO Defence College in Rome, the Metropolitan University in Prague and the Ministry of Defence of the Republic of Azerbaijan. This wide variety of presenters brought varying perspectives and views, creating an environment that was engaging and thought-provoking.



Participants of the 2011 NISA Conference pose for a post-meeting picture

### Azerbaijan: Geography Reflected in Culture

When I first found out that I was attending this conference, I was excited to have an occasion to visit this part of the world; it was a truly rare experience not shared by most Canadians. One of the highlights of the trip was having an opportunity to be immersed in, and exposed to many different cultures. Everyone I met came from a different background, bring-

ing with them their own set of values, traditions and ideas. The Azerbaijani culture is unique, seamlessly blending many elements of Islamic, Russian and Western traditions. I found the people I met to be friendly, open minded, worldly and eager to learn and share their knowledge. The locals speak Azeri, a language closely related to Turkish; most people, however, also speak Russian and many speak English.

Seated at the geographical crossroads of the Middle East and Europe, Azerbaijan has a culture and history that reflects its geography. After Azerbaijan established the first democratic republic in the region in 1918, the region was subsumed by the Soviet Union in 1921 under a series of treaties. It remained part of the Soviet Union until its collapse in 1991. Sadly, this also meant the outbreak of war for Azerbaijan, as Armenia laid claim to the ethnic Armenian dominated, Nagorno-Karabakh region. While the situation is still tense, Azerbaijan now enjoys a relative peace.

Although Azerbaijan is technically democratic, President Heydar Aliyev

and his son, President Ilham Aliyev, have in the past used intimidation, violence and prisons to maintain their control over the country's political system, especially around the time of elections. The city is dotted with billboards showing a smiling Heydar Aliyev in front of the Azerbaijani flag and his inspirational quotations line the walls of many public spaces. Most Azerbaijanis I met were reluctant to talk about the internal political situation, at least not in anything other than positive terms.

The most important part of the Azerbaijani economy is oil. The area around Baku, especially, just off shore in the Caspian Sea, is extremely rich in oil and natural gas. At least three massive offshore drilling rigs were visible from the beach of the hotel and countless smaller wells dotted the shoreline on the drive into the city. However, foreign compa-



nies, who lease the land from the government, primarily operate these wells. The vast majority of oil wealth in the country ends up in the hands of a small elite who have close ties to the government, evidenced by the great disparity between the rich and poor. The people of Azerbaijan have a very limited role in profiting from the natural resources. Azerbaijan also serves as a conduit for oil and gas coming out of the Middle East and into Turkey and Russia, through to Europe. As a result, stability in Azerbaijan is important for maintaining the energy security of Europe.

### Azerbaijan, NATO and the Rest of the Region

One of the topics that came up repeatedly during the conference was the relationship between NATO and Azerbaijan. While Azerbaijan has no intention of joining NATO, it has been working hard



to maintain positive ties with the Alliance. Starting with becoming a member of the Partnership for Peace in 1994, Azerbaijan has maintained an open dialogue with NATO and its member states. They have even sent soldiers to Afghanistan under ISAF command, and to Iraq under the Americans.

At the same time however, the Azerbaijani government does not wish to make the sacrifices necessary to join NATO, most notably instituting democratic reforms that are a prerequisite for membership. Furthermore, there seemed to be a consensus among the Azeri participants at the conference that the 2008 invasion of South Ossetia by Russia was intended primarily to stop Georgia from continuing with its intention to become a member of NATO. Azerbaijan does not want to alienate Russia, which it sees as its most important partner in the region. Provided this strategy of engagement with all parties is effective, which so far it has been, Azerbaijan is poised to be able to take advantage of opportunities that present themselves in either region without alienating the other. This indicates that Azerbaijan's government acknowledges the tensions between Russia and NATO, but does not acknowledge the false dichotomy that one must still pick sides



between NATO and Russia.

The tenuous relationship between NATO and Iran is another point of contention for Azerbaijan. Azerbaijan, which shares a border with Iran to the south, is wary of all the sabre-rattling that has dominated the dialogue between the member states and Iran in recent years. While, the relationship between the two countries has recently been strained, including small scale violent clashes over oil in the Caspian, there is still a good deal of cross border trade. Moreover there are some 30 million ethnic Azerbaijanis living in Iran, compared to 9 million living within Azerbaijan, meaning that most Azeri people have extended families on both sides of the border. At the same time, Azerbaijan has reportedly provided intelligence to NATO members about Iran's nuclear program. While most of the participants of the conference agreed that steps should be



taken to prevent the Iranian government from becoming a nuclear power, most were opposed to the idea of sanctions and warfare. Given the relative neutrality of Azerbaijan, continued engagement and dialogue is vital for maintaining its role as a strategic partner in the region, a role that the government of Azerbaijan seems willing to play.

My trip to Azerbaijan was an amazing opportunity to see a part of the world that few Canadians ever have the opportunity to experience. The experience opened my eyes to a region that I knew very little about prior to this conference. I thank the conference organizers for allowing me to participate and I hope to have the chance to return to that unique and welcoming place.

## The Atlantic Council of Canada's Inaugural Ottawa Roundtable: A Discussion on NATO's New Strategic Concept

*By: William Simmons*

On February 11<sup>th</sup> 2011 the Atlantic Council of Canada held its inaugural roundtable discussion in Ottawa to discuss NATO's new Strategic Concept that was announced at the NATO Summit in Lisbon, Portugal this past November. Dr. Norman Hillmer hosted a panel discussion that included Dr. Philippe Lagassé of the Graduate School of Public and International Affairs at the University of Ottawa, and Mr. Paul Chapin who is currently a Director of the Conference of Defense Associates Institute. The table was tasked with analyzing and critiquing the new Strategic Concept to see how it applies to Canada, and how it may influence Canada's position within the Alliance.

Mr. Chapin began the discussion by providing a historical overview of the origins of NATO. It was created amidst the anxiety of the constant threat of the Soviet Union. This was a shared fear amongst NATO members. In Canada, as revealed by the Gouzenko Affair, the Soviet Union successfully infiltrated the Canadian government which lasted between 1945 and 1946. After the Cold War and the fall of the Soviet Union, NATO began to downsize significantly as the Alliance changed its focus from defending Western Europe from the East towards multinational peacekeeping initiatives, similar to those launched in Kosovo in 1999. In Afghanistan, the Alliance has held together for ten years, and has even brought in nineteen other non-NATO nations in diplomatic and humanitarian capacities. Mr. Chapin pointed to the shared values and interests of NATO member countries that have allowed the Alliance to endure over time. The Alliance members have depended on the mutually shared agreement to protect one another while respecting the democratic rights of each member and the importance of the Alliance's consensus-based decision making process.

The Strategic Concept was created to reaffirm the commitment of NATO's member countries to actively engage in modern defense of its allies and to secure all of its members through political and military means. As well, NATO has com-

mitted to help cooperate with other regional organizations like the African Union, endorse major changes to the structure of its chain of command, promoting missile defense, and ensure a new 'beginning' with Russia.

However, the heavy European focus of the Strategic Concept has put Canada in the rearview mirror. Both speakers agreed that if the European Union's bureaucracy gets control of the Alliance, it could minimize the participation of North America. The Strategic Concept appears to reaffirm that NATO is a European Alliance first and will remain so. Canada may in fact build closer relations with the US, Australia, and New Zealand because of it.

The Strategic Concept is the political doctrine of NATO and the question was raised about how much influence it may have on Canadian foreign policy. Crisis management, as outlined in the Strategic Concept could lead to peace enforcement which could ultimately lead to war. The problem of burden sharing still persists. Economic conditions affect allies differently, and there is still no way to ensure that the allies continue to contribute and not 'free load'. Canada is concerned whether it will be accused of being laggard for not spending enough of its GDP on its military and be seen as a "free rider" despite its disproportionate combat efforts.

The emphasis on conflict management and prevention resonates well with the Canadian public, as does the comprehensive approach, although it is a challenging approach to put into practice. There was a lively discussion on the issue of nuclear weapons and ballistic missile defence, and the need for NATO to have both nuclear and conventional capabilities.

In spite of the Euro-centric focus, NATO is the principal multilateral forum that Canada is involved with. Canada will not deploy independently overseas, but always with allies. For the time being, NATO appears to be the best vehicle for Canada's involvement in allied efforts.

### A SPECIAL ANNOUNCEMENT...

The Atlantic Charter Foundation would like to invite you to attend celebrations commemorating the historic meeting between President Roosevelt and Prime Minister Winston Churchill which created the Atlantic Charter. The event will be held from August 13<sup>th</sup>-14<sup>th</sup> in St. John's and Ship Harbour Newfoundland. For more information please click [here](#).

